

Letter to Senators:

Dear Senator:

As a constituent, a commercial real estate practitioner and as a member of the National Association of REALTORS® I am writing to urge you to support S. 2244, the “Terrorism Risk Insurance Program Reauthorization Act of 2014,” when the Senate votes on it later this week.

This bipartisan legislation, unanimously approved by the Senate Banking Committee, takes a balanced approach to renewing the program created by the Terrorism Risk Insurance Act of 2002 (TRIA). TRIA enabled affordable and widely available terrorism insurance throughout the country for the past 12 years. Commercial real estate practitioners, brokers and their clients would be adversely affected if TRIA is allowed to expire at the end of 2014 or is renewed in a manner that would constrict private insurers from providing coverage. After the September 11, 2001 terrorist attacks private insurers withdrew from the terrorism insurance market, causing construction projects to stall and commercial property values to drop. Terrorism insurance is also an important security element for the Commercial Mortgage Backed Securities (CMBS) market; without it, CMBS borrowers face the threat of default which could lead to bond downgrades.

Over the course of this Congress, the Senate Banking Committee and the House Financial Services Committee have held multiple hearings addressing TRIA and its future, and have heard overwhelmingly from experts in the insurance industry that the program works. It provides stability to the terrorism risk insurance market, as private insurers simply do not have the capacity to provide the terrorism insurance needed across the country.

S. 2244 renews TRIA for seven years, providing certainty in the market that terrorism insurance will be available at affordable rates through the year 2021. In addition, it has a Congressional Budget Office score of “zero.” Without affordable and available terrorism insurance, commercial real estate financing would be thrown into flux, and the jump in premium rates that would occur would cause a reduction in the value of many commercial properties throughout the country.

Again, as a constituent, a commercial real estate practitioner and a member of the National Association of REALTORS® I urge you to support S. 2244.

Email to Commercial Practitioners:

As a Commercial Real Estate Practitioner you understand how the market can be adversely affected by uncertainty. That is why NAR is asking for your help to extend the Terrorism Risk Insurance Program created following the September 11, 2001 terrorist attacks. When private insurers withdrew from the terrorism insurance market, construction projects ground to a halt and commercial property values dropped. The Commercial Real Estate market simply can't afford the uncertainty an expiration of the Terrorism Risk Insurance Program would create.

Fortunately there is bipartisan legislation, unanimously approved by the Senate Banking Committee, that takes a balanced approach to renewing the program created by the Terrorism Risk

Insurance Act of 2002 (TRIA) pending the United States Senate. S.2244 the “Terrorism Risk Insurance Program Reauthorization Act of 2014,” renews TRIA for seven years, providing certainty in the market that terrorism insurance will be available at affordable rates through the year 2021. In addition, it has a Congressional Budget Office score of “zero.”

Urge your Senator to vote yes on S. 2244, the “Terrorism Risk Insurance Program Reauthorization Act of 2014,” when the Senate votes on it later this week. Without affordable and available terrorism insurance, commercial real estate financing would be thrown into flux, premium rates would increase dramatically and many commercial properties throughout the country would lose significant value. Take action now to protect Commercial Real Estate using our secure online form.

For More Information: link is below

http://www.ksefocus.com/billdatabase/clientfiles/172/issue_pdfs/92.pdf