



## NEWS RELEASE

Contact: Ron Kuykendall

(202) 739-9425

[RKuykendall@nareit.com](mailto:RKuykendall@nareit.com)

### **NAREIT APPLAUDS INTRODUCTION OF REAL ESTATE INVESTMENT AND JOBS ACT IN U.S. HOUSE OF REPRESENTATIVES**

*Bill Would Create Jobs and Growth by Attracting Cross-border Investment*

**Would Help Level the Playing Field in the Global Competition for Capital**

**WASHINGTON, DC, April 30**—The National Association of Real Estate Investment Trusts (NAREIT) today applauded the introduction in the U.S. House of Representatives of the Real Estate Investment and Jobs Act of 2015, which would reform elements of the Foreign Investment in Real Property Tax Act (FIRPTA). The legislation was introduced by Representatives Kevin Brady (R-TX) and Joseph Crowley (D-NY), and was co-sponsored by a bi-partisan group of Representatives, including Rep. Earl Blumenauer (D-OR), Rep. Vern Buchanan (R-FL), Rep. Robert Dold (R-IL), Rep. Lynn Jenkins (R-KS), Rep. Sam Johnson (R-TX), Rep. Ron Kind (D-WI), Rep. Peter King (R-NY), Rep. John Larson (D-CT), Rep. Kenny Marchant (R-TX), Rep. Jim McDermott (D-WA), Rep. Patrick Meehan (R-PA), Rep. Richard Neal (D-MA), Rep. Charles Rangel (D-NY), Rep. Tom Reed (R-NY), Rep. Dave Reichert (R-WA), Rep. Jim Renacci (R-OH), Rep. Peter Roskam (R-IL), Rep. Linda Sanchez (D-CA), Rep. Pete Sessions (R-TX), Rep. Mike Thompson (D-CA), Rep. Pat Tiberi (R-OH), and Rep. Todd Young (R-IN).

“We greatly appreciate the leadership shown by Representatives Brady and Crowley, as well as the bill’s co-sponsors, in introducing and supporting this vitally important legislation,” said NAREIT President and CEO Steven A. Wechsler. “The provisions of this bill will help level the playing field in the global competition for capital, enabling the United States to attract more cross-border investment that will create jobs in the real estate and construction industries, upgrade U.S. commercial real estate and infrastructure, and expand state and local tax bases through increased economic activity.”

FIRPTA was enacted in 1980 to discourage cross-border equity investment in U.S. real estate by taxing non-U.S. investors’ gains on the sale of real property, including real estate and infrastructure assets. In some cases, it can create a tax burden as high as 54.5 percent. Its effect

is to choke off the flow of cross-border investment into U.S. real property and deflect capital to other, more competitive global markets.

The Real Estate Investment and Jobs Act of 2015 would exempt non-U.S. pension funds from the FIRPTA tax penalty. It also would increase the FIRPTA exemption for portfolio investors in a publicly traded U.S. REIT from 5 percent to 10 percent ownership of the company's stock and extend the exemption to certain collective investment vehicles.

“This legislation would bring greater fairness to the global competition for capital, helping to increase the flow of investment to create jobs, fuel the engine of economic growth and strengthen the financial foundations of our communities,” Wechsler said.

In February, the Senate Finance Committee unanimously approved its own FIRPTA reform legislation. President Obama's 2016 Federal budget proposal also included elements of FIRPTA reform. To learn more about efforts to reform FIRPTA, [click here](#).

***Editors' Note:*** NAREIT provides media resources on [REIT Basics](#), a [Glossary of REIT Terms](#), as well as other industry data and information on the value that REITs provide to investors, the economy and our communities on REIT.com. NAREIT also makes economists and other industry experts available for commentary on industry trends and research.



NAREIT is the worldwide representative voice for REITs and listed real estate companies with an interest in U.S. real estate and capital markets. Members are REITs and other businesses that own, operate and manage income-producing real estate, as well as those firms and individuals who advise, study and service those businesses. NAREIT is the exclusive registered trademark of the National Association of Real Estate Investment Trusts, Inc.®, 1875 I St., NW, Suite 600, Washington, DC 20006-5413. Follow us on REIT.com. Copyright© 2015 by the National Association of Real Estate Investment Trusts, Inc.® All rights reserved.

This information is solely educational in nature and is not intended by NAREIT to serve as the primary basis for any investment decision. NAREIT is not acting as an investment adviser, investment fiduciary, broker, dealer or other market participant, and no offer or solicitation to buy or sell any security or real estate investment is being made. Investments and solicitations for investment must be made directly through an agent, employee or representative of a particular investment or fund and cannot be made through NAREIT. NAREIT does not allow any agent, employee or representative to personally solicit any investment or accept any monies to be invested in a particular security or real estate investment.

All REIT data are derived from, and apply only to, publicly traded securities. While such data are believed to be reliable when prepared or provided, such data are subject to change or restatement. NAREIT does not warrant or guarantee such data for accuracy or completeness, and shall not be liable under any legal theory for such data or any errors or omissions therein. See <http://reit.com/TermsOfUse.aspx> for important information regarding this data, the underlying assumptions and the limitations of NAREIT's liability therefor, all of which are incorporated by reference herein.

Performance results are provided only as a barometer or measure of past performance, and future values will fluctuate from those used in the underlying data. Any investment returns or performance data (past, hypothetical or otherwise) shown herein or in such data are not necessarily indicative of future returns or performance.

Before an investment is made in any security, fund or investment, investors are strongly advised to request a copy of the prospectus or other disclosure or investment documentation and read it carefully. Such prospectus or other information contains

important information about a security's, fund's or other investment's objectives and strategies, risks and expenses. Investors should read all such information carefully before making an investment decision or investing any funds. Investors should consult with their investment fiduciary or other market professional before making any investment in any security, fund or other investment.