



REBNY Annual Report - 2010



Mary Ann Tighe
Chairman



Steven Spinola
President

REBNY Agenda for 2010

At the beginning of 2010, REBNY outlined an Action Agenda for the year that highlighted six major real estate industry priorities.

1. **Jobs:**
Adopt programs to create and retain jobs
2. **Fiscal Discipline:**
Speak out against higher taxes and wasteful spending
3. **Affordable Housing:**
Pass legislation that will help create and preserve housing for all New Yorkers
4. **Strong Washington Voice:**
Advocate for sound lending, housing, tax and immigration legislation
5. **Census 2010:**
Work with City to count each and every New Yorker
6. **Economic Recovery:**
Encourage investment and construction through efficient procedures and regulations



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Census 2010: Work with City to count each and every New Yorker.

Economic Recovery: Encourage investment and construction through efficient procedures and regulations.

REAL ESTATE BOARD OF NEW YORK

join with our elected officials and speak as one voice for New York.



Look for REBNY emails that call for action and join the battle. Carry this card and use it when you speak to elected officials.

Visit www.REBNY.com and learn more about our plans to help New York. Read about the industry's goals for 2010.

You are part of the most important industry in New York. Get involved, speak up.

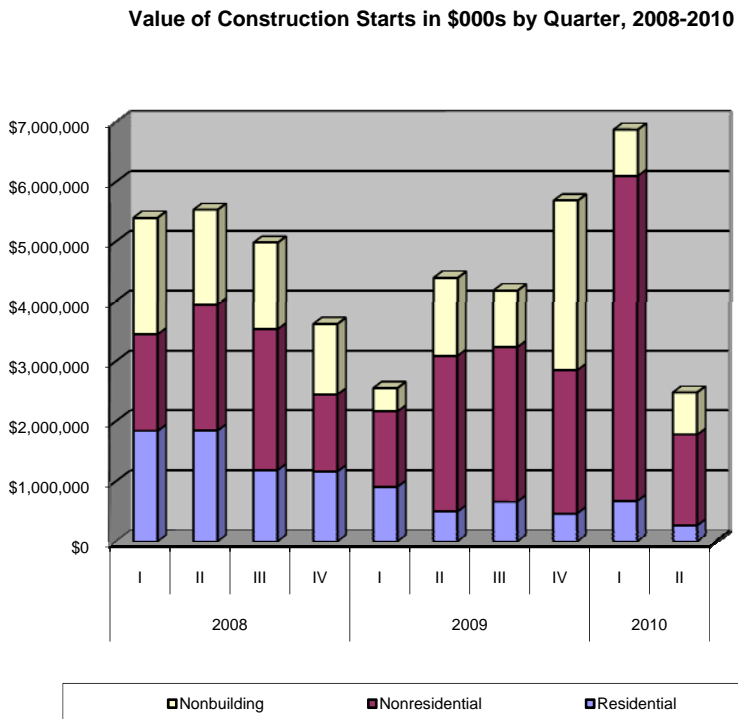
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1. Jobs

New York City, State and the country are still weathering the economic crisis from 2008 and the longest recession in over 60 years. Although construction has risen in 2009-10, it is mostly for public sector projects. The industry continues to be a significant part of the recovery, with real estate related taxes comprising almost 50% of all New York City tax revenue and all income producing properties in New York City paying nearly one-third of all locally generated taxes.

This year, REBNY was particularly focused on preventing broad-sweeping programs that would have prevented the creation of new jobs, and supported initiatives which would provide for the greatest job growth opportunities.



Source: New York Building Congress

REBNY Campaigns

- ▶ Move the Trial
- ▶ Oppose Job Killer Bills:
 - Paid Sick Leave
 - Living Wage
 - Prevailing Wage (City and State)
- ▶ Community Benefit Agreements
- ▶ Commercial Rent Control
- ▶ 34th Street Transitway
- ▶ Rezonings
 - North Tribeca
 - Riverside Center
 - 15 Penn Plaza
- ▶ Landmarks
- ▶ Build the Station at 41st St on the 7 Line Extension

1. Jobs

Move the Trial

- ▶ Launched REBNY Action Center. Inaugural campaign led the federal government to reconsider, and likely abandon, its plan to have the 9/11 terror trials in Lower Manhattan
- ▶ Lobbied Obama administration, Senators Charles Schumer and Kirsten Gillibrand, Governor David Paterson, Police Commissioner Ray Kelly and Mayor Bloomberg, asking that they oppose the terrorist trials in Lower Manhattan
- ▶ Prevented economic and personal disruption to the 140,000 residents, nearly 100 million square feet of office space with approximately 315,000 workers in the area



