



**Senate Judiciary Committee
Senate Bill 25
Opponent Testimony
May 9, 2023**

Chair Manning, Vice Chair Reynolds, Ranking Member Hicks-Hudson and members of the Senate Judiciary Committee, thank you for considering these written comments in opposition to SB 25 on behalf of Ohio REALTORS®. Formed in 1910, Ohio REALTORS® is the state's largest professional trade organization with approximately 37,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers.

Ohio REALTORS® appreciates the sponsor's intent to expedite the foreclosure process and reduce costs associated with selling/purchasing a foreclosed property. However, we have concerns with provisions in the bill that would eliminate the use of three appraisals.

Currently, the value of land sold at mortgage-foreclosure or execution sale is determined by three freeholders, often appraisers, appointed by the sheriff. This value is used to determine the minimum price for property sold at foreclosure and execution sales. The appointed appraisers must deliver the appraisal within 21 calendar days of the order of the appraisal. Failure to meet that deadline results in the appraiser forfeiting their right to payment. The bill eliminates the appraisal requirements and instead uses the most recent appraised value as reflected in the county auditor's records. Ohio REALTORS® believes appraisals are necessary in order to establish the true market value of a property. Relying on a county auditor's sexennial reappraisal process, which occurs once every six years, does not establish an accurate value of a property. Even relying on a county auditor's triennial update will not reflect the true value of the property, as these values are not necessarily based on each individual property.

This is especially true given the fluctuating housing market we have been experiencing over the past three years. Ohio REALTORS® recently commissioned a study with the University of Cincinnati, which found that home prices in Ohio increased nearly 13 percent between 2020 and 2021.¹ County auditor appraisals would not necessarily account for such a significant increase in a short amount of time. For this reason, we believe appraisals are a critical component of this process.

Thank you for the opportunity to express our concerns with SB 25. We look forward to continuing to work with the bill's sponsors and other stakeholders on this legislation.

Sincerely,

Scott R. Williams
Chief Executive Officer
Ohio REALTORS®

¹ [Ohio REALTORS Final Report \(State of Ohio\) \(flippingbook.com\)](https://flippingbook.com)

