

A Look Back on 2009 Legislative Victories

Some of the most notable Legislative victories some achieved in collaboration with the National Association Of Realtors® (NAR), IREM, CCIM and SIOR are these:

-----**Extension and Expansion of TALF** – In August 2009, it was announced that the Troubled Asset-backed securities Loan Facility (TALF) program would be extended into 2010 and that it would be expanded to cover commercial mortgage-backed securities (CMBS). In November, the first new CMBS in 18 months was sold under the TALF program and more loans are in the pipeline.

The above actions align with the legislative statement of policy related to the Economic Stimulus Package and the Treasury's Financial Stability Plan developed by IREM in January 2009. Briefly, the policy calls for Congress and the federal government to make money available for small business loans, short-term loans for capital improvements, and refinancing for mortgages. It also encourages Congress and the federal government to (1) stabilize and provide liquidity to commercial real estate credit markets – including mortgage-backed securities; (2) maintain or enhance federal tax policies that strengthen the commercial real estate market; and (3) stimulate and support the commercial real estate industry through investment.

-----**Permanent Prohibition of Banks in Real Estate** – On March 11, 2009, President Obama signed into law the FY2009 Omnibus Appropriations Act that permanently prohibits banks from entering the real estate brokerage and management businesses. IREM had worked to convince Congress that the proposed rule published in January 2001 was inconsistent with banking law, bad for consumers, and bad for banking.

-----**House-Passed Energy Bill** – This bill originally called for the following provisions which IREM opposed: (1) energy audits of all properties, (2) energy labels for all buildings, and (3) disclosure of all findings at sale or lease of the property. The final version of the House-passed bill, H.R. 2454, does NOT have an audit requirement, and only requires energy labels for new construction.

-----**Tenant Protections When Renting Foreclosed Property** – A bill known as the Helping Families Save Their Home Act of 2009 ((H.R. 1106 or S. 896), which became law on May 20, 2009, included provisions to protect tenants from eviction as a consequence of a foreclosure affecting the property they have rented. These provisions align with a statement of policy developed by IREM the prior March – which it promoted heavily to Congress – supporting requirements that banks and lending institutions be required to notify tenants of a pending foreclosure on the property in which they reside. The policy expresses support for tenants whose rents are paid and current and are in compliance with all other requirements of their lease. Most importantly, it calls for tenants to be able remain in the property through the end of their lease – assuming the subsequent owner does NOT intend to use the property as a principal residence.