

2010 NAA Capitol Conference Talking Points to Members of Congress

Balanced Housing

- The idea/goal of home ownership was pushed way too far. There are far too many tax benefits and gimmicks for home ownership.
- Apartment renting is a good choice for millions of Americans.
- Renting keeps people from being “trapped” when having to seek employment in a different area of the country.
- Thank you for funding the Section 8 programs. These work best when on a voluntary basis. Improvements are needed in rent formulas and the inspection process.
- Apartments are “greener”.

Capital Markets

- “Performing” apartment loans totaling \$100 billion maturing in 2010-2012 must be refinanced.
- Fannie Mae and Freddie Mac are essentially the only major financing firms left in the market.
- Support Fannie and Freddie ability/capacity to refinance these loans – not just single-family by allowing them leeway in their portfolio of loans.
- Capital market conditions remain dire with few, if any, banks and insurance companies making loans.
- Do not fold the GSEs into a new Federal agency or part of an existing agency.

Renter Protections

- Single-family and condo renters are at risk of evictions upon foreclosure. This is basically “ownership” housing.
- Renters in apartment communities are not at risk of eviction when foreclosures occur.
- Reject legislation that mandates participation in the Section 8 program.

Energy Efficient Green Buildings

- Apartments are already the “greenest” type of housing – by far.
- Don’t mandate “one-size fits all” national standards for all buildings. Different geographic areas require different approaches to construction and energy savings.
- Support the recently developed National Green Build Standard.
- More than half of the energy use in an apartment community stems from individual resident usage of lighting, appliances and other consumer electronics which are not regulated by building energy codes and are outside the control of the property owner and manager.
- Support energy efficiency incentives for multifamily. This will create jobs and reduce energy use.

Carried Interest

- The proposal goes way beyond the people it supposedly wants to rein-in: the hedge funds.
- Capital gains is the proper treatment for real estate partnerships because they involve a real capital asset that is held for long period of time – generally 3 – 5 years or longer.
- The real estate partnership is not a “gimmick” to get around tax rate differentials.
- Changing the means of taxation would result in a 133 percent interest in tax rates on a capital gain.
- Carried interest is a main street issue and will affect real estate developments in nearly every state in the country.

Employee Free Choice – Card Check

- Unions can serve an important role for some labor “pools” in some industries.
- Federal law should protect a worker’s independent choice to form or join a union.
- The EFCA goes way beyond legislating a reasonable means to protect an employee’s union organizing rights because it creates mandates and imposes restrictions that would destroy meaningful collective bargaining.
- Card checks are inherently vulnerable to coercion. They would compromise an employee’s right to exercise an independent choice.
- The binding arbitration provision that imposes an unworkable 120-day deadline for reaching an agreement on a first contract is contrary to the very nature of the collective bargaining process.
- Penalties for committing unfair labor practices should be applied equally to the violating party, employer or union.