Although the role of the CMBS industry as a capital provider to the multifamily industry has decreased significantly, it still provides a key financing option for apartment owners. New regulations influencing the CMBS market must balance prudent risk management oversight and protocols with rational market practices. We monitor regulations and work to insure that this balance is maintained.

The majority of existing multifamily CMBS loans will mature between 2016 and 2018. A sound CMBS market should compete to provide financing for multifamily borrowers.

Rulemakings that impact this capital source for multifamily include:

- A new risk-based approach to financial services regulation that impact
  - Risk based capital
  - Liquidity
  - Capital adequacy
- Limits on bank investments and related activities
  - Volcker Rule
  - Fundamental review of the trading book
- Changes to the securitization market
  - Risk retention
  - Underwriting guidance
  - High Volatility Commercial Real Estate Loans

NMHC/NAA continuously track previously passed rules, which are subject to review and revision, along with any new rule or proposal to modify a regulation for CMBS. Our goal is to ensure a balanced approach to strong oversight and risk management protocols so that the multifamily industry retains a diverse group of capital sources serving all markets.