Mission

The Real Estate Roundtable brings together leaders of the nation’s top publicly-held and privately-owned real estate ownership, development, lending and management firms with the leaders of major national real estate trade associations to jointly address key national policy issues relating to real estate and the overall economy.

By identifying, analyzing and coordinating policy positions, The Roundtable’s business and trade association leaders seek to ensure a cohesive industry voice is heard by government officials and the public about real estate and its important role in the global economy.

The Roundtable’s membership represents over 3 million people working in real estate; some 12 billion square feet of office, retail, and industrial space; over 2 million apartments; and more than 3 million hotel rooms. It also includes senior, student and manufactured housing as well as medical office, life science campuses, data centers, cell towers, and self-storage properties. The collective value of assets held by Roundtable members exceeds $3 trillion.
Who We Are

 Owners

- 67% Owners
  - 55% Private
  - 44% Public
  - 46% Mixed
  - 14% Office
  - 12% Retail
  - 12% Hotel
  - 11% Housing
  - 4% Industrial
  - 2% Other

 Asset Managers

- 3% Asset Managers

 Financial Services

- 20% Financial Services
  - 58% Banks
    - (commercial & investment)
  - 26% Insurers
  - 16% Mortgage Bankers

 Real Estate Trade Organizations

- 10% Real Estate Trade Organizations
  - American Hotel & Lodging Association (AHLA)
  - American Resort Development Association (ARDA)
  - Association of Foreign Investors in Real Estate (AFIRE)
  - Building Owners and Managers Association Int’l. (BOMA)
  - CCIM Institute (CCIM)
  - CRE Finance Council (CREFC)
  - CREW Network (CREW)
  - International Council of Shopping Centers (ICSC)
  - Mortgage Bankers Association (MBA)
  - NAIOP, the Commercial Real Estate Development Association (NAIOP)
  - National Apartment Association (NAA)
  - National Association of Home Builders (NAHB)
  - National Association of Real Estate Investment Managers (NAREIM)
  - Nareit (NAREIT)
  - National Association of Realtors® (NAR)
  - National Multifamily Housing Council (NMHC)
  - Pension Real Estate Association (PREA)
  - Real Estate Executive Council (REEC)
  - Urban Land Institute (ULI)
Intro

Stability, Equality, Stimulus—A Path to A More Resilient Economy

The Real Estate Roundtable begins 2021 renewed in our commitment to help advance national policy initiatives that will mitigate the economic damage caused by the ongoing pandemic. That global crisis continues to impact our industry and the millions of workers, businesses, local governments, schools, hospitals and other institutions that rely on our sector and the tax revenue it drives based on property values. For more than twenty years, the Roundtable has supported federal policy that fuels jobs, strengthens our economy, and builds long-term prosperity for all Americans. And we have done so through war, recession, and now sadly a global pandemic.

Today, far too many American citizens and businesses—particularly small businesses—have been devastated by the crisis through no fault of their own. The resulting threat to the broader economy cannot be overstated. When property values decrease (by virtue of external events like a global pandemic that forces businesses to close or by tax policy changes that unfairly penalize real estate assets), state and local taxes fail, threatening the health of local governments and those individuals and small businesses most in need. At a macro level, much more is at stake: U.S. commercial real estate is valued at more than half of the market capitalization of all U.S. publicly-traded companies and fuels more than 13 million jobs. Taxes derived from real estate ownership and transfer represent the clear majority of local tax revenues, which fund schools, police and firefighters, critical infrastructure and support for the most vulnerable members of our community. The arithmetic in this case—or in any crisis—is plain: changes to tax policy that unfairly penalize commercial real estate diminish property values and, in turn, the revenue they produce for state and local governments during their most critical time of need. That is why federal policy traditionally seeks to bolster property values, especially in times of crisis, and not depress them.

Indeed, federal policy has long recognized the real estate industry for its positive role in economic recoveries. Throughout the current crisis, real estate has continued to contribute essential tax revenue derived from property values, and owners of real estate have worked with tenants, advocating for federal assistance, educating residential tenants on how to access relief, and providing businesses guidance to ensure safe and effective ways for their workforce, customers, and visitors to re-enter buildings. Roundtable members have engaged experts, developed best practices, sourced and delivered protective equipment, increased the efficiency of their systems, invested in their communities, and worked closely with state and local governments and federal policymakers to ensure the most effective policy outcomes possible. Notwithstanding the serious challenge ahead, the real estate industry remains in a relatively strong position.
to help stabilize the economy, catalyze its recovery, and support its future growth. This is so in large part because of data-based policy that has sustained positive fundamentals like low leverage, general market balance, and functioning capital markets.

Where policy does warrant reconsideration, it should be to address the longstanding inequalities of economic opportunities, growing income disparity, decreasing availability of affordable housing, deteriorated infrastructure, outdated immigration laws and climate change, each of which deepens the threat to our nation’s long-term economic success. The Roundtable stands ready to support progress on all of these issues with non-partisan, market evidence and reality-based guidance to help stabilize the fallout from the pandemic and simulate sustainable economic recovery. We support rebuilding the nation’s infrastructure across local communities, increasing housing availability especially for those in most need, reforming outdated immigration laws, and market-oriented strategies that confront climate change.

The Roundtable’s Equity, Diversity and Inclusion Committee is committed to creating more economic opportunities in commercial real estate for Black, Latino and other historically under-represented groups. That committee will also develop an anti-discrimination, pro-inclusion federal policy agenda on issues related to tax, capital markets, ESG, housing, infrastructure, and immigration. It will supplement its prior research on advancing equality in the real estate sector with research specific to the effects of the pandemic on minority and low-income communities.

The Roundtable calls for bipartisan support for federal measures to accelerate economic recovery and strengthen our resiliency in the event of future pandemics or similar threats: direct relief to workers and families, rental assistance for both residential and business tenants, temporary tax incentives to offset the cost of critical health and safety measures implemented by employers, and legal liability safeguards for businesses that clearly define expectations and create much-needed certainty for employers to facilitate a return to work. We also support indirect relief through tax changes that allow private capital to flow to struggling employers and support for state and local economies overwhelmed by the toll of the virus. We must also build for the future—sustainable recovery requires a federal pandemic risk insurance program tailored to the needs of policyholders, taxpayers, and insurers, as well as appropriate guidelines for pandemic-related liability, and efforts to restore and boost confidence in the health and safety of our nation’s transportation system.

