



February 21, 2024

Senator Lindsey Port, Chair
Housing and Homelessness Prevention Committee
95 University Ave. W.
Minnesota Senate Bldg., Room 3213
St. Paul, MN 55155

Senator Eric Lucero, Ranking Minority Leader
Housing and Homelessness Prevention Committee
95 University Ave. W.
Minnesota Senate Bldg., Room 2413
St. Paul, MN 55155

Dear Chairwoman Port and Committee Members:

The Minnesota Council on Latino Affairs (MCLA) is in full support of the Contract for Deed Reform Bill (SF3489-Mohamed), a bill that will bring transparency, protections, and fairness in transactions involving investor-sellers and buyers of homes on a contract for deed.

Media stories in Minnesota and nationally, and complaints to the Attorney General, the Department of Commerce, and legal and housing advocacy organizations, have revealed the predatory nature of some of these transactions and the risks posed to buyers, particularly those in the Somali and Latine communities.

While preserving the status quo for contracts for deed between individuals, this initiative will increase protections for buyers entering into these contracts, provide key new rights of buyers and requirements of investor-sellers, require critical and prominent disclosures (including the language in which the transaction was advertised or negotiated), will protect buyers regarding the recording of the contract, and assure strong remedies for violation.

The Council believes that with the proper information and communication, this bill will reduce -if not eliminate- any threats for our communities that strive for homeownership and generational wealth, creating more prosperity in the state. We respectfully advise to support this bill as well.

Sincerely,



Rosa Tock
Executive Director