



NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate®*

500 New Jersey Avenue, N.W.  
Washington, DC 20001-2020  
202.383.1194 Fax 202.383.7580  
[www.realtors.org/governmentaffairs](http://www.realtors.org/governmentaffairs)

Charles McMillan  
CIPS, GRI  
President

Dale A. Stinton  
CAE, CPA, CMA, RCE  
EVP/CEO

GOVERNMENT AFFAIRS  
Jerry Giovaniello, Senior Vice President  
Gary Weaver, Vice President  
Joe Ventrone, Vice President  
Jamie Gregory, Deputy Chief Lobbyist

January 16, 2009

The Honorable Johnny Isakson  
120 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Isakson:

The National Association of REALTORS® (NAR) applauds your bill S. 253, the Fix Housing First Act. It provides what is by far the most comprehensive approach to resolving the housing crisis that has infected the country. We appreciate all the energy that you have put into finding solutions. We share your view that a tax credit that would be available to all who purchase a principal residence is the most effective mechanism to help the market.

To date, the consumer response to the tax credit has been modest, largely because of the repayment feature. The House Ways and Means Committee is poised to eliminate that feature of the provision enacted in 2008. Your bill wisely includes that provision, as well. Your bill also takes the essential step of making the credit available through the end of this year. We are hopeful that the Senate Finance Committee includes that provision, as well.

The Fix Housing First Act also recognizes that the spring, summer and early fall months are historically the most active season for home purchases. The current tax credit is available between April 8, 2008 and June 30, 2009 – nearly 14 months. If the effective date is not extended, only about 4 months will remain for the credit to have an impact. Thus, for nearly 10 months, prospective first-time homebuyers will have viewed the credit as too flawed to be of great value. Nearly 10 months of opportunity for market stabilization will have been lost.

NAR members and homebuyers have urged that the tax credit be monetized at settlement. While we know that the tax writing committees sought to make that opportunity available, the current rule provides no mechanism to facilitate that result. Again, we appreciate your recognition of that deficiency of current law.

Finally, we remain hopeful that the Committee will expand the credit's utility to a larger universe of eligible participants. An incentive available to all purchasers is likely to generate additional transactions that could help stabilize market prices in many areas. In addition, any increases to the amount of the tax credit will enhance its impact.

Again, we sincerely appreciate your efforts on behalf of homeowners over the course of the past year. We are hopeful your proposed changes can move the housing market to greater stability.

Sincerely,

Charles McMillan, CIPS, GRI  
2009 President, National Association of REALTORS®