



**Testimony of  
Amy Nelson, Executive Director  
Fair Housing Center of Central Indiana  
on HB 1495  
Senate Judiciary Committee – March 27, 2019**

Mr. Chairman, and members of the Committee, my name is Amy Nelson and I am the Executive Director of the Fair Housing Center of Central Indiana (Center). The Center is a nonprofit organization with a mission to ensure equal housing opportunities by eliminating housing discrimination through advocacy, enforcement, education and outreach.

The Center supports passage of HB 1495. This bill provides basic consumer protections to address the problems that have arisen in our state and throughout the Midwest as we have seen an explosion of land contracts coming out of the foreclosure crisis. This bill comes from the House as a compromise. The banking, real estate, title, the Attorney General's Office, and advocates have all worked together to bring this legislation to you. It strikes the balance of providing basic disclosures without introducing excessive regulation. For example, I will be up front that my organization may not like all the language or the proposed amendments, but we want to continue to keep this legislation moving forward and commit to you to continue to work together to find language agreeable to all because HB 1495 is truly needed.

HB 1495 would address the bad actors who have come to our state, often from out of state, to take advantage of those trying to achieve the American dream of homeownership. The bad actors aren't interested in seeing a successful land contract. They make more money by churning people through their properties and gaining wealth through a consumer's loss of deposits, monthly payments, and the added equity they gain through the consumer's repairs and upgrades to the property. The loss to our Hoosier families can be devastating, both financially and emotionally.

Having the option of a land contract is needed – it's a way to provide needed affordable housing options in our state. However, in our work, we have found that some contracts are often purposely confusing. Often, there is not consistent language throughout the contract. The language can, at times, be contradictory and be referring to renting as well as homeownership leading to additional confusion as to the nature of the transaction and what kind of transaction it is and what laws may cover it. The contracts use very small print and may have hidden fees. Disclosures regarding how deposits will be handled or principal pay down, may or may not be included. This bill would address these gaps by providing consistent and needed disclosures. It would require recording of the contract, disclose present liens, define the interest rates, and who is responsible for taxes and insurance. We urge your passage of HB 1495 and thank you for your time today.