

The National Association of Realtors® , “The Voice for Real Estate,” is America’s largest trade association, representing 1.2 million members involved in all aspects of the residential and commercial real estate industries.

**NAR President’s Podcast
Charles McMillan, 2009 President
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To be recorded June 1, 2009**

Hello everyone, and welcome back to the NAR President’s Podcast. Thanks for tuning in.

I am visiting the Alaska Association of REALTORS® this week, and like many NAR members, they are very interested to hear about our efforts on the public policy front.

As those of you who attend our Midyear Legislative Meetings can attest, REALTORS® have emerged as a leading voice on critical policy changes that MUST happen in order for the housing market and our national economy to recover.

In fact, on May 12th, NAR kicked off our Legislative and Policy Meetings with our first-ever Real Estate Summit. Roughly 3,000 REALTORS® packed the room to hear from distinguished speakers and expert panelists. We’ve posted video from the event on Realtor.org. If you haven’t seen it yet, please take some time to watch.

As a direct result of that Summit – and members just like you, who raised their voices on key issues – we have taken two more important steps toward a housing and economic recovery.

First, two days after NAR’s Real Estate Summit, the Obama Administration stepped up to address significant problems in the short sale process.

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Specifically, they have included new incentives in the Making Home Affordable Program that helps homeowners obtain refinancings of or modifications to their loans. When that is not possible, the government has offered new incentives to encourage a private sale through the short sale process or assignment of the deed to the lender to avoid foreclosure.

The Treasury Department is developing guidance and forms for these programs, with a June target date.

You can find more information on the Making Home Affordable Program, and learn about resources NAR is offering to help you succeed in short sales and help your clients avoid foreclosures at Realtor.org.

Second – and perhaps even more exciting – HUD Secretary Shaun Donovan announced at NAR’s Real Estate Summit plans to allow consumers to monetize the first-time homebuyer tax credit and apply it to the purchase of a home.

This past Friday, HUD made good on that promise, providing guidance to lenders regarding how they can enable buyers to use the credit to effectively buy-down their mortgage rate by giving them a larger downpayment. Here is how the program will work...

The option is available on specific government loan products.

Buyers must provide a downpayment of at least 3.5 percent, which can be a gift from a family member, employer or nonprofit, charitable organization.

Lenders may then offer the monetized tax credit to supplement the initial downpayment and to pay for closing costs and interest rate buy downs.

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We have heard from mortgage industry leaders that this type of product may not be immediately available to consumers, as lenders need time to create the appropriate documentation.

Currently, 10 state housing finance agencies offer programs that would qualify for the monetized credit option. They are Colorado, Delaware, Idaho, Kentucky, Missouri, New Jersey, New Mexico, Ohio, Pennsylvania, and Tennessee. In these states first-time homebuyers may monetize the tax credit and apply it to the 3.5 percent down payment requirement.

That gives state REALTOR® associations a prime opportunity to work with their respective housing finance agency to implement similar programs in other states.

I encourage all of you to check out the information we have posted on Realtor.org and understand exactly what options are available to potential buyers in your area. If you do not already have a qualified program in your state, please contact your state leadership and ask them to work on it.

As I said to the folks here in Alaska, REALTORS® must play a leading role in crafting new laws and policies that protect consumers and our businesses in this brave new world of real estate.

It’s been an incredible year so far, and I continue to be amazed and inspired by your energy and enthusiasm.

I am proud to serve as your 2009 NAR President, and I will continue to do everything I can to help you move our industry and our nation forward, “United Toward Tomorrow.”

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That’s all for this edition of the NAR President’s Podcast. Thanks, again, for tuning in.

Check back on June 16th for my next podcast, and please visit the President’s Report page on Realtor.org for the latest news and take some time to read and comment on our travels on the Voices of Real Estate blog.

Tell us what you think, and share your stories of success. We want to hear from you!