

August 19, 2013

SENATE BILL NO. 2551
(First Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 2551 (First Reprint) without my approval.

This bill permits licensed real estate brokers and broker-salespersons to prepare a "broker price opinion" or "comparative market analysis." As defined by this bill, these two different terms cover seemingly the same service: an estimate that details the probable selling price of a particular piece of real property. Currently, New Jersey's Real Estate Appraisers Act mandates that appraisals of various real properties situated in New Jersey must be performed by State licensed or certified appraisers. The bill seeks to distinguish both "broker price opinions" or "comparative market analyses" from real estate appraisals.

While I appreciate the desire to facilitate additional business for real estate licensees in the State of New Jersey, I am concerned about potential consumer confusion. This bill would explicitly differentiate both "broker price opinions" and "comparative market analyses" from appraisals, so that real estate licensees who are not licensed appraisers could perform these other services.

Determining the precise value of real estate is a complex process, crucial to the sale of a residential home. This bill will unwisely introduce confusion into that process, with sellers struggling to determine when and why to use broker price opinions, comparative market analyses, or appraisals. At a time when New Jersey's residential home sales are rebounding, and many first-time buyers and sellers are entering the real estate market, upsetting our State's traditional method of home

appraisals demands a clear necessity, and a compelling justification. This bill falls short on both, and accordingly, I herewith return Senate Bill No. 2551 (First Reprint) without my approval.

Respectfully,

/s/ Chris Christie
Governor

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Attest:

/s/ Charles B. McKenna
Chief Counsel to the Governor