



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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Charles McMillan, CIPS, GRI
President

January 26, 2009

Brian D. Montgomery
Assistant Secretary for Housing - Federal Housing Commissioner
US Department of Housing and Urban Development
Washington, DC 20410

Dear Commissioner Montgomery:

I am writing on behalf of the 1.2 million members of the National Association of REALTORS® (NAR) to urge HUD to minimize the impacts of environmental assessments on condominium projects. The National Association of REALTORS® is America's largest trade association, including NAR's five commercial real estate institutes and its societies and councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,400 local associations or boards, and 54 state and territory associations of REALTORS®.

Several of our members participated in a recent conference call held by FHA where part of the discussion revolved around changes to condominium rules. We understand internal discussions continue on implementation of the condominium provisions of the 2008 Housing and Economic Recovery Act (HERA), particularly around the issue of environmental reviews, which are required and must be performed by HUD staff. This requirement both delays completion of condominium projects and significantly increases construction costs. NAR strongly urges HUD, where possible, to remove the requirement for environmental assessments. Where such assessments are still necessary for condominium projects, HUD should accept environmental reviews conducted for state or local governments. A separate assessment performed by HUD staff is unnecessarily duplicative and adds a financial burden to the condominium project.

Thank you for the opportunity to present the views of the National Association of REALTORS®. Changes to the condominium rules can significantly enhance the recovery of the real estate market. If you have any questions or comments regarding this letter, please contact our Regulatory Policy Representative, Jerry Nagy, at 202.383.1233 or jnagy@REALTORS.org.

Sincerely,

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