Our efforts are geared toward policy-driven outcomes that improve the lives and long-term economic security of all Americans: a strong national infrastructure, lower energy consumption, retrofitting of aging buildings, and transformation of the electric grid. Our industry is also united behind housing affordability, such as low-income housing tax credits and incentives for land-use permitting and zoning reform, which would lower housing costs. We support critical immigration and visa reforms that attract talent, innovation, and capital to our country without sacrificing border security, as well as reforms to the tax laws applicable to foreign investment. We look forward to working with Congress and the Administration to improve the fairness and efficiency of the entire tax code, and to ensure our tax laws continue to support necessary capital formation and productive investment to further grow jobs and the economic health of all American communities.
Tax Policy

COVID-19, Real Estate Tax Policy, and the Year Ahead

As the COVID-19 pandemic swept across the Nation in the spring and summer of 2020, policymakers appropriately looked to the tax code for ways to help individuals, families, and businesses survive government-mandated closures and a dramatic decline in economic activity. The Real Estate Roundtable contributed to those discussions by supporting aggressive legislative measures such as the CARES Act and recommending regulatory actions to provide relief to real estate owners, their tenants, and the overall economy.

Policymakers implemented several of The Roundtable’s recommendations, including: changes that ensure partnerships are able to benefit from retroactive changes to cost recovery and loss carryback rules, and an extension of deadlines for completing like-kind exchanges. The pandemic is not yet behind us, and additional tax relief for struggling workers and businesses is needed to help the country build a bridge to a post-COVID environment in which Americans can once again live, work, and travel without the cloud of a public health crisis hanging over them.

Beyond the broad-based tax relief included in the CARES Act and the more recent end-of-year COVID legislation, The Roundtable urges policymakers to consider provisions such as tax changes to promote debt restructurings and workouts, tax relief for businesses that take proactive steps to create a safe and healthy workplace, and tax modifications that allow REITs to provide greater financial support to distressed tenants and the workers.

The year 2021 also marks the beginning of a new Presidential Administration and a new Congress. During the campaign, former Vice President Biden put forward numerous real estate-related tax proposals that would address critical needs, such as improving the supply and affordability of housing, incentivizing energy-efficient upgrades to buildings, and enhancing the effectiveness of Opportunity Zones. The Roundtable commends these efforts and intends to work closely with the incoming Administration to further develop and advance innovative, market-based tax policy solutions to issues such as housing availability, climate change, and access to capital.

At the same time, certain tax proposals put forward in the run-up to the election could have far-reaching negative and unintended consequences for real estate, job creation, and economic growth. For example, eliminating the reduced tax rate on capital gains or repealing the ability to defer capital gain through like-kind exchanges would reduce productive economic activity. As discussed in greater detail below, the long-standing tax rules related to capital formation play a critical role in stimulating investment, job creation, and the entrepreneurial risk-taking that contributes to a more dynamic and productive economy.
A key element of The Roundtable’s tax policy agenda involves continuing to develop and disseminate credible, fact-based analysis and research on how real estate-related tax provisions affect jobs, communities, and economic opportunity for all Americans.

Our core principles as they relate to tax policy remain unchanged. First, the tax code should ensure that tax rules closely reflect the economics of the underlying transaction and activity—avoiding either excessive marketplace incentives or disincentives that distort the flow of investment. Second, the tax system should facilitate capital formation (from domestic and foreign sources) and appropriate risk-taking, while also providing stable, predictable, and permanent rules conducive to long-term investment. Third, in limited and narrow situations (e.g., low-income housing and investment in economically challenged areas), tax incentives are necessary to address market failures and encourage capital to flow toward socially desirable projects. Fourth and lastly, any major changes should provide a well-designed transition regime that minimizes dislocation in real estate markets.

In short, the continued rational taxation of real estate assets and entities will support job creation and facilitate sound, environmentally-responsible real estate investment and development, while also contributing to strong property values and well-served, livable communities.

Specific issues on The Roundtable’s tax policy agenda are described and discussed below.

**Cancellation of Debt Tax Relief**

In the hardest hit parts of the country, borrowers and lenders are actively working to defer or renegotiate debts to prevent bankruptcies and foreclosures. These actions can save businesses and preserve jobs. However, commercial real estate owners and other businesses need greater flexibility to work with their banks and other lenders to modify outstanding loans. The Treasury Department and the IRS have issued helpful new revenue procedures empowering lenders to modify loans held in trusts and mortgage-backed securities without triggering immediate tax liability for the lender. However, Congressional action is needed to provide help to the borrower struggling under the combined weight of large fixed expenses and steep declines in rental income. Current tax law discourages debt restructurings and workouts by subjecting borrowers to immediate income tax on discharged debt. In the case of COVID-19, Congress has already stepped in to provide relief for the $600 billion of Paycheck Protection Program (PPP) loans—any forgiveness of PPP loans is excluded from tax. Similar relief is needed for private loans. Congress should enact legislation in 2021 that defers tax on discharged debt by allowing taxpayers to exclude the income if they reduce the basis of their assets.

**REIT Reforms**

Within real estate, tenants in certain types of assets are particularly challenged. Some property owners organized as real estate investment trusts (REITs) would like to do more, on their own, to help provide a lifeline to struggling
commercial tenants to preserve jobs. Specifically, they would like to lend and make equity investments in certain tenants to help them get through this difficult period. Overly mechanical related-party rules that apply to REITs prevent them from doing so. The bipartisan Retail Revitalization Act (H.R. 8805), introduced by Representatives Brad Schneider (D-IL) and Darin LaHood (R-IL), would help landlords keep retail businesses alive, and save jobs in the process, by modernizing the REIT related-party rule that taints rental income received by a REIT from a tenant with whom it has an equity or debt interest. The economic benefit of the change would greatly outweigh any minor, short-term impact on federal revenue.

**Opportunity Zones**

Congress created Opportunity Zones in the Tax Cuts and Jobs Act of 2017 to spur long-term capital investment and job creation in low-income, economically distressed communities. The tax benefits can include the deferral of tax on invested capital and the exclusion of capital gains tax on fund investments held for 10 years or more. The original legislation was developed by Senators Tim Scott (R-SC) and Cory Booker (D-NJ). Opportunity Zones have stimulated an estimated $52 billion in new investment, a large share of which consists of developing or rehabilitating multifamily housing and commercial real estate. The Real Estate Roundtable has played an active role in the OZ rule-making process, and has put forward several legislative recommendations designed to further enhance and improve the new incentives. The Roundable recommendations include:

» Allowing opportunity funds to raise capital from all sources, not just gain rolled over from a recently disposed investment.

