



CONNECTICUT REALTORS®

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Statement on

H.B. 6677 (Raised): AN ACT CONCERNING BROKER PRICE OPINIONS

SUPPORT

Submitted to the Insurance and Real Estate Committee
February 19, 2015

By Donna Karnes
Connecticut REALTORS®

Good afternoon Senator Crisco, Representative Megna, ranking members Sampson and Kelly and members of the committee. My name is Donna Karnes and I am a REALTOR® in Norwalk and a past chair of the Legislative Committee of Connecticut REALTORS®. I appreciate the opportunity to speak in support of **HB 6677, An Act Concerning Broker Price Opinions**. The proposal we are presenting would expand when a real estate licensee can perform a Broker Price Opinion to additional, but still limited, circumstances.

Those additional services would include when requested by a lender provided qualifications for a mortgage is not involved; or when requested by an attorney. Examples of times when those services may be requested include for non-lending purposes such as a lender's review of a portfolio that includes real estate, inter-family property sales, certain distressed loan situations, divorces, estate settlements, lawsuits, and prenuptial agreements.

I have practiced real estate for 33 years and have significant experience performing Broker Price Opinions.

- **A Broker Price Opinion is not an appraisal.** We ask the committee's understanding that providing a price on a property is an activity performed daily as real estate licensees. We often do those for our seller or buyer clients; but are also asked to do these by attorneys and banks. There are many states, such as New York and nine others, which even permit real estate

licensees to conduct appraisals in non-federally related transactions. Realtors are not seeking in any way to perform an appraisal.

- **REALTORS® are routinely asked to perform a professional service at no charge.** CTR requests the committee's understanding there are lenders and attorneys who would pay us, and routinely pay real estate licensees in other states for the exact same services, but we are unable to accept this fee. We are asking your consideration for single mothers in Connecticut like me who are very hard working and professional, and should be able to be paid for our professional services. This is personal for me. You have the power to allow the economy to include paying thousands of real estate licensees in Connecticut for a service they perform.
- **CTR is not asking for something unique for real estate licensees.** Thirty-five states provide either unlimited or broad ability for real estate licensees to provide Broker Price Opinions for a fee; and an additional 10 states have permissions beyond Connecticut which includes services for a fee to include lien holders. The Department of Treasury permits Broker Price Opinions as viable option with the Home Affordable Modification Program, also known as HAMP, which involves millions of homeowners. CTR does not want nor need an appraisal license to conduct the professional service of a Broker Price Opinion.

Connecticut REALTORS® represents over 15,000 members involved in all aspects of real estate in Connecticut. We respectfully request your consideration of passage of HB 6677 to expand permission for Broker Price Opinions for a fee in Connecticut.

Thank you for allowing me to speak before you today.