



October 29, 2009

The Honorable Charles B. Rangel
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington DC 20515

The Honorable Dave Camp
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington DC 20515

Dear Chairman Rangel and Ranking Member Camp:

On behalf of the 2,400 member companies of the Mortgage Bankers Association (MBA), I am writing to express our support for H.R. 1784, the Investment Property Opportunity Act.

H.R. 1784 would waive capital gains taxes on private investments in distressed housing areas made within 18 months of its enactment and held for three years. The investments must be made in distressed housing areas defined as residential properties located in counties where, in the year before enactment, the foreclosure rate was 10 percent above the national average; the housing market experienced a housing value decline of at least 20 percent; or the community had more than 50 percent of homeowners with greater than 80 percent loan-to-value ratios.

Stabilizing housing prices is a key component to any economic recovery. Like the first-time homebuyer tax credit enacted by Congress, which MBA strongly supports, H.R. 1784 will help move properties off the market, thus helping to reduce the oversupply of housing and allowing home prices to stabilize.

H.R. 1784 would also help stabilize the values of multifamily properties, which will assist the market for affordable rental housing and the commercial components of those developments. Communities are strengthened when there is investment in all types of housing and neighborhood commercial development.

MBA encourages the Committee on Ways and Means to approve H.R. 1784 as part of any broader economic recovery plan.

Sincerely,

A handwritten signature in black ink that reads 'John A. Courson'.

John Courson
President and Chief Executive Officer

cc: Congressman Jared Polis