» Spurring productive real estate investment in low-income communities by providing that a 50 percent

### Maximum Tax Rates on Capital Gains and Ordinary Income

For decades, Congress has encouraged productive investment and economic growth through a reduced tax rate on capital gains.

![Graph showing maximum tax rates on capital gains and ordinary income](image)

Source: Dept. of Treasury, Office of Tax Analysis and Tax Policy Center. Capital gains rate from 2013 includes effect of 3.8% net investment income tax.
and ordinary wages. Legislation that would discourage capital formation further by raising the tax rate on capital gain is misguided. Similarly, policymakers should reject well-intentioned but detrimental proposals to reverse longstanding tax principles, such as the axiom that capital gain is deferred until an asset is actually sold. On the contrary, policymakers should take additional steps to encourage and reward productive investment through tax policies, such as Opportunity Zones, that mobilize long-term investment and support job growth and economic development.

A low tax burden on capital can help attract investment from around the world, increase the productivity of the American workforce, and improve U.S. competitiveness. In the case of real estate investment, a reduced tax rate on capital gain can partially offset the higher risk associated with illiquid, capital-intensive projects and encourage capital to flow to entrepreneurial activities that improve communities. The reduced tax rate on capital gain also helps offset the burden associated with taxing uneconomic gain that is caused by inflation, as opposed to gain attributable to real asset appreciation. Relative to its peers, the United States levies a heavy tax burden on capital income. According to the Tax Foundation, 30 of the 36 developed countries in the OECD have a lower maximum tax rate on individual capital gain than the United States.

Mark-to-Market Taxation of Capital Gain

Current proposals to tax capital gain on an annual, mark-to-market basis, if enacted, would move the tax code in a harmful direction. A mark-to-market tax system would defy the fundamental principle, enshrined since the 1920s, that income is taxed when it is realized, i.e., when an asset is sold and its owner receives actual compensation for its appreciation in value. Taxing capital gain before it is realized would impose tax liability on nonexistent, phantom income and would create an administrative and tax compliance nightmare. More importantly, it would chill the long-term investment that drives economic progress.

Low-Income Housing Tax Credit

The low-income housing tax credit (LIHTC) is the principal federal program financing the construction and rehabilitation of affordable housing. Tax incentives such as the LIHTC are a critical and necessary component of the multi-faceted strategy needed to make housing more accessible by removing constraints on the construction of new rental properties and the rehabilitation of existing properties. Legislation enacted at the end of 2020 included an important improvement to the reduced LIHTC credit available for the rehabilitation and redevelopment of existing housing. During the Presidential campaign, former Vice President proposed investing an additional $10 billion over ten years in improvements to the LIHTC. The Real Estate Roundtable supports measures such as the Affordable Housing Credit Improvement Act (S. 1703, H.R. 3077), which would increase the amount of low-income housing credits allocated to States by 50 percent and incentivize the building of more than 500,000 homes.

Capital Formation

Favorable tax rules for capital formation promote productive economic growth and job creation. For example, a low tax rate on capital income reduces the cost of capital; drives patient, long-term investment; and encourages productive entrepreneurial activity. In recent years, however, the tax burden on capital has increased relative to the tax burden on corporate income

The Roundtable also supports the bipartisan efforts to improve OZ information reporting and transparency.

» increase in the basis of a building constitutes a substantial improvement of the property.

» Strengthening the economic incentives by codifying the tax rate on deferred gain and extending for two years the recognition date for deferred gain, and consequently, the deadlines that must be met in order to qualify for the increase in basis for gain rolled into an opportunity fund.

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Sources of Local Government Tax Revenue, United States

Taxes on real estate represent the largest source of local tax revenue: 72%

- Property Taxes
- Sales Taxes
- Individual Income Taxes
- Corporate Income Taxes
- Other Taxes

Efforts to moderate such proposals for assets like real estate by substituting a “lookback charge” for annual, mark-to-market taxation would still stifle productive investment by dramatically raising the overall tax burden on the asset.

Like-kind Exchanges

The ability to defer capital gain when a taxpayer exchanges one property for another is an essential feature of the current tax system that spurs capital investment, especially during times of market corrections and liquidity shortages. Like-kind exchanges help cash-poor entrepreneurs and investors, including minority-owned and women-owned businesses, grow organically.

New research by leading real estate academics, Dr. David Ling (Univ. Fla.) and Dr. Milena Petrova (Syracuse U.), demonstrate that like-kind exchanges are widely used by small businesses and small-scale property owners and investors, with the median section 1031 transaction involving a property valued less than $600,000. The Ling-Petrova study, commissioned by The Real Estate Roundtable and other real estate organizations, found that properties acquired in an exchange attract more net investment and capital expenditures, leading to job creation. Owners involved in exchanges tend to acquire modest multifamily rental properties, small shopping centers, and other income-producing assets.

In the current economic crisis, exchange-motivated buyers have helped stabilize real estate markets. Since exchanges are associated with shorter holding periods, they increase market liquidity. According to the Ling-Petrova study, property relinquished in a like-kind exchange has an average holding period that is almost one year shorter than the average holding period for property sold in a taxable sale (10.5 years vs. 11.4 years). Like-kind exchanges also eliminate the “lock in” effect on property ownership by eliminating the tax that would apply to built-in gain in a taxable sale.

Like-kind exchanges create a more dynamic real estate marketplace, ensuring properties do not languish, permanently underutilized and under-invested. Real property like-kind exchanges were preserved for real estate in the Tax Cuts and Jobs Act and should be retained in any future tax reform efforts.

Carried Interest

Carried interest arises when a partnership decides to allocate a share of its profits to one (or more) of the partners for reasons unrelated to the partner’s initial capital contribution. Carried interest typically is granted for the value a general partner adds to a real estate or other venture beyond routine services, such as business acumen, experience, and relationships. It is also recognition of the risks the general partner takes with
respect to the partnership’s liabilities. These risks can include funding predevelopment costs, guaranteeing construction budgets and financing, and exposure to potential litigation over countless possibilities.

The Roundtable opposes efforts to tax all carried interest at ordinary income rates. Such changes would discourage risk-taking and reduce economic mobility by increasing the tax burden on cash-poor entrepreneurs who want to retain an ownership interest in their business. Proposed legislation would result in an enormous tax increase on countless Americans who use partnerships in businesses of all types and sizes. It would discourage individuals from pursuing their business vision, encourage debt rather than equity financing, tax sweat equity, and slow economic growth.

**Foreign Investment**

The *Foreign Investment in Real Property Tax Act of 1980 (FIRPTA)* imposes a discriminatory capital gains tax on foreign investors in U.S. real estate that does not apply to any other asset class. In so doing, the FIRPTA regime discourages capital formation and investment that could be used to create jobs and improve U.S. real estate and infrastructure.

