

NATIONAL MULTIFAMILY HOUSING COUNCIL

2017 ACCOMPLISHMENTS



NATIONAL
MULTIFAMILY
HOUSING
COUNCIL

APARTMENT LEADERSHIP RESIDES HERE.™

NMHC brings together the apartment industry's best and brightest to shape a positive future for our businesses, the industry and the communities we help build.



We represent a
\$1.3 TRILLION
industry

providing homes for
39 MILLION
people.

INFLUENCES

NMHC SCORED KEY LEGISLATIVE AND REGULATORY SUCCESSES

LEGISLATIVE VICTORIES

TAX REFORM: At the onset of the tax reform debate, NMHC laid out a number of key tax reform principles aimed at preserving and promoting the multifamily business model. To this end, NMHC scored key victories on tax reform with the final package leaving many of NMHC's critical principles intact, including:

- Securing Tax Reductions for Pass-Through Entities and REIT Dividends;
- Retaining the Ability to Fully Deduct Business Interest;
- Preserving the Ability to Conduct Like-Kind Exchanges;
- Securing a 30-Year Depreciation Period for Multifamily Firms Retaining Full Interest Deductibility After Beating Back Efforts to Extend Depreciation to 40 years;
- Preserving Capital Gains Treatment of Carried Interest while Limiting the Holding Period to Three Years;
- Preserving the Low-Income Housing Tax Credit, and Private Activity Bonds; and
- Doubling the Estate Tax Exclusion and Retaining Stepped-Up Basis.



HOUSING FINANCE REFORM: NMHC's Chairman Bob DeWitt took the multifamily message on housing finance reform to the House Financial Services Subcommittee on Housing and Insurance. He stressed the **unique differences between the multifamily and single-family industries** and the **importance of maintaining access to an explicit, paid-for federal guarantee** for multifamily-backed mortgage securities.

NATIONAL FLOOD INSURANCE PROGRAM (NFIP) REAUTHORIZATION: NMHC pushed for inclusion of key multifamily industry priorities in the NFIP by securing a number of important reforms in the House-passed reauthorizing legislation.



NMHC members discuss tax and GSE reform with Senator Mark Warner (D-VA)

PRIVATIZED MILITARY HOUSING: NMHC successfully held back modifications to military housing benefits that could have jeopardized the future of the program.

LEGAL ADVOCACY: NMHC joined an amicus brief with the Commercial Real Estate Development Association (NAIOP) and the International Council of Shopping Centers (ICSC) supporting a legal challenge to Nevada's **restrictions on transactions by non-resident brokers**.

NMHC ADVOCATED FOR AN END TO COSTLY, FRIVOLOUS ADA LAWSUITS: Supported "The ADA Education and Reform Act of 2017" (H.R. 620) targeting so-called "**drive-by**" lawsuits.



NMHC Members meet with Senator Sherrod Brown (D-OH)

REGULATORY AND ADMINISTRATIVE VICTORIES

NMHC leveraged the Trump Administration's focus on reducing regulation to **secure significant regulatory and administrative victories for the industry that will make it easier for apartment owners, developers, managers, and financiers to operate their businesses, invest in new projects, and expand hiring.**

2017 Regulatory Successes Include:

- Energy Benchmarking
- Waters of the U.S. Rule
- Small Area Fair Market Rents
- Federal Flood Risk Management Standard
- Labor Department Overtime Rule
- NLRB Joint Employer Ruling
- Family-Owned Business Estate Tax Regulations
- Partnership Audit Regulations Allowing Multiple Tier Pushouts

NMHC continues to work to replace, rescind, and clarify other **regulations and guidance documents** including:

- Affirmatively Furthering Fair Housing
- Disparate Impact Rule
- Resident Criminal History Screening Guidance
- Emotional Support Animals
- Occupancy Memoranda
- Davis Bacon
- HVCRE
- Risk Retention

TELECOMMUNICATIONS POLICY:

NMHC led an advocacy effort against further regulations on agreements between multifamily firms and communications service providers, filing numerous comments with the Federal Communications Commission (FCC).

CONSTRUCTION AND DEVELOPMENT:

Saved the apartment industry millions of dollars in annual construction cost by preventing changes to the national codes and standards that would harm the apartment industry.



NMHC Members talk tax reform with Ways and Means Committee Chairman Kevin Brady (R-TX)

NMHC PAC

THANKS TO NMHC MEMBER SUPPORT

**NMHC PAC SURPASSED ITS 2017
\$1.25 MILLION FUNDRAISING GOAL**

114⁺ Record level of
max out donors

Remained the
3RD Largest Real Estate PAC supporting
Industry Champions in Congress

Disbursed
nearly **\$1.4** Million

Participated in
over **250** congressional
campaigns

LEADS

BGOV POLICY FORUM

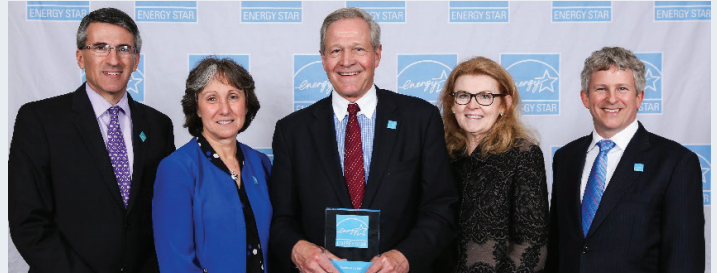


NMHC President Doug Bibby kicks off Bloomberg Government policy forum, The Future of Multifamily Housing: Building Access and Affordability

DIVERSITY AND INCLUSION INITIATIVE

NMHC hosted first Leadership Forum to help companies learn how to better leverage diversity and inclusion to drive innovation and business performance.

