

Issues for Missouri Association of REALTORS® 2009 Capitol Conference

The Missouri Association of REALTORS® supports licensing of home inspectors

Representative Mike Parson is preparing to file a bill which requires that those engaged in the home inspection business procure a license from the state of Missouri. The Missouri Association of REALTORS® position is very clear. We feel that some reasonable system of licensing home inspectors should be maintained. We feel that reasonable competency should be expected of inspectors and that a method should be adopted to allow the public to raise complaints with a state licensing agency if they feel that the inspection was not conducted to a proper standard.

In 2008 we included the question below in a poll of 600 Missourians. The poll was conducted on February 18, 19 and 20. The margin of error is estimated at +/- 3.5%

“Most participants in the sale of a home are licensed or regulated by either the state or federal government. One exception, however, are home inspectors. Buyers typically hire home inspectors to make sure that a property is free of defects. Should home inspectors be licensed or regulated by the government?”

Yes to Regulation	67%
No to Regulation	22%
Don't Know	10%

Two thirds of respondents believe home inspectors should be regulated by either the state or federal government. Although not necessarily a surprising result, the data proves that most people feel that home inspections are a critical part of real estate sales, and thus, home inspectors deserve state and/or federal oversight. The result also leads one to believe that individuals would feel more confident that their new home would be free of defects if home inspectors submitted to standardized regulation.

The Missouri Association of REALTORS® opposes sales price disclosure in real estate transactions.

HB 209 By Kirkton

Requires a mortgage value disclosure statement to be recorded at the time of the sale of real property.

While this bill refers to a mortgage value disclosure it really requires the disclosure of “the full actual consideration therefore, paid or to be paid, including the amount of any lien or liens thereon;” Similar bills have been introduced in past years generally described as Certificate of Value or Sales Price Disclosure. The bill attempts to make the material in the disclosure a closed record but allows political subdivisions that currently have a

system of disclosure statements to continue to use their own system. The bill is substantially similar to bills filed during the last 30 years.

The Missouri Association of REALTORS® opposes increases in the recording fee that are not related to the maintenance of the recording system.

HB 279, SB 80—The Association opposes both bills.

Both bills increase the fee collected when title to a property is recorded by seven dollars, there is currently a charge of three dollars levied to the total increase which would bring the fee to ten dollars. In SB 80 the fee is collected under 67.1063 RSMo. The money stays in the county to provide a program of assistance to homeless persons. In HB 279, nine dollars is sent to the state director of revenue to be deposited into the Missouri housing trust fund. In both cases the monies collected go to purposes other than maintenance of the recording system.

If both bills were to pass the increase per document recorded would be fourteen dollars, since any property transaction involves the recording of several documents, generally at least 3, the increase would be \$42.00.

In both the first and second quarter of 2008 the Missouri Association of REALTORS® included a question regarding recording fees in a statewide poll. The poll sample was 600 Missourians and it had a margin of error of +/- 3.5%, below are the results of that poll.

“There are currently proposals to increase government recording fees in the transaction of real estate sales. The fees are targeted to both buyers and sellers and would go to fund social programs and to make grants to non-governmental agencies. Do you support or oppose these fee increases?”

	<u>Q1 2008</u>	<u>Q2 2008</u>
Support	18%	15%
Oppose	67%	68%
Don't Know	15%	16%

The 2nd quarter data is nearly identical to the 1st quarter as 68% of those surveyed oppose an increase in government recording fees whereas 15% say they're supportive. The second consecutive quarter of over two thirds opposition leaves little doubt that Missourians are loathe to support higher fees in real estate sales especially in a slowing economy and in a climate in which the cost of living has increased dramatically due in part to soaring gas prices

Dear _____:

Thank you for taking your time today to listen to our concerns about some of the issues facing this session of the General Assembly.

For your convenience we've listed the issues we discussed as well as the position of the Missouri Association of REALTORS®. We've also listed e-mail addresses for some of those who visited you in case you need more information.

We support licensing of Home Inspectors.

We oppose legislation requiring sales price disclosure in a real estate transaction.

We oppose increasing recording fees for issues unrelated to the maintenance of the recording system.

Thank you for your time.

If you have questions please feel free to contact Sam Licklider (573-893-6363) the Association lobbyist or any of the REALTORS® listed below.

Sincerely:

_____ e-mail _____

_____ e-mail _____

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