FIRPTA applies to both real estate and infrastructure assets, which are treated as real property. As attention shifts toward infrastructure legislation and rebuilding our economy, Congress will likely consider measures designed to attract greater private investment. Policymakers should build on the reforms enacted in 2015, which repealed FIRPTA for investments made by foreign pension funds, and consider additional FIRPTA changes. These could include regulatory actions, such as the withdrawal of IRS Notice 2007-55, or legislative measures, such as the repeal of FIRPTA for infrastructure investments. A study by University of California-Berkeley professor Ken Rosen estimates that FIRPTA repeal would create 150,000–280,000 new construction-related jobs in the United States.

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**Principal Investment Focus of Opportunity Funds**

Low-income communities are using Opportunity Zone tax benefits to attract real estate capital and create jobs.

![Pie chart showing the distribution of investment focus for Opportunity Funds](chart)

- **Diversified Investment Fund**: 45%
- **Commercial Real Estate**: 22%
- **Residential Real Estate**: 18%
- **Other Real Estate**: 6%
- **Health Care, Technology and Other Industries**: 9%

Capital & Credit

The Real Estate Roundtable supports efforts to promote economically responsible commercial and multifamily real estate lending and investment that maintain liquidity while reflecting sound underwriting and rational pricing of economic risk. To sustain a robust and liquid real estate market, it is also vital to have effective risk management tools to provide the industry with the coverage it needs to create jobs and support the broader economy.

COVID-19

In light of the global pandemic, The Roundtable has worked to develop and enact measures to address the COVID-19 crisis, restore economic growth, job creation, credit capacity, capital market liquidity, and better manage the business continuity risks associated with pandemic. The Roundtable continues to work with policymakers to ensure the maintenance of our nation’s reliable credit system.

Federal Pandemic Risk-Business Continuity Program

The COVID-19 crisis has highlighted the lack of insurance availability for business continuity coverage for catastrophic pandemic events. Most business interruption insurance policies do not cover pandemic risk-related claims, raising urgent concerns among policyholders—including owners of real estate, the event industry and professional sporting leagues. There are a number of proposals under consideration—including the Pandemic Risk Insurance Act of 2020 (PRIA), introduced by Congresswoman Carolyn B. Maloney (D-NY)—that would establish a federal backstop for pandemic risk coverage.

The Roundtable is working with industry partners, stakeholders and policymakers through the newly formed Business Continuity Coalition (BCC) to develop and enact an effective federal pandemic risk/business continuity insurance program that provides the economy with the coverage it needs to provide business continuity coverage in the face of pandemic risk. Looking ahead, a federal business continuity insurance program should be put into place before there is a recurrence of pandemic or government-ordered shutdown in response to other phenomena.

Global Reinsurance Capital By Source

Source: Aon Securities Inc
Rep. Steve Stivers (R-OH), a member of the House Financial Services Committee, discusses prospects for developing and enacting a federal pandemic risk-business continuity insurance program.

Main Street Lending Program

The Federal Reserve established the Main Street Lending Program (MSLP) to support lending to small and medium-sized for-profit businesses and nonprofit organizations that were in sound financial condition before the onset of the COVID-19 pandemic. The Main Street Lending Program was intended to support businesses too large for the Small Business Administration’s Paycheck Protection Program (PPP) and too small for the Federal Reserve’s two corporate credit facilities. Thus far, the program has done only minimal lending.

On September 9, 2020, Roundtable President and CEO, Jeff DeBoer, testified before the Senate Banking, Housing and Urban Affairs Committee about improvements to the MSLP. DeBoer raised concerns about various aspects of the program, its nominal volume, and its reliance on the intermediation of banks, who are not appropriately incentivized to promote the program. The Roundtable recommended administrative changes to the Fed’s existing rules and guidance, including:

- A requirement that the Federal Reserve should purchase 100% of MSLP loans
- A move to loosen overly tight “eligibility” and “affiliation” restrictions on borrowers
- A reform of the MSLP underwriting metrics to better reflect the types of businesses that need Main Street assistance—such as manufacturing, retail stores, restaurants, real estate owners, and other asset-based borrowers
- Extension of maturity and amortization timelines
- Creation of a preferred equity program for CRE borrowers
- Continual support of the Term Asset-Backed Securities Loan Facility (TALF)

The Roundtable believes that if policymakers amend lenders’ risk retention requirements, then more CRE business tenants can borrow, more CRE companies will have resources to support their workforce and pay their taxes and mortgages, and avenues of liquidity to the CMBS market can be created.

Improving Main Street lending so commercial real estate tenants, builders, and owners can actually use Fed-purchased and Treasury-backed credit is critical to put our nation on a sustained path to recovery, considering the profound impact that the real estate sector has on the U.S. economy. From jobs to housing and infrastructure, from state and local taxes to pension income and retirement savings, commercial real estate is a key driver of America’s jobs, opportunities, security, and long-term growth.

TRIA

Originally enacted in 2002, the Terrorism Risk Insurance Act (TRIA) is a vital public-private risk-sharing mechanism and is essential for commercial real estate liquidity and expanding the broader economy. It allows the economy to grow even in the face of terror threats. At virtually no cost to the taxpayer, it has been essential in stabilizing the

National Policy Agenda
market after the events of 9/11, in response to the inability of insurance markets to predict, price and offer terrorism risk coverage to commercial policyholders. In December 2019, a seven-year reauthorization of TRIA was enacted through 2027. The establishment of the federal terrorism backstop—and its multiple reauthorizations over the years—has been a top policy priority for The Roundtable since the 9/11 attacks.

LIBOR Reform

In October 2019, as a response to The Roundtable’s request for guidance, the Treasury Department released proposed regulations to clarify the tax consequences of replacing The London Interbank Offer Rate (LIBOR) in existing financial contracts, including real estate loans. The proposed rules include a reasonable safeguard to prevent potential abuse—they require that the fair market value of the modified financial instrument be “substantially equivalent” to its value before modification. Currently, the LIBOR reference rate is set to expire at the end of 2021. LIBOR is used as a reference rate in an estimated $350 trillion of financial contracts, including some $1.3 trillion of commercial real estate loans. The Federal Reserve Bank of New York’s Alternative Reference Rates Committee (ARRC) is working to transition to use of the Secured Overnight Financing Rate (SOFR). SOFR is seen as more reliable, as it is based on interest rates in the U.S. market for repurchase agreements. The Roundtable’s RECPAC LIBOR Working Group continues to work towards the development and implementation of an effective, new replacement benchmark that does not impair liquidity, needlessly increase borrowing costs or cause market disruptions.
**GSE Reform**

The Government Sponsored Enterprises Fannie Mae and Freddie Mac were put into conservatorship in September 2008, but the framework of the U.S. housing finance system has not yet been reformed. In September 2019, The Roundtable wrote to the Senate Committee on Banking, Housing and Urban Affairs praising the Treasury Department’s constructive proposal for both legislative and administrative reforms to Fannie Mae and Freddie Mac. The Roundtable encouraged the Treasury and the Federal Housing Finance Agency to work with Congress to end conservatorship through comprehensive, bipartisan, legislative reforms. Since then there has been minimal movement towards reform.