Oppose Job Killer Bills:

Paid Sick Leave

- Successfully opposed legislation that would have required all businesses to provide its employees, full-time or part-time, paid sick leave
- Businesses with less than 20 employees would have been required to provide 5 paid leave days; businesses with 20 or more employees 9 paid leave days. Businesses would have been prohibited from restricting the use of these paid leave days during peak business periods
- Speaker Quinn shelved the bill in Fall 2010 citing that it is too costly in this economic climate



Steven Spinola on NY1 arguing against job-killing mandatory living wage requirements

Living Wage

- Continue to oppose a city bill that would require recipients of city assistance to mandate that the tenants in the benefitting building pay a living wage to all its employees

Prevailing Wage

- Opposed both city and state mandatory prevailing wage legislation
- Proposed city bill requires the payment of prevailing wages to building service workers in buildings with a city tenant or that receives city financial assistance of \$100,000 of economic development assistance
- State bill passed by the legislature would mandate the payment of prevailing wages to contractors of utility companies and possibly to BIDs.

Community Benefit Agreements (CBAs)

- ▶ The Comptroller's Task Force put forward a recommendation to have CBAs attached to any development project receiving public benefits
- ▶ Orchestrated a public relations and political response to the plan
- ▶ REBNY strongly opposed mandatory CBAs and educated public officials on the court mandated requirement for a nexus between benefits and the mitigation of environmental impacts



Recommendations of the Task Force on Public Benefit Agreements

Presented to City Comptroller John C. Liu

September 29, 2010
New York City

1. Jobs



Commercial Rent Control

- ▶ Successfully advocated against the legislation that would have limited commercial rent increases to 5%
 - ▶ NYC Bar Association agreed with REBNY and questioned the legality of the proposed law.
 - ▶ Protected the landlord's right to operate commercial buildings and adequately maintain finances
- ▶ Uncovered damaging provisions in the Council's "Small Business Survival Act" that would have:
1. Required a property owner to submit to binding arbitration if during a lease renewal the tenant and landlord could not agree on rent. The arbitration would only be binding on the landlord.
 2. Allowed the tenant to stay in the space until the landlord found a replacement tenant, and provided the tenant the option of accepting the newly negotiated rent agreement

Promote Appropriate Land Use

34th Street Transitway

- Assembled a task force of property owners to monitor the development of this proposal and to assess its impact on these properties and to demonstrate to DOT what the impacts could be



Rezoning

- Continue to support rezonings that allow for development, growth and that encourage investment in neighborhoods including North Tribeca, and projects such as Riverside Center and 15 Penn Plaza.

Landmarking

- Strongly, but unsuccessfully, opposed the extension of the SoHo and Upper East Side districts.
- Increased efforts to deter the city's Landmark Department from designating districts that incorporate buildings lacking architectural and historic significance and would prevent new development, job creation and tax revenue increases on the numerous underbuilt sites in these locations.



#7 Line Extension

- ▶ Created a grass roots campaign to support the building of a station at 41st Street and 10th Avenue



- ▶ Supports the creation of 1,500 construction jobs and allows for the full development of the area that will add 14,400 more residents and 25,000 more jobs to the Far West Side
- ▶ Coalition in place was able to quickly organize support for the alternative plan to extend the 7 line to New Jersey when the ARC project was terminated by Governor Christie



2. Fiscal Discipline

REBNY Campaigns

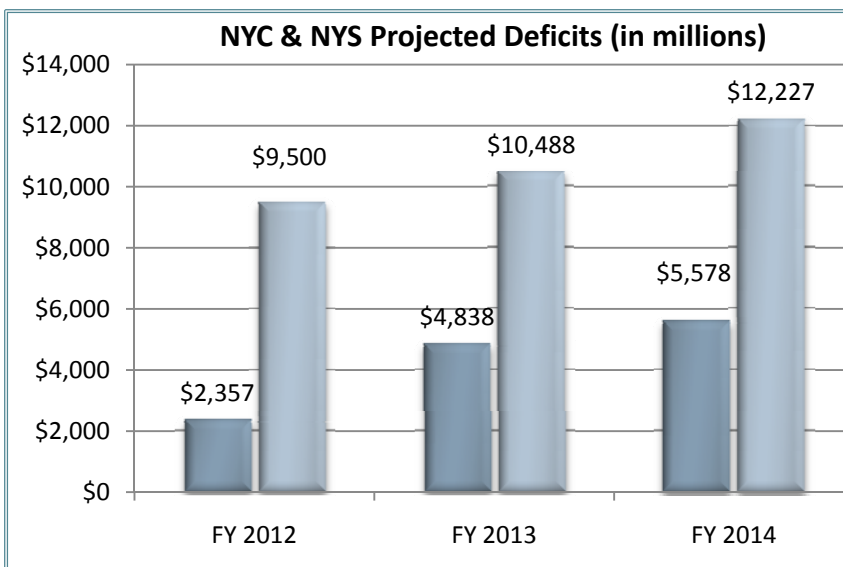
- ▶ Significant involvement in state races
- ▶ Pushing back against unfair tax increases
 - Mortgage Recording Tax
 - MTA Mobility Tax
 - Local city business taxes and fees
- ▶ Stopped the state take-over of the Title industry

