

Roberta DiMezza

From: Laurie Hanna <lahocean@yahoo.com>
Sent: Monday, February 3, 2025 12:49 PM
To: House Judiciary Committee
Cc: Rep. Ajello, Edith H.; Sen. Zurier, Samuel
Subject: House Bill 5185 in support of the bill

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Dear Chairman Craven and members of the House Judiciary Committee,

I am writing to you in support of House Bill 5185. This important bill will enact legislation that will prohibit predatory real estate brokers from duping home owners into their scheme. These companies entice home owners into giving them exclusive listing rights in exchange for between \$500 to a couple of thousand dollars. Then they record a memorandum of agreement as a lien on the property title. These agreements make it difficult for home owners to refinance, transfer property or access home equity. This is truly despicable to put these homeowners in such a situation; especially if they are experiencing financial difficulties. Unfair Service Agreements often require homeowners to pay for services they may not need or want, leading to unnecessary financial strain. These agreements can also result in hefty penalties if homeowners fail to comply, further exacerbating their financial difficulties.

Many homeowners are unaware of the implications of Unfair Service Agreements when they sign these agreements. The lack of clear and transparent information can lead to homeowners being trapped in unfair and binding contracts without fully understanding their consequences.

Thirty states have already enacted legislation to ban these agreements, recognizing the need to safeguard homeowners from unfair real estate fee agreements. These predatory companies will target states that have not banned their practices. Don't allow them to abuse Rhode Island residents. Protect all home owners from such nefarious contracts.

I hope Rhode Islanders can count on your support.

Regards;

Laurie Hanna