In February 2020, Senate Banking Committee Chairman Mike Crapo (R-ID) released an outline for housing finance reform legislation. The outline incorporates elements of many plans and principles for housing finance reform legislation that have been discussed by legislators, analysts, stakeholders and thought leaders. However, no legislation has been introduced in the 116th Congress. In March 2020, the administration put forward an outline to reform the GSEs, and the White House recently directed the Treasury Secretary and other relevant agencies to develop a “Treasury Housing Reform Plan” to determine what reforms can be made administratively without Congressional action.

Due to the negative economic effects of COVID-19, GSE reforms may not occur in the foreseeable future until after the pandemic is under control. The Roundtable encourages policymakers to build upon successful risk-sharing mechanisms and products by employing the existing multifamily finance structures being used by Fannie Mae and Freddie Mac that have been essential in expanding the supply of rural, senior, workforce and affordable rental housing.

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**CECL**

The Financial Accounting Standards Board’s (FASB) new current expected credit losses (CECL) standard for estimating allowances for credit losses became effective for most SEC filers in fiscal years and interim periods beginning after December 15, 2019, and for all others it takes effect in fiscal years beginning after December 15, 2022. The new CECL standard changes the way banks calculate reserves on assets, requiring banks and nonbanking finance companies to estimate the expected loss over the life of a loan. For real estate, there is concern that this new standard will exacerbate the current economic crisis.

On March 27, 2020, the federal banking regulators issued an interim final rule allowing lenders required to adopt CECL (effective January 1, 2020) to delay the estimated impact on regulatory capital by up to two years. The bank regulators would provide for a three-year transition period after 2022 to phase out the “capital benefit” provided during the two-year delay in CECL. For banks that have already adopted CECL, they will have the option of choosing a three-year transition period (which was made available under the 2019 rule), or the five-year option, including the two-year delay.

In April 2020, The Roundtable submitted comments to the FASB and the SEC regarding the need to suspend the new CECL accounting standard during the current COVID-19 crisis for all companies including non-banking entities. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) permits an insured depository institution, bank holding company or any affiliate thereof to temporarily delay measuring credit losses on financial instruments using the new Current Expected Credit Losses accounting standard until Dec. 31, 2020 or the date on which the coronavirus-related national emergency declaration terminates.
**National Flood Insurance Program (NFIP)**

Floods are the most common and most destructive natural disaster in the U.S. The National Flood Insurance Program (NFIP) aims to reduce the impact of disasters by promoting the purchase and retention of general risk insurance, but also of flood insurance, specifically. The Roundtable supports a long-term reauthorization and reform of the NFIP in order to help property owners and renters prepare for and recover from future flood losses. A long-term reauthorization of the NFIP is important for residential markets, overall natural catastrophe insurance market capacity, and the broader economy. The NFIP has low commercial limits which make it problematic for commercial owners. Given the low coverage amounts provided to commercial properties, it is important to permit larger commercial loans to be exempted from the mandatory NFIP purchase requirements. The Roundtable has been seeking a voluntary exemption for mandatory NFIP coverage if property owners have flood coverage from commercial insurers.

**Committee on Foreign Investment in U.S. (CIFIUS) Reform**

The Committee on Foreign Investment in the United States (CIFIUS) is a U.S. interagency committee that conducts national security reviews of foreign investment. In 2018, President Trump made into law the *Foreign Investment Risk Review Modernization Act* (FIRRMA Act). FIRRMA reforms and modernizes the CFIUS review process and represents the first update to the CFIUS statute in more than a decade. It also established CFIUS’ jurisdiction over certain real estate transactions.

On February 13, 2020, two sets of enhanced regulations governing CFIUS became effective, implementing the *Foreign Investment Risk Review Modernization Act* (FIRRMA)—one covering certain real estate transactions and one covering other investments involving U.S. businesses. The real estate regulation permits CFIUS to review certain purchases, leases, and concessions of real estate by foreign persons—including REITs—irrespective of whether such transactions involve a U.S. business. Their authority to review real estate transactions is limited to those transactions involving property near sensitive U.S. locations, such as airports, maritime ports, and military installations, and that afford the foreign investor with certain rights related to the property. The new regulations include a “real estate provision” that includes carve-outs for “single housing unit” and properties that are in an “urbanized area” based on the Census definition. In 2019, The Roundtable wrote to the Treasury regarding the proposed CFIUS rules and requested clarifications about how investments in commercial real estate would be affected. The Roundtable’s Real Estate Capital Policy Advisory Committee (RECPAC) and Homeland Security Task Force (HSTF) continue to assess how the new rules will impact commercial real estate investment.

Chairman of the Banking, Housing, and Urban Affairs Committee Sen. Sherrod Brown (D-OH) discussed the committee’s agenda for the 117th Congress, including the urgent need for more affordable and workforce housing throughout the nation.
Energy & Climate

Demands from investors, tenants, and other audiences—and dozens of state and local laws that impose benchmarking, energy reduction, and carbon emissions targets on buildings—require real estate owners, developers, managers, and financiers to examine their “energy supply chain.” Roundtable members have successfully strategized for decades to lower energy consumption on-site at their buildings. Now, they also routinely look off-site to assess whether the electricity they purchase derives from “clean” sources.

Commercial buildings—and the behaviors of businesses, shoppers, patients, and guests who occupy and lease them—account for about 12% of U.S. energy consumption, with homeowners and residential tenants accounting for another 16%. Electricity and natural gas are the predominant sources that power U.S. real estate; coal now fuels less than one percent of commercial assets. While electricity generation from coal has fallen to its lowest level in over 40 years, and renewable energy provides a far greater percentage of the overall fuel mix for power plants and real estate than just a decade ago, progress must be accelerated to address the risks of climate change. This is why “greening the grid”—to complement more traditional energy efficiency policies—has become a key Roundtable priority.

