

## A Message from the President of the Youngstown Columbiana Association of REALTORS®

### LOVE LETTERS COULD BREAK YOUR HEART AND THE DEAL

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Buyers are always looking for a way to connect with a seller, especially in today's market where bidding wars are happening with almost every home as soon as it goes on the market. From Facebook connections to 6-degrees of separation, buyers go to great lengths to find a reason for the seller to choose their bid. One growing fad to entice sellers to choose their bid on the home is by writing "love letters." Look, these things never worked for me in high school, and I don't recommend them to home buyers today. While these letters from the heart may seem harmless, trust me, they can open you up to potential problems that you could not have seen coming.

I know what you're thinking, "Patrick, how could a letter be so bad?"

Technically, the letter is not the issue. The problem lies in the information that is put into the swooning stanzas of these letters that do more than just raise the attention of the seller. Unfortunately, they actually raise fair housing concerns because often times they contain personal information and reveal characteristics of the buyer, such as race, religion, marital status and more that could be used, either consciously or unknowingly by the seller, to accept or reject a certain bid from a buyer unlawfully. Crazy, right?

Don't believe me. Let's take a look at the following scenario...

(Cue Wayne's World Dissolve Sequence)

Let's say a potential buyer in the Mahoning Valley includes a letter with their bid that talks about envisioning stockings hung by the fireplace with care as the children race down the stairs to open presents on Christmas morning for many years to come. While on the surface this statement may get you into the holiday spirit, it reveals to the seller both the marital status of the potential buyer as well as their religious beliefs. Both characteristics are protected pieces of personal information under the fair housing laws. By including this in the letter and, even if it is innocently referenced and used to accept or decline an offer, rather than simply decide using the terms or price of the offer, it is a clear violation of the Fair Housing Act.

(Back to Reality)

I can already hear you asking your next question, "But Patrick, how bad can the punishment be?" It's like the old saying goes when you are looking at expensive items to buy: "If you have to ask how much it is, you can't afford it."

According to the U.S. Department of Housing and Urban Development, “The maximum civil penalties are: \$16,000, for a first violation of the Act; \$37,500 if a previous violation has occurred within the preceding five-year period; and \$65,000 if two or more previous violations have occurred within the preceding seven-year period.” And just like that, your down payment is down the drain.

We live in an area where we are always trying to find an edge, whether it be by knowing the person from high school, through a friend of a friend or that we “got a guy” who can help us out to win during a bidding war. While that might be true, love letters are not the key to the heart of the deal. The best way to win the seller over is by putting your best deal forward and allowing your Realtor® do the negotiating and convincing for you. This will give you the best opportunity to ensure your heart (and your wallet) doesn’t get broke.

*Patrick Burgan is the 2021 President of the Youngstown Columbiana Association of REALTORS®*