

GOP bill would add disclosure requirement for residential property purchases

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A circulating GOP bill aims to require buyers of certain residential properties to disclose if they plan to live there.

The goal is to improve housing affordability, advocates say.

Rep. Shae Sortwell sent a co-sponsorship memo to other lawmakers highlighting the legislation. He noted the current seller's market has prospective buyers making bids on houses that are often accepted within days or even hours.

"Families competing with one another for single-family houses is the standard for a free and fair market system," the Two Rivers Republican wrote. "However, when these families have to compete with big corporations making all-cash offers just to rent the houses out at astronomical amounts, the market becomes less affordable and creates a tougher situation trying to secure a place to live."

According to an analysis by the Legislative Reference Bureau, prospective buyers of residential real property with one to four dwelling units in Wisconsin would be required under the bill to disclose in the contract of sale or option contract if they intend it to be owner-occupied.

Sortwell argues the legislation aims to combat the issue of affordability in the state's housing market without "compromising" the free market.

"This requirement does not violate fair housing law and would give sellers more transparency on who is seeking to buy their homes," he wrote in the memo.

The bill comes during a competitive year for homebuyers in the state, according to the latest figures from the Wisconsin Realtors Association. The group's report covering September found the state's median home price rose 9.3% over the year, reaching \$295,000.

The WRA has taken a neutral stance on the legislation, according to Sortwell's memo.

The co-sponsorship deadline is 5 p.m. Dec. 5.

See the bill:

https://www.wisbusiness.com/wp-content/uploads/2023/11/23-0974_1.pdf

See coverage of the WRA figures:

<https://www.wisbusiness.com/2023/wra-report-shows-improvement-in-home-listings-decline/>

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