

NEWSBRIEF: LEGISLATIVE UPDATE

The Year in Review & the Future

by Dave Corsi, Legislative Chairperson

Throughout the nation, as the financial and real estate markets have gone into a tailspin, legislation has been proposed to “protect the public” in real estate transactions, particularly in the area of distress sales and lease options. And as usual, the legislation proposed and passed has done more harm than good. To this end, in 2007 MREIA’s leadership joined together with the other NJ real estate groups in an attempt to have a voice in the ever-increasing laws and government regulation of the real estate investment industry.

To date, we have been successful in defeating bills in the realm of foreclosure, debt forgiveness, etc that would have done the opposite of what their name implies (i.e. “*Home Ownership Savings Act*”, among others). Passage of these bills into law would have put more people in risk of losing any equity they might have as well as any chance of avoiding a bank foreclosure.

But rest assured, Trenton and Washington’s elected officials and regulators will continue to write legislation in an attempt to show they are being proactive and responsive to their constituents. And you can further be assured; most of these bills will do more harm than good.

If you are serious about your investments and investing career, I cannot stress strongly enough that you must get involved. In short, the vast majority of politicians are worried about two things, money and power, which equals re-election.

It is up to you to become familiar with these issues. Failing to do so can result in disastrous consequences. If you learn about proposed legislation that will impact our industry please let us know about it. There is so much that our friends in Trenton and Washington have coming down the pike, that it is difficult for us to catch it all. The more people we have on the lookout, the better.

On a positive note, legislation allowing real estate dealers to take installment sale tax treatment is to be introduced in January when the new Congress convenes. We will keep you informed as it is in the interest of everyone; buyers, sellers, investors, the financial industry, and yes even government, to see this legislation passed and signed into law.

If you have any thoughts or comments, please feel free to contact me at dcorsi3119@comcast.net or call (732) 923-1410. Merry Christmas, Happy Hanukah and a Happy New Year! ***The author is a Past President of MREIA, the current Legislative Awareness Chairperson and has made presentations at MREIA meetings and the Learning Annex.***