In this regard, policy makers’ attention toward greater grid electrification and resiliency should move in tandem with incentives for high performance new construction and deep retrofits of existing real estate assets. Strides made in the energy efficiency area are significant. According to the Environmental Protection Agency (EPA):

- In 2019 alone, more than 260,000 buildings, comprising 24 billion square feet of floorspace, used ENERGY STAR Portfolio Manager® tool to measure and track their energy use, water use, and waste and materials.
- More than 5,700 buildings earned the ENERGY STAR in 2019, bringing the total to more than 36,000.
- On average, ENERGY STAR certified buildings use 35% less energy than typical buildings nationwide.

## Tenants Put a Premium on Energy Efficiency

<table>
<thead>
<tr>
<th></th>
<th>CoStar Group/USD</th>
<th>CBRE/USD</th>
<th>Eicholtz, Kok &amp; Quigley</th>
<th>Fuerst &amp; McCallister</th>
<th>Pivo &amp; Fisher</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental Rate Premium</strong></td>
<td>16%</td>
<td>12%</td>
<td>3%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Sale Price Premium</strong></td>
<td>6%</td>
<td>1%</td>
<td>16%</td>
<td>31%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Occupancy Premium</strong></td>
<td>3%</td>
<td>0%</td>
<td>6%</td>
<td>3%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: EnergyStar, Benchmarking and Disclosure: Lessons from Leading Cities, based on data from the Institute for Market Transformation
The Roundtable’s energy and climate policy recommendations include the following:

» Pass the bipartisan Energy Savings and Industrial Competitiveness (ESIC) Act (S. 2137/H.R. 3962). The ESIC Act improves the process to develop model building codes that states and localities may adopt to govern new construction and major renovations—with technical assistance, financial support, and cost-effectiveness analyses from the U.S. Department of Energy (DOE).

» Create meaningful incentives to spur retrofits of older buildings that consume a lot of energy. The U.S. Energy Information Administration (EIA) estimates that more than half of the nation’s buildings were built between 1960 and 1999, with 25% built since 2000. The Roundtable supports an incentive for 10-year accelerated depreciation governing a new federal tax code category of “energy efficient qualified improvement property”—or “E-QUIP.” An E-QUIP cost recovery incentive can motivate building owners to improve aging assets by installing high-performance (and expensive) HVAC, lighting, window, and roof installations that meet “stretch code” specifications.

» Encourage the Federal Energy Regulatory Commission (FERC) to hasten the electric grid’s transformation by finalizing and implementing its proposed policy to incorporate state-determined carbon pricing rules into wholesale electricity markets. FERC has a vital role to help facilitate the types of long-term market signals that our energy future demands, by fostering a harmonious nationwide system of guidance and standards relating to carbon pricing and measurement.

» Accelerate market transformation by demonstrating deep decarbonization projects in the stock of federally-owned and leased buildings, and lower the risk to deploy these new technologies by providing low-cost capital and other incentives to private sector building owners.

» Encourage greater public-private co-investment in grid electrification, repair of leaking pipeline assets, and other energy infrastructure through pilot programs modeled after the successful TIFIA loan platform used to finance surface transportation.

Power Capacity Mix, New York Independent System Operator (NYISO)

![Power Capacity Mix](image)

» Leverage and improve existing federal programs and data as consistent models for state and local climate laws. For example:

- The widely-used ENERGY STAR Portfolio Manager tool, housed at the Environmental Protection Agency (EPA), should be the only platform used across the nation to measure a building's carbon footprint.
- EPA’s ENERGY STAR Tenant Space program should be expanded to encourage more types of commercial building tenants to cooperate with landlords in their shared responsibilities to reduce energy consumption in U.S. real estate.

- EPA’s eGRID database should be the primary information source for policy makers at all levels to convert various fuel sources to emissions for purposes of GHG registries, renewable portfolio standards, and emission reduction mandates.
- The Commercial Building Energy Consumption Survey (CBECS)—the only nationwide government data source on the U.S. commercial building stock and its energy consumption—needs improvement. It takes too long to generate CBECS data, and it will become obsolete unless it better integrates with similar and more current data regularly collected by EPA through its Portfolio Manager function.

U.S. energy consumption by source and sector, 2018.

<table>
<thead>
<tr>
<th>Electric Power Sector</th>
<th>End-use Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dark blue</td>
<td>Dark blue</td>
</tr>
<tr>
<td>Electric System</td>
<td>Electric Power Sector</td>
</tr>
<tr>
<td>Energy Losses 25.3</td>
<td>Transportation 28.3 (37%)</td>
</tr>
<tr>
<td></td>
<td>Residential 11.9 (16%)</td>
</tr>
<tr>
<td>Total= 38.3</td>
<td>Commercial 9.2 (12%)</td>
</tr>
<tr>
<td></td>
<td>Industrial 26.3 (35%)</td>
</tr>
<tr>
<td></td>
<td>Total= 75.9</td>
</tr>
</tbody>
</table>

Source: EIA

Sen. Michael Bennet (D-CO) has supported Roundtable backed policies throughout the years, such as ENERGY STAR legislation and most recently the bipartisan Energy Savings and Industrial Competitiveness (ESIC) Act.
Sen. Rob Portman (R-OH) introduced the Healthy Workplaces Tax Credit Act (S. 4214), that would allow businesses to recover 50 percent of the costs incurred for certain “healthy building” protocols commonly incurred by businesses since the pandemic struck.

“In a study conducted by the Real Estate Roundtable, respondents reported an increase in costs relative to “healthy building” management practices and protocol. Moreover, any lower building operational costs—due to decreases in occupancy—have been more than offset by increases in costs to implement heightened healthy building practices. The vast majority of respondents have budgeted for these costs increases through the end of 2021—but not beyond.”

Source: “HEALTHY BUILDING PRACTICES AND PROTOCOLS DURING THE COVID-19 PANDEMIC” Survey by Real Estate Roundtable

Healthy Workplaces

Maintaining a safe and healthy working environment has always been a priority for members of The Real Estate Roundtable. The current pandemic requires heightened measures and extra costs—not anticipated a year ago—regarding building disinfection, ventilation, PPE purchases, and workplace re-configuration. The Roundtable supports the temporary payroll tax credit offered in the Healthy Workplaces Tax Credit Act (S. 4214/H.R. 7615). It would allow businesses to recover 50 percent of the costs incurred for certain “healthy building” protocols commonly incurred by businesses since the pandemic struck. The tax credit is scaled to provide greater assistance to small- and medium-sized businesses that have been disproportionately impacted by the pandemic. The Roundtable further recommends that the legislation ensure that the credit is available to hotel and other owners that do not directly hire employees and operate under a managed structure.

