



3521 SW 5th Street * Topeka * Kansas * 66606 * 785-357-5256 * kmha@kmha.kscoxmail.com

To: Representative Jim Kelly, Chairman
and Members of the Committee on Financial Institutions and Rural Development

FROM: Martha Smith, Executive Director

DATE: February 15, 2021

RE: Proponent, Written Only
HB 2236 - Authorizing exclusion of the sales comparison approach in mortgage financing appraisals of certain unique residential real property in rural counties

Chairman Kelly and Members of the Committee on Financial Institutions and Rural Development, my name is Martha Smith and I am the Executive Director of the Kansas Manufactured Housing Association (KMHA). KMHA is a statewide trade association representing all facets of the manufactured and modular housing industries (manufacturers, retail centers, manufactured home community owners and operators, service and supplier companies, finance and insurance companies and transport companies) and I appreciate the opportunity to provide comments in support of HB 2236.

KMHA supports HB 2236 because it addresses a problem appraisers face in rural areas of the state when trying to comply with the requirements of the sales comparison approach. As I understand the bill, it would allow an appraiser to provide an explanation of the exclusion of the sales comparison approach when there is a lack of comparable sales. Currently, not having comparable sales information for an appraisal in most cases will prevent a lender from making the loan, even if the buyer is a qualified buyer.

In closing, HB 2236 will help solve a problem that appraisers, especially in rural areas are faced with on a regular basis – the lack of comparable sales.

Thank you for the opportunity to provide written testimony in support of HB 2236.