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March 3, 2020

Dear Senator \_\_\_\_\_\_\_\_\_\_ or Representative \_\_\_\_\_\_\_\_\_\_\_\_\_,

I am proud to be a mortgage professional and have been in the industry for \_\_\_ years. I am a/the (title) working at Company. I live in (city) which is in your district. I am calling/writing/emailing you today about two very important legislative issues that impact our consumers and your constituents.

**H.4263 -An Act to Promote Housing Choices**

**Status - Currently in Ways and Means**

H.4263 would enable a municipality to pass by a simple majority vote certain zoning changes that would help to advance housing production and smart growth, as opposed to the currently required super majority vote. The bill would also allow a simple majority vote to approve certain special permits for affordable housing developments around public transit or in mixed-use developments.

We desperately need new housing production. (give them an example such as….) I work with first time home buyers searching to purchase their first home and finding available and affordable properties is a huge problem. Some of my customers have been searching for over two years and are discouraged.

I am asking you to support Governor Baker’s Housing Choice initiative to create new housing in our district.

**Transfer Tax Fee Legislation:**

## H.1769 – An Act Supporting Affordable Housing with A Local Option for A Fee to Be Applied to Certain Real Estate Transactions

## Status: Rep. Connolly -In Second Reading Awaiting Further Action

H.1769 proposes a real estate transfer fee of up to 2% of the sales price which would drastically increase closing costs for consumers in an already costly market.  Here are just a few of my concerns:

* **Affordability**: Massachusetts is one of the most expensive states to purchase a home. Adding an additional .5% - 2% cost on top of down payments and closing costs will make the dream of homeownership nonexistent for the average homeowner. (Provideyour legislator with an example of the median sales price in your town and what an additional 2% costs to homebuyers).
* **Lack of consistency for each municipality**: Allowing municipalities to be able to set standards and exemptions for a transfer tax is a recipe for disaster. As an example, H.1769 allows each municipality to impose a range of fees between .5% -2% of the sales price as well as determine any exemptions.

As a lender we have the obligation to provide a loan estimate of closing costs to a consumer within a very short timeframe. Per federal regulations, the disclosure of a transfer tax needs to be 100% accurate with no tolerance for error. Imagine trying to provide accurate information to a consumer when each city and town has different exclusions and rates. This inconsistency between cities and towns would create a hardship for the mortgage industry and confusion for consumers.

* **Disparate Impact:** These bills could allow a community the ability to deny low-income or middle-income borrowers a transfer tax exemption.
* **Language Clarity**: I am concerned with the clarity of information available to the consumer and other parties to determine the actual amount of transfer fees in a specific municipality. As an example, the language in H.1769 includes exclusion for a purchase price below the mean purchase price based upon the previous twelve-month period. Exactly how is a consumer going to obtain this information? Exactly what resource will consumers use to access this information? When does the 12-month time period begin - from the signing of the contract or when consumers first start searching for a home? What about neighborhoods such as Chestnut Hill that has Newton, Brookline and West Roxbury areas within its border - how exactly would a situation like this impact mean purchase prices in each community?

I am a strong advocate for the creation of affordable housing in the Commonwealth, however I strongly oppose creating transfer taxes that will hurt affordable housing more than help. I am asking you to oppose increasing transfer fees to fund affordable housing initiatives and strongly suggest that this topic should be part of a comprehensive study.

Thank you for your time and consideration of these important issues. As a mortgage professional and a constituent, I would welcome being a local resource for bills relating to my industry.

Sincerely