

Keeping Informed



by Dave Corsi, MRELA Legislative Chair and Vice President, NJ Association of Real Estate Professionals

Two important pieces of legislation that will have a great impact on the real estate industry and the nation. Here's an update on each:

The **HUD Safe Mortgage Licensing Act** calls for the elimination of, or the placing of severe restrictions on seller financing, unless the property was occupied by the seller prior to the sale.

Besides the dubious legal ground that HUD is standing on (it appears they have not heard of the U.S. Constitution), they have proven that the government is clueless about finance and economics.

Congress keeps holding hearings on how to “open up the credit markets” while HUD is looking to shut down or drastically limit a credit market that is designed to expand capital at no risk to the US taxpayer. Once again, your “public servants” in Washington at work.

Thanks to all of you who responded to our call to action to contact HUD to express your viewpoint. HUD extended the deadline on public comments until March 5th. As of this writing, no formal announcement from HUD has been forthcoming.

We do know that HUD received thousands of emails and letters urging them to reject the proposed regulations. We will keep you informed as to the outcome.

The other legislation we are closely monitoring is **H.R. 3440 The “Installment Sale Bill.”** This bill would allow “dealers” to elect installment sale tax treatment when taking back a note and mortgage. H.R. 3440 is currently in the House Ways and Means Committee and is being slated to be a part of the upcoming tax reform bill that Congress will begin work on shortly.

Needless to say, passage of **H.R. 3440** would be a huge step forward in opening credit markets along with increasing economic activity. This would be a huge win for the real estate industry and we urge you to continue to contact your legislators asking them to support this truly win-win bill.

With Representative Rangel stepping down as Chair of the House Ways & Means Committee. Representative Sander Levin of Michigan now is the acting Chairman. Chairman Levin represents District 12, the greater Detroit Metropolitan area, which needless to say, would greatly benefit from H.R. 3440.

If you know of any investors in Michigan especially in District 12, urge them to contact Rep. Levin's office in support of H.R. 3440.

In the coming months we will keep you informed you as to the progress of the these pieces of legislation and whatever else Congress comes up with.