

WHEREAS, these residents are concerned, not with prejudice or keeping people out of their block, but with preserving their investment in their homes, properly educating their children, maintaining tranquility in their neighborhoods, and avoiding the intolerable burden of being forced from the homes and neighborhoods they love; and

WHEREAS, a very significant element in such neighborhoods threatened by instability is the inability of both buyers and sellers to distinguish between pure brokers, pure investors, and the combination broker-investor, all three being highly reputable and important businesses; and

WHEREAS, some broker-investors often list properties as brokers without any intention of seriously trying to ~~sell~~ SELL them, anticipating a purchase for their own account at the expiration of the listing; and

WHEREAS, this results in a serious conflict of interest on the part of the broker; now, therefore, be it

*Resolved by the General Assembly of Maryland,* That the Real Estate Boards in the State of Maryland and the Real Estate Commission of the State of Maryland, be and they are hereby requested ~~and directed to completely~~ TO study this problem jointly with members of the public at large and the General Assembly and recommend legislation, if appropriate, by January 1, 1972 to clarify this situation.

Approved May 6, 1971.

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No. 13

(Senate Joint Resolution 36)

Senate Joint Resolution requesting a study of the appraisal policies of the Veterans' Administration and Federal Housing Administration loan provisions in their relation to the problem of property appraisal in certain urban areas, and requesting recommendations for legislation to deal with this problem.

WHEREAS, One of the major problems facing the residents of urban areas is neighborhood stabilization; and

WHEREAS, Property values in such neighborhoods are frequently forced downward as a result of representations by investors that racial or ethnic changes and other changes will occur in these neighborhoods; and

WHEREAS, These artificially low home prices are then used as the appraised value for homes in such neighborhoods under the terms of the Veterans' Administration and Federal Housing Administration appraisal provisions; and

WHEREAS, Residents of these neighborhoods, in attempting to sell their homes, are subject to the artificial appraised value and are not able to sell at a fair value; and