



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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January 30, 2009

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of the 1.2 million members of the National Association of REALTORS® (NAR), their affiliates, and property owners, I strongly urge you to cosponsor S. 356, "Community Choice in Real Estate Act," introduced January 29th by Senators Barbara Boxer (D-CA) and Richard Burr (R-NC). NAR thanks Senators Boxer and Burr for taking this important step to protect our economy from further turmoil by defending the established division between banking and commerce.

The current two-year provision prohibiting banks from entering the real estate brokerage, property leasing and management business, that was part of the FY2008 omnibus appropriations bill, expires on September 30, 2009. On January 7, 2009, Representatives Paul Kanjorski (D-PA) and Ken Calvert (R-CA) reintroduced H.R. 111, the "Community Choice in Real Estate Act," to help protect the boundary between banking and commerce. As of January 29th, there are 64 House members signed on as cosponsors to the bill. As an indication of its level of importance, during the 110th U.S. Congress the "Community Choice in Real Estate Act" had 22 Senate and 276 House cosponsors.

NAR emphatically supports a permanent ban on banks engaging in real estate brokerage or management. As information about the credit crisis continues to emerge, it is becoming clear that banks have more than enough to do to simply manage their current business activities. If banks had been allowed to engage in real estate brokerage, or other commercial activities, the current economic crisis would have been much more severe.

Allowing banking conglomerates to engage in commercial activities would create: (1) anti-competitive and anti-consumer concentrations of power within the financial services sector, (2) an unlevel playing field among commercial competitors, and (3) conflicts of interest. In the current economic environment, further consolidation of power would only raise more concerns that the American taxpayer would be on the hook to "not let them fail." As we commence activities to salvage our economy, this is an additional burden that we cannot afford to assume.

I respectfully request that you join Senators Boxer and Burr, as well as your colleagues in the House, and cosponsor S. 356 to protect our nation's fragile economy by defending the boundary between banking and commerce. The National Association of REALTORS® stands poised to assist Congress in restoring confidence in our nation's economy.

Sincerely,

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