

NEWS

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From: Real Estate Board of New York (REBNY)

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Two REBNY-Supported Bills become Law

New York, June 20, 2008: The Real Estate Board of New York (REBNY) was actively involved in the passage of two crucial bills that recently became law.

The New York State Legislature passed -- and the Governor signed -- a bill (A10688/S07714) that extends the cooperative and condominium real property tax abatement for four years. This legislation extends the 17.5% reduction in a property's assessed value (25% for properties assessed at less than \$15,000). This law will continue an important real property tax benefit for residential cooperative and condominium owners, helping to lower the real estate tax burden on their homes.

The Governor also signed a bill (A11114/S7066) into law that authorizes the State's use and allocation of more than \$1 billion of private activity bonds that have been used to spur a wide range of economic activity throughout the State. This legislation permits multi-year tax exempt financing for 80/20 projects, which will result in hundreds of millions of dollars of investment in new residential development. In particular, this law will lower the cost of project financing and help developers create much needed market rate and low income residential rental apartments.

"The Real Estate Board of New York would like to thank Governor Paterson, Assembly Speaker Silver, Senate Majority Leader Bruno and the members of the New York State Legislature for their support of these two important legislative items, which will benefit our members, our industry and our city," said Steven Spinola, REBNY President.

"In these difficult economic times, with financing more difficult to secure and with prices rising, this continued significant reduction in property taxes for condominium and cooperative units is needed more than ever. Further, the bill that permits tax-exempt financing will facilitate the development of 80/20 and city-sponsored affordable housing throughout the city. With its passage, developers will be able to continue to invest in residential rental developments that provide housing for New Yorkers of varying income levels. In addition, this housing construction will create jobs and generate tax revenue that will be most welcomed as we face a softening economy. We are confident that the numerous benefits of these laws will take effect immediately and we're grateful to our legislators for valuing the importance of these measures," added Mr. Spinola.

The Real Estate Board of New York is the city's leading real estate trade association with 12,000 members. REBNY represents major commercial and residential property owners and builders, brokers and managers, banks, financial service companies, utilities, attorneys, architects, contractors and other individuals and institutions professionally interested in the City's real estate. REBNY is involved in crucial municipal matters including tax policy, city planning and zoning, rental conditions, land use policy, building codes and legislation. In addition, REBNY publishes reports providing indicators of market prices for both the residential and commercial sectors.

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