



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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July 23, 2007

The Honorable Paul E. Kanjorski
United States House of Representatives
Committee on Financial Services
Subcommittee on Capital Markets, Insurance, and Government-Sponsored Enterprises
2188 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Kanjorski:

On behalf of the 1.3 million members of the National Association of REALTORS® (NAR), including over 70,000 commercial real estate professionals of the REALTORS® Commercial Alliance, I write in support of H.R. 2761 the "Terrorism Risk Insurance Revision and Extension Act of 2007."

Terrorism insurance is often vital to the financing of commercial real estate transactions and, therefore, contributes to the stability and health of the nation's commercial real estate markets. NAR supports H.R. 2761 because it ensures the long term continued availability of terrorism coverage, increases the availability of nuclear biological chemical radiological (NBCR) event coverage, makes it easier for smaller insurance firms to offer terrorism coverage, and eliminates the distinction between foreign and domestic acts of terrorism. This comprehensive approach is critical to the continued availability and affordability of terrorism coverage.

In order to ensure that the legislation's goals are achieved, NAR would also recommend that H.R. 2761:

- delay implementation of the make available provision for NBCR coverage to ensure that that state insurance regulators have sufficient time to craft the necessary and appropriate rules;
- require the Presidents Working Group on Financial Markets to specifically look at the impact that terrorism insurance pricing has on commercial property values and real estate markets; and
- include a commercial real estate broker or property manager to the Commission on Terrorism Risk Insurance to ensure that the Commission's recommendations include measures that will keep terrorism insurance widely available in commercial property markets nationwide.

NAR believes that these modifications will further strengthen H.R. 2761 and ensure that the legislation's goals are achieved. I applaud your efforts to move this legislation in a timely manner, and thank you for the opportunity to provide comments on this important piece of legislation.

Sincerely,

Pat V. Combs, ABR, CRS, GRI, PMN
2007 President, National Association of REALTORS®