



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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June 7, 2010

United States Senate
Washington, DC 20510

Dear Senator:

As the Senate begins debate on H.R. 4213, the jobs and extenders legislation, the National Association of REALTORS® (NAR) wishes to bring to your attention a challenge that is arising all over the country. If Congress does not act, then prospective homebuyers who entered into contracts to purchase a principal residence before May 1, 2010 might not get the benefit of the homebuyer tax credit, despite their compliance with all eligibility requirements.

To qualify for the homebuyer tax credit, a purchaser must have entered into a binding contract before May 1, 2010 *and must close that transaction no later than June 30, 2010*. As that date approaches, more and more purchasers are concerned that, despite their best efforts, their purchases may not close by the June 30 date. They cite a variety of reasons: inability to secure timely approval from the seller's lender for sales related to distressed properties, recent natural disasters that have damaged the property and/or delays in processing various types of Federal mortgage program applications (such as VA loans, FHA loans and USDA rural housing loans).

NAR seeks a relief provision that would extend the June 30 closing date for eligible purchasers. We seek this relief **ONLY** for sales where loans are in the pipeline and where the buyer and seller have satisfied the rule that requires a binding contract to have been agreed to on or before April 30, 2010. We do **NOT** seek an extension of the homebuyer credit itself.

Based on the NAR Pending Home Sales survey, we project that somewhere between 55,000 and 75,000 prospective purchasers may be under contract but unable to close before the required date. It would be unfair for them to have met the eligibility requirements for the credit, done all within their power to satisfy the timing requirements, but then have to forfeit the credit because of administrative challenges related to the transaction.

We urge you to include a relief provision in the pending legislation that would allow eligible purchasers to qualify for the credit where the settlement of the transaction occurs after June 30, 2010.

Sincerely,

A handwritten signature in black ink that reads "Vicki Cox Golder".

Vicki Cox Golder, CRB
2010 President, National Association of REALTORS®