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Homeland Security

The Real Estate Information Sharing and Analysis Center (RE-ISAC)

The Real Estate Information Sharing and Analysis Center (RE-ISAC) is a public-private partnership between the U.S. commercial facilities sector and federal homeland security officials organized by The Real Estate Roundtable in February 2003. Information sharing—in a systematic and sustained manner—continues to be one of the most effective weapons in protecting the nation’s critical infrastructure. The RE-ISAC serves as the primary conduit of terrorism, cyber- and natural-hazard warning and response information between the government and the commercial facilities sector. The RE-ISAC proactively manages risk and strengthens the security and resilience of the U.S. commercial facilities sector infrastructure to aid protection and prevention.

Homeland Security Task Force (HSTF)

The Roundtable works with various federal, state, and local law enforcement agencies through its Homeland Security Task Force (HSTF). The Task Force identifies, analyzes, and advocates for positions on physical and cyber security policy affecting the real estate community and commercial facilities sector in relevant homeland security and intelligence issue areas. In addition to working with relevant law enforcement and intelligence agencies, the HSTF is working to find new sources and methods to secure high-profile commercial-facility-sector assets and improve their emergency preparedness. Through the work of the HSTF and RE-ISAC, real estate firms are regularly updated on cyber, criminal and physical threats and how to appropriately implement security measures to help mitigate risks.

Building Re-Entry Working Group

In May 2020, The Roundtable established a Building Re-Entry Working Group to address issues associated with building re-entry as the economy began to re-open. Since then the Building Re-Entry Working Group has been working with industry partners, building owners, managers and security staff to develop a strategy for building re-entry and address legal liability issues. The Roundtable has also been working with FEMA, the CDC, and the EPA to develop health-related standards and essential measures to safely enable tenants and customers to safely re-enter commercial properties.

Safe to Work Act

On July 30, 2020, The Roundtable along with 480 organizations wrote to Congress calling for passage of SAFE TO WORK Act (S. 4317). The passage of the Act would safeguard healthcare workers, providers, and facilities, as well as businesses, non-profit organizations, and educational institutions against unfair lawsuits so they can continue to contribute to a safe and effective economic recovery from the COVID-19 pandemic. The Roundtable urges Congress to include the act in a Phase IV COVID-19 relief package.

Threats to the Homeland

United States, terrorist attacks and plots by ideology

Source: Centre for Strategic and International Studies *At August 31st
Infrastructure & Housing

Infrastructure

The global pandemic is accelerating America’s current “infrastructure revolution.” Our citizens have heightened demands for safe and efficient highways and tunnels, driverless vehicles, ridesharing services, rapid and safe inter-city rail, and reliable power and internet delivery. Infrastructure development must respond to our country’s evolving demographics and optimize the efficient movement of people, goods, energy and information in interstate and international commerce.

The value and productivity of the real estate sector heavily depend on infrastructure systems, and vice-versa. Roads, bridges and mass transit enhance the values of nearby properties—which in turn generate greater tax revenues to fund even more infrastructure assets.

The United States has been underinvesting in infrastructure for decades, causing a backlog of needs. Our current transportation, water, energy, and other assets must be repaired and maintained, and substantial additional investment is required to modernize them. Public funds alone cannot foot the entire bill and must leverage private sector co-investment to provide the capital that will enable U.S. infrastructure to adapt to climate risks and a rapidly changing economy.

The Roundtable recommends the following measures for policymakers to consider when addressing the nation’s infrastructure:

- Unlock private capital by repealing the Foreign Investment in Real Property Tax Act (FIRPTA).
- Streamline the permitting process with the aim for a 2-year target for all federal approvals.

U.S. Treasury, Infrastructure Projects of Major Economic Significance

Source: U.S. Treasury
Where Public Transit Expenditures Go

Transit Operating Expenditures (Millions), 2017

- Communication and Information Systems: $1,799.4
- Fare Revenue Collection Equipment: $189.1
- Rolling Stock: $5,606.9
- Maintenance Facilities: $1,409.5
- Administrative Buildings: $265.0
- Passenger Stations: $2,724.1
- Guideway: $7,321.4
- Other: $870.6

Source: American Public Transportation Association

Transit Capital Expenditures (Millions), 2017

- Purchased Transportation: $6,771.5
- General Transportation: $7,543.2
- Non-Vehicle Maintenance: $5,552.8
- Vehicle Maintenance: $7,774.6
- Vehicle Operations: $19,902.3

Responsibly increase the “pay at the pump” federal gas user fee (not raised since 1993) to sustain the Highway Trust Fund (HTF), the main funding source that supports road and mass transit projects.

Prioritize HTF proceeds with a “Fix It First” strategy that focuses on repair and maintenance of existing assets.

Support P3 financing, so public funds can leverage private debt and equity, such as by revising IRS “volume caps” and other limitations on private activity bonds.

Streamline the underwriting process for Transportation Infrastructure Finance Innovation Act (TIFIA) loans, and expand TIFIA’s successful financing model to other infrastructure asset classes such as airports, the electric grid, leaking pipeline networks, and broadband systems.

Harness the “transit premium” to capture higher property values for real estate located in the vicinity of mass transit to help finance nearby economic development.

Clarify that payment of federal infrastructure loans from non-federal funds should automatically count toward state and local cost-share contributions for transit grant awards.

Condition federal dollars provided to state and local governments on their adoption of “Yes in My Backyard” (“YIMBY”) land-use policies that favor high density, transit-oriented development.

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**Housing**

Safe, decent and affordable housing is essential to the well-being of America’s families, communities, and businesses. Our nation continues to confront an affordable housing crisis, which has only been exacerbated by the COVID-19 pandemic. Supplies remain too low, and too many low-income and middle-class families are cost-burdened with housing expenses that exceed 30 percent of their income.

Sharp increases in home prices and the dearth of affordable units result from a brew of externalities outside the real estate industry’s control such as: shortages of developable land; needlessly restrictive zoning and land-use regulations by local governments; lack of comprehensive and long-term planning; increased costs of labor and materials; stricter building codes; general wage stagnation; and the effectiveness of local “Not In My Backyard” activists in stopping meritorious high-density housing projects.

