The Real Estate Roundtable Policy Priorities

Executive Summary: Fall 2026

The Real Estate Roundtable works with national policymakers to ensure that real estate assets meet the needs of people and businesses, serve as a strong source of governmental revenues, facilitate job growth, and provide stable returns for pension and retirement investors.

Tax Policy

RER advocates for tax policies that promote capital formation, reward risk-taking, and bolster investment. RER strongly supported the tax provisions in the One Big Beautiful Bill Act (OB3 Act) signed into law in July 2025. The OB3 Act tax reforms, once fully implemented, will spur investment in our nation's housing supply, strengthen urban and rural communities, and grow the broader economy to the benefit of all Americans. Going forward, RER is focused on the following objectives:

- **Ensure Fair Tax Treatment for Pass-Through Businesses:** The OB3 Act's permanent extension of the 20 percent deduction for pass-through business income is going to support job growth and preserve a level playing field for pass-through entities. Going forward, policymakers should avoid partnership tax reforms that undermine the flexibility, dynamism, and entrepreneurial activity that differentiate the U.S. economy from the rest of the world.
- **Reward Capital Formation and Investment:** The tax code should continue to encourage long-term investment and productive entrepreneurial activity through a reduced tax rate on capital gains. Policymakers should avoid changes that raise the tax burden on risk-taking and capital formation, such as taxing unrealized gains, recharacterizing all carried interest as ordinary income, repealing stepped-up basis at death, or raising the net investment income tax. Policymakers also should roll back outdated laws like FIRPTA that discriminate against foreign investment in U.S. real estate and avoid regulatory changes that would disrupt sovereign investment in U.S. real estate.
- **Continue Rational, Economic-Based Taxation of Real Estate:** More broadly, RER supports maintaining tax rules that align with the economics of real estate assets and transactions. These rules include the deductibility of business interest and the deferral of gain for like-kind exchanges. Policymakers should consider adjusting and shortening depreciation schedules and cost recovery rules to reflect the actual useful lives of buildings.

Capital and Credit

RER supports public policy that minimizes regulatory burdens and encourages the availability of credit and the formation of capital while maintaining appropriate systemic safeguards.

- **Encourage Capital Formation and Market Liquidity:** Promote robust capital formation and support constructive loan restructuring, while avoiding pro-cyclical measures and regulatory overreach that undermine economic growth.
- **Reauthorize TRIA:** RER continues to work to enact a long-term reauthorization of the nation's terrorism risk insurance program as established by the Terrorism Risk Insurance Act (TRIA) and subsequent reauthorizations well in advance of its Dec. 31, 2027, sunset date. The U.S. Senate passed a seven-year extension of TRIA through 2034 by unanimous consent on Sept. 28, 2026 (S. 4395), following the House's passage of its own version (H.R. 7128) in June 2026.
- **Remove Barriers to Foreign Investment:** Reform national and state-level restrictions that hinder foreign investment by legitimate capital enterprises and law-abiding entities while protecting national security and the integrity of investments in commercial real estate.

Energy

RER advocates for energy policies that promote a robust supply of affordable power, a safe and reliable grid, and encourage energy efficiency.

- **Promote ENERGY STAR**: RER strongly supports the federal government's landmark voluntary public-private partnership and the transition to the U.S. Department of Energy to implement the program going forward. ENERGY STAR provides the standard tools and data for the commercial real estate industry to benchmark energy and water use in buildings, lower utility bills, and report to investors.
- **Data Centers:** Data centers should bear a fair share of grid and infrastructure-related costs and fees that are proportionate to impacts caused by their own electricity and water consumption. Regulations must respect leasing transactions—so "owners" are not burdened with compliance responsibilities for electricity usage in control of "operators" like hyperscalers in leased spaces. Data centers should not be taxed unfairly or discriminatorily relative to other real estate asset classes.
- **Enhance Grid Capacity and Reliability:** We need an "all of the above" energy strategy that prioritizes efficiency—so that no power is wasted—and includes new power generation from all fuel sources. Policies must also strengthen markets to modernize the grid through cost-effective corporate purchases of bulk power, which work as a hedge against energy price inflation.
- **Permitting Reform:** We need to speed up environmental reviews and permits for generation, transmission, and distribution projects to deliver energy to our homes and businesses. Time is money. Projects can be approved much more quickly while still protecting the environment.
- **Establish Fair Building Performance Standards (BPS):** States and localities should not adopt "net zero" building laws and bans on gas appliances that drive up housing prices, unnecessarily add costs to existing building retrofit projects, or place extra stress on strained electric grids. BPS jurisdictions should not impose fines or otherwise penalize buildings certified under the federal ENERGY STAR program.

