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The Intelligencer

Realtors® Legislative Alliance focuses on fairness as it advocates for real estate property rights

In today's lukewarm economy, it seems the only red-hot segment is real estate, growing by double digits every year. With strength like that, one might think that the real estate market can handle virtually any regulatory burden placed on it.

Not so, according to Michael McGee, president and CEO of the REALTORS® Legislative Alliance (RLA) in Newtown Square. "That kind of thinking is shortsighted," McGee said. "Real estate is cyclical just like any other sector. There is the potential and perhaps the likelihood that it will slow down, especially if we don't take steps to support it."

Supporting the real estate sector is one of the goals of the RLA, a subsidiary corporation of the Bucks County, Montgomery County and Suburban West Associations of REALTORS®, which provides local and regional legislative representation for its shareholders and their combined 9,000 REALTOR® members. By lobbying public officials and interacting with political organizations, community groups and others, RLA staff and REALTOR® volunteers work to ensure that public policy decisions are fair to the real estate industry and the public it serves.

"Fairness is the key word," explained McGee, who has been with the RLA since its inception in 1998. "Our positions aren't based just on economic impact, but on the issue of fairness. I don't think the public understands that we are an organization committed to protecting their right to buy and sell real estate."

Among the hot-button issues the RLA has addressed lately was a proposed state constitutional amendment allowing counties to reassess

property based on the sale price. The RLA argued that this would have created a significantly unfair tax burden on those who recently purchased their homes. The bill was voted on by the Pennsylvania House Finance Committee and defeated in June.

"That was one of our most important recent accomplishments," said Carolyn Sabatelli, chairperson of the RLA. "We have stopped several unnecessary point-of-sale regulations as well, and there are many more issues we're still working on."

For example, sorting out the meaning of the new statewide building code that recently went into effect. "The fire code portion of the new building code calls for a Level II fireplace and heater flue inspection upon transfer of property," explained McGee, who is one of three full-time RLA staff. "This is accomplished by sending a camera up the flue at a cost of \$200 to \$400. The likelihood is that when you send a camera up a flue, 80 percent of the time you'll find some kind of 'problem' that has tremendous cost implications associated with the transaction."

The new code also requires that a homeowner add a window or door that can be used for an egress when finishing a basement. However, a recent amendment to the code exempted repairs and alterations from the building code. So just what is a homeowner required to do? "The amendment is only a few weeks old," McGee noted. "We're working to find out exactly how it will be applied. For now, we're advising members to tell their clients to check with their local building official to find out what they can or can't do."

In addition to lobbying at the state level, the

RLA works with 238 municipalities across the region to make point-of-sale regulations reasonable. "While we understand why municipalities propose point-of-sale regulations, they can severely hamper an individual's ability to sell property because every municipality is different, and often inspectors are given a lot of autonomy with regard to what they want done," said McGee.

"A uniform standard would be ideal, but we understand that in Pennsylvania, that's not likely to happen. So while we generally oppose these ordinances, we attempt to work with local governments and recommend what should and should not be required, and also ask that they don't give too much latitude to individual inspectors," he added.

The RLA also has a political action committee, SERPAC (Southeast REALTORS® Political Action Committee), through which it provides funding to local political candidates and organizations that support real estate-friendly legislation. "The amount we raise and contribute has more than doubled since we first started, from \$66,000 to \$178,000," said McGee. "That increase is due not only to higher membership numbers, but a realization by our members that what we do is important."

Other RLA member services include a website with important municipal information such as tax rates, local disclosure ordinances, real estate sign regulations, and use and occupancy inspection requirements. The RLA also provides members with updates on pending local, state and federal issues through an email newsletter.

"Our goal this year is to capitalize on the fact

that we have 9,000 members and get them even more plugged into our organization," said McGee. Sabatelli concurred. "Sometimes I think we're the best-kept secret of our member organizations," she said. "We need to better communicate all that we do." That seems to be happening.

"The RLA is the number one service we offer," said Jane Forth of the Bucks County Association of REALTORS®. "Before we joined RLA, we had no vehicle to lobby on a local level and could not be proactive legislatively. Now we can go into a municipality and be heard. Before, we didn't have the manpower to do it, even though we wanted to."

Gail Fusco of the Montgomery County Association of REALTORS® agrees. "The RLA is huge, probably the premier service we offer to our members," she said. "It gives our members one regional voice and effectiveness that surpasses any individual member organization."

Suburban West REALTORS® Association CEO Anne Marie Matteo also called the RLA one of the premier components of her organization. "The efforts of the Alliance to influence and support local real estate issues vital to homeowners and REALTORS® alike have resulted in positive steps towards the overall protection of private property rights in this region," she said.

Beyond supporting its members, McGee said the RLA has a big-picture goal, as well: "To continue to work with every level of government to protect the affordability of the American Dream."

For more information about the RLA, call 610-353-9330 or visit its website at www.rladirect.com.