**Most Voucher Households Endured Long Waits to Receive Assistance**

Share of voucher households by time spent on a waiting list

<table>
<thead>
<tr>
<th>Time</th>
<th>Share of Voucher Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 11</td>
<td></td>
</tr>
<tr>
<td>12 to 23</td>
<td></td>
</tr>
<tr>
<td>24 to 35</td>
<td></td>
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<tr>
<td>36 to 47</td>
<td></td>
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<tr>
<td>48 to 59</td>
<td></td>
</tr>
<tr>
<td>60 or more</td>
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</tbody>
</table>

Source: Center on Budget and Policy Priorities; Department of Housing and Development 2016 Picture of Subsidized Households

The Roundtable is committed to working with Congress, federal agencies, and our national real estate organization partners to develop and implement affordable housing policies such as to:

- Expand the Low-Income Housing Tax Credit program, and providing a similar tax incentive more narrowly tailored to support housing development for America’s middle class.
- Shore up the Section 8 housing choice voucher program with more funding to reduce wait-lists and reduce its bureaucratic procedures.
- Deploy GSE reform as a significant opportunity to re-focus the mission of Fannie Mae and Freddie Mac on liquidity in the mortgage markets for low and middle-income home buyers, while also encouraging creation of more units of middle-income rental housing.
- Assess whether HUD’s Section 108 loan guarantee program is maximally leveraging public resources to attract private sector co-investment and encourage public-private partnership (P3) procurements for the design, construction, rehabilitation, finance and operation of public and low-income housing.
- Clarify existing regulations under the Community Reinvestment Act (CRA) so banks can receive “credit” in serving the mortgage and other lending needs of middle-class households and geographies (in the range of 80% to 120% of an area’s median income);
- Assess whether current bank regulatory definitions imposing tighter capital requirements for Acquisition, Development and Construction (AD&C) loans may be limiting lending for housing developments for middle class buyers and renters.
- Foster a “Yes in My Backyard”—or “YIMBY”—environment whenever federal agencies provide grants and incentives, to induce states and
» Localities receiving federal dollars to demonstrate enforcement of high density zoning and other land-use rules essential to entitle affordable housing projects.

» Promote greater production of manufactured housing as a high quality, less costly alternative to site-built homes.

» Direct the General Services Administration to prioritize increasing affordable housing supplies when it disposes surplus and under-utilized federal properties.

» Avoid market restrictions like rent controls that tend to make housing supplies less responsive to changes in demand and increase housing costs over the long term.

Heading Into the Pandemic, Renter Cost Burden Rates Were Already High and Moving Up the Income Scale

Share of Renter Households with Cost Burdens (Percent)

Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.
**COVID-19 Residential Tenants Assistance, Forbearance Protections, and Eviction Moratoria**

In addition to long-term solutions to address the nation’s lingering housing crisis, immediate relief in response to the COVID-19 pandemic is critical to provide financial support for qualifying renters to meet their lease obligation, keep them safely housed, and provide mortgage payment forbearance to owners experiencing declines in rental income.

Eviction moratoria, of the sort enacted by Congress in the *CARES Act* and then subsequently declared by order of the Centers for Disease Control, are short-term band-aids. They temporarily ensure current renters’ housing -- but they do not erase a tenant’s underlying legal obligation to meet contractual commitments and make-up skipped rent. In addition, eviction moratoria increase the pressure on property owners to stay current on mortgages, pay utility bills, maintain buildings, and generally meet their own obligations without inbound rental income.

A residential assistance fund can help prevent evictions in the first place. The Roundtable recommends that any additional pandemic relief package should:

- Include financial support for residential tenants that demonstrate economic hardship due to COVID-19 and inability to meet monthly rent payments.

- Provide corollary economic relief – such as mortgage payment forbearance – to owners in consideration of the harm they may suffer from tenants’ missed rent payments for as long as any eviction protections may endure.

- Not safeguard opportunistic tenants have the ability to pay rent but wrongly seek to avoid payments should not benefit from federal eviction protection.

- Encourage partial rent payments as much as practicable. Any rent assistance program should be structured so that federal support is available to pay the rent increment that a qualifying residential tenant is unable to pay.

- Expand qualifying income-level restrictions so that aggrieved middle class households receive rental support during the COVID-19 economic crisis.

Economize limited resources and minimize “double-dipping” so that qualifying tenants that already receive some means of rental assistance through an existing program (such as Section 8 housing choice vouchers) should not also receive support through a temporary emergency rent assistance program.
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The Real Estate Roundtable brings together leaders of the nation’s top publicly-held and privately-owned real estate ownership, development, lending and management firms with the leaders of major national real estate trade associations to jointly address key national policy issues relating to real estate and the overall economy. By identifying, analyzing and coordinating policy positions, the Roundtable’s leaders seek to ensure a cohesive industry voice is heard by government officials and the public about real estate and its important role in the global economy.

The Roundtable’s membership represents over 3 million people working in real estate; some 12 billion square feet of office, retail, and industrial space; over 2 million apartments; and more than 3 million hotel rooms. It also includes senior, student and manufactured housing as well as medical office, life science campuses, data centers, cell towers, and self-storage properties.

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Participating Trade Associations

- American Hotel & Lodging Association (AHLA)
- American Resort Development Association (ARDA)
- Association of Foreign Investors in Real Estate (AFIRE)
- Building Owners and Managers Association Int’l. (BOMA)
- CCIM Institute (CCIM)
- CRE Finance Council (CREFC)
- CREW Network (CREW)
- International Council of Shopping Centers (ICSC)
- Mortgage Bankers Association (MBA)
- NAIOP, the Commercial Real Estate Development Association (NAIOP)
- Nareit (NAREIT)
- National Association of Home Builders (NAHB)
- National Association of Multifamily Housing (NMHC)
- National Association of Real Estate Investment Managers (NAREIM)
- National Association of Realtors® (NAR)
- National Multifamily Housing Council (NMHC)
- Pension Real Estate Association (PREA)
- Real Estate Executive Council (REEC)
- Urban Land Institute (ULI)

Market Square West
801 Pennsylvania Ave NW, Suite 720
Washington, DC 20004

With warmest regards,

[Signature]
Chairman & CEO, Ventas, Inc.
Chair The Real Estate Roundtable

Compliments of
DEBRA A. CAFARO
Chairman & CEO, Ventas, Inc.
Chair The Real Estate Roundtable

JOHN F. FISH
Chairman & CEO, SUFFOLK
Chair-Elect The Real Estate Roundtable

JEFFREY D. DEBOER
President & CEO
The Real Estate Roundtable

The Real Estate Roundtable bridges together the real estate, development and capital markets to ensure that the public understands the critical role that real estate plays in the overall economy. The Roundtable’s comprehensive research, analysis and advocacy efforts are designed to ensure that government and the public understand the full impact of real estate on the economy.