Housing, Infrastructure, and Cities

RER supports innovative policy incentives that expand the nation's housing supply and improve housing affordability.

- **Expanding Housing Supply:** The sweeping 21st Century ROAD to Housing Act (H.R. 6644) was enacted into law on July 11, 2026, aimed at increasing the U.S. housing supply, lowering construction costs, and modernizing federal housing and banking regulations. On Oct. 23, 2026, the U.S. Department of the Treasury published a Notice of Proposed Rulemaking (NPRM) regarding the "21st Century ROAD to Housing Act Prohibition on Large Institutional Investor Purchases of Single-Family Homes" (Section 1001). Set for a Jan. 7, 2027, effective date, this Phase 1 rule outlines definitions and enforcement for restrictions on Large Institutional Investors (LIIs) owning 350 or more homes. Public comments are open until Nov. 23, 2026. RER is working on comments and welcomes member input.
- **Reform Zoning and Permitting to Address the Housing Shortage:** Encourage federal policies that incentivize states and localities to modernize zoning and permitting regulations while expanding low-cost construction financing options to increase housing supply.
- **Expand Affordable Housing through Tax Incentives and Property Conversions:** Policymakers should continue building on the OB3 Act reforms by further improving the Low-Income Housing Tax Credit and Opportunity Zone tax incentives, as well as enacting legislation such as the *Revitalizing Downtowns and Main Streets Act* to convert underutilized properties into affordable housing.

- **Support Effective Reforms to the GSEs:** Any reforms to the government-sponsored enterprises, Fannie Mae and Freddie Mac, should preserve a well-functioning housing finance system that supports homeownership, expands affordable housing supply, and sustains economic growth.

Homeland Security

The conflict in Iran raises additional security concerns. Iran poses a credible, near-term threat to the U.S. homeland, utilizing cyber operations, targeted assassination plots against officials, and potential proxy network activations to retaliate against U.S. strikes in the Middle East. Increased risks include cyberattacks on critical infrastructure, violent extremist radicalization, and attacks on religious or government targets by Iran-linked actors.

RER supports measures to more effectively address terrorism and criminal threats through a multifaceted approach involving intelligence gathering, law enforcement, community engagement, and information-sharing partnerships, with a focus on prevention, disruption, and prosecution.

- **Work to Mitigate Risk and Improve Resilience for Cyber and Physical Threats:** Continue support for public-private partnerships through RER's Homeland Security Task Force and Real Estate Information Sharing and Analysis Center (RE-ISAC) to help manage risks in conjunction with the Cybersecurity and Infrastructure Security Agency (CISA), the FBI, and other intelligence and law enforcement agencies.
- **Reauthorize CISA 2015:** Designed to encourage and protect the sharing of cyber threat information between private-sector companies and the federal government, the Cybersecurity Information Sharing Act of 2015 (CISA 2015) was a cornerstone of public-private partnership in cybersecurity, enhancing national defense and economic security.
- **The WIMWIG Act:** Chairman Andrew Garbarino (R-NY) introduced the Widespread Information Management for the *Welfare of Infrastructure and Government (WIMWIG) Act* (H.R. 5079) to reauthorize CISA 2015 for 10 years, through 2035, and update it to address artificial intelligence and supply chain threats. The House Homeland Security Committee approved the bill 25–0 on Sept. 3, 2025, but it has not received a full House or Senate vote. In the meantime, a short-term continuing resolution keeps CISA 2015's liability protections in effect through Dec. 11, 2026. RER supports the bill and is working with industry partners to enact a long-term reauthorization.