NMHC NAMED 2017 ENERGY STAR PARTNER OF THE YEAR



NMHC President Doug Bibby & Vice President Eileen Lee accept Energy Star Award

STUDENT HOUSING



Leaders Panel at 2017 NMHC Student Housing Conference and Exposition

VISION 2030

NMHC and its industry partner, the National Apartment Association (NAA), launched a new campaign highlighting the need to **build 4.6 million new apartments between now and 2030 just to keep pace with growing apartment demand.** To help tell this story to policymakers everywhere, the initiative included a series of tools for multifamily and housing stakeholders:

- New Demand research
- Barriers to Apartment Construction Index
- Vision 2030 Report
- Updated www.weareapartments.org website



250
Radio, Print
and Online
Stories



200,000
Website Visits in 2017



800%
Increase in Traffic

VIRTUAL REALITY APARTMENT OF THE FUTURE.

To help our members understand how major trends will affect what and where they build, NMHC produced an innovative virtual reality presentation and web site to visualize how the industry may evolve in coming years as well as a first-ever Trends Report and Survey.

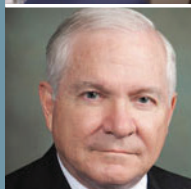
CONNECTS

NMHC creates exclusive networking opportunities for its members to some of the nation's most prominent thought leaders.

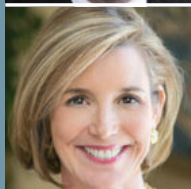
NOTABLE SPEAKERS



Steve Case & J.D. Vance



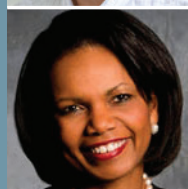
Robert Gates,
22nd Secretary of Defense



Sallie Krawcheck, CEO and
Co-founder Ellevest and
former CEO of Merrill Lynch
Wealth Management



Mitt Romney,
former Governor of
Massachusetts and
Presidential Candidate



Condoleezza Rice,
former Secretary of State



At NMHC's Washington Fall Board of Directors meeting, NMHC members heard from an impressive array of key Congressional and Administration leaders

Senate Minority Leader Chuck Schumer (D-NY)
Speaker Paul Ryan (R-WI)
Senator John Barrasso (R-WY)
Senator David Perdue (R-GA)
Senator Chris Van Hollen (D-MD)
Senator Bob Corker (R-TN)
Congressman Jeb Hensarling (R-TX)

Congressman Jim Himes (D-CT)
Congressman Erik Paulsen (R-MN)
Congressman David Scott (D-GA)
Congressman Tony Cardenas (D-CA)
Mel Watt, Director, Federal Housing
Finance Agency



Above: NMHC Chair Bob DeWitt interviews FHFA Director Mel Watt



Above Right: Speaker Paul Ryan (R-WI) addresses NMHC membership at 2017 Fall Board

Right: Julie Smith, NMHC Diversity & Inclusion Committee Chair, interviews Congressman David Scott (D-GA) and Congressman Tony Cardenas (D-CA)



Below: NMHC member, Alan Pollack, hosts Congressman



Above: Senate Minority Leader Chuck Schumer (D-NY) and NMHC members

Left: Congressman Jim Himes (D-CT) discusses capital markets and GSE reform at NMHC Fall Board Meeting



Below Left: Senator John Barrasso (R-WY) turns over mic to Senator David Perdue (R-GA) at NMHC Fall Board Meeting

Below: House Financial Services Committee Chairman Jeb Hensarling (R-TX) addresses NMHC membership



INFORMS

Year after year, NMHC is the premier source for research, data and analysis relating to the apartment industry. From capital markets to Capitol Hill to the state of the industry, NMHC keeps our members informed.

WHITE PAPERS & WEBINARS

- Apartment Strategies Update
- Series of Fair Housing Resources
- “Internet of Things” Guidance and Best Practices

2017 RESEARCH-RELATED PRODUCTS

- U.S. Apartment Demand – A Forward Look
- 2017 NMHC 50
- NMHC-Kingsley Apartment Renter Preferences Report
- Student Housing: NMHC Commissioned Report on Affordability of On- and Off-Campus Housing

WHAT RENTERS WANT

The largest-ever survey of apartment residents, giving apartment executives actionable insights into what residents like, love and can't live without.

 270,000 Responses

 80 Local Markets Covered

 30+ Media Stories Quoting NMHC





NMHC NEWSLETTERS AND ALERTS

- Apartment Wire
- Multifamily Markup
- Market Trends
- Research Notes

NMHC CYBERSECURITY ALERT SYSTEM

NMHC launched a new cybersecurity notification system to inform members of real-time cyber threats. Working with the Real Estate Information Sharing and Analysis Center (RE-ISAC), NMHC distributes regular email alerts of cyber activity that could impact their firms, data or residents.

TAX ANALYSIS RESEARCH

- Assessing the Impact of the House GOP Blueprint on Commercial Real Estate by PricewaterhouseCoopers (PwC)
- Unlocking Foreign Investment in U.S. Commercial Real Estate (FIRPTA) by Rosen Consulting Group
- The Benefits and Costs of Tax Deferral: An Analysis of Real Estate Tax-Deferred Exchanges by David Barker, David C. Ling and Milena Petrova

RESEARCH FOUNDATION

NMHC launched a new Research Foundation aimed at producing research supporting the apartment industry's business interests.



Dr. Mark Eppli of Marquette University presents initial findings of a report funded by the NMHC Research Foundation

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