

Oregon Bans Home Buyers' 'Love Letters' to Sellers

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As a potential harbinger of the future, Oregon has become the first state in the nation to ban real estate “love letters.” The new law goes into effect January 1, 2022.

The State of Oregon passed a law ([HB 2550](#)), and it signed by Governor Kate Brown, that, among other things, states the following:

In order to help a seller avoid selecting a buyer based on the buyer’s race, color, religion, sex, sexual orientation, national origin, marital status or familial status as prohibited by the Fair Housing Act (42 U.S.C. 3601 *et seq.*), a seller’s agent shall reject any communication other than customary documents in a real estate transaction, including photographs, provided by a buyer.

What exactly is the Oregon legislature seeking to prevent a seller’s agent from communicating? The new law prohibits buyer’s agents from providing the seller’s agent with what is known as “love letters,” letters written by the buyer with the intent of wooing sellers to accept their offers. The use of such letters has become a common tactic to pull at sellers’ heartstrings, especially in a sellers’ market, where many buyers are bidding for a property (often significantly over the asking price).

The practice usually involves the buyers writing about how much they love the home, and how they imagine their family living there. However, these letters may include descriptive details and family photos, which could reveal protected characteristics, such as a person’s race, national origin, skin color, sex, religion, sexual orientation, familial status, or marital status. The rationale behind a ban like Oregon’s is that information in these letters could be used by the seller, whether consciously or not, and create potential unlawful biases in the seller’s decision-making process as to whose offer to accept.

Concerns over housing discrimination has been around for decades. Yet, recently, there have been increased federal, state, and local enforcement efforts directed toward eradicating it. The Oregon statute may represent a growing trend against these types of “love letters.” For instance, as [The Real Deal](#) reported, the National Association of Realtors and Ohio Realtors have issued warnings and frowned upon the practice. Whether other states and real estate industry groups will follow suit remains to be seen, but it sounds like the Oregon ban may not be the last.

Brokers should provide regular training to their agents and employees on housing discrimination issues and ways to avoid liability under fair housing laws that, among other things, increase awareness of how materials submitted in support of a home purchase offer like these kinds of letters might do more harm than good and open the door to claims of housing discrimination and bias.

Please contact a Jackson Lewis attorney with any questions about the new law.

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