New York City and State are all facing some of the most serious economic times in their history. Governor-elect Cuomo is facing a \$9.5B deficit in his first year of office. The city has a ballooning pension liability that has increased more than 900 percent in the last decade - from \$703.1 million in 2000 to \$6.5 billion in 2009 - and the several rounds of cost cutting by the city are leading to reductions in services.

New York State already ranks 49th in the Tax Foundation's State Business Tax Climate Index and has the second highest per capita tax burdens in the country lagging only behind New Jersey. REBNY has taken a strong position in response to these looming fiscal catastrophes, and has successfully opposed any significant tax increases this year. REBNY launched a campaign to push back against the efforts and ensure the voice of business was also heard during this election.

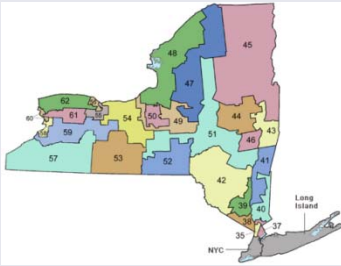


Governor-elect Andrew Cuomo



Data source: NYS Comptroller

2. Fiscal Discipline



Political Advocacy

- Achieved our three stated goals:
 1. Senate will be led by Republicans
 2. Gave strong backing to moderate Democrats
 3. Got heavily involved in more than one-half dozen of the most competitive races throughout the state
- Continued to build relationships – over 85% of the 69 candidates we supported this year won
- Successfully lobbied against damaging legislation from being passed in such areas as rent regulation and wage policy
- REBNY's primary focus was influencing state government and raised and contributed a record sum to support State Senate and other candidates.
 - Provided early and strong support for Governor-elect Cuomo in his campaign
 - Much attention and resources were devoted toward moderating the State Senate
- Successfully lobbied against damaging legislation from being passed in such areas as rent regulation and wage policy

Pushing Back Against Tax Increases

- ▶ No significant tax increases in 2010

Mortgage Recording Tax

- Opposed the extension of the mortgage recording tax on financial documents filed in connection with the sale of a cooperative apartment

Mobility Tax Rate Increase

- Opposed a proposal that would have increased the mobility tax rate for New York City businesses from .34% of payroll costs to .54%

Fees and Violations

- REBNY continues to advocate against higher fines for violations while the adjudication process at ECB remains difficult to navigate and old violations and fines remain in the records even after they have been resolved.



State Take-over of Title Companies

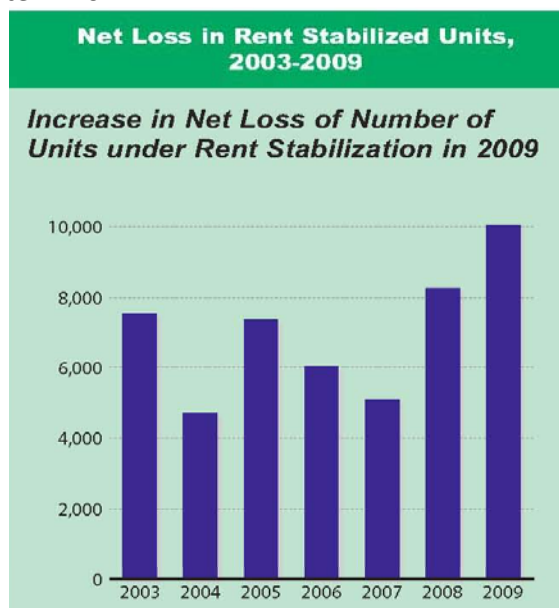
- The state proposed taking over the Title Insurance Industry in order to more stringently regulate it and as a source of revenue for the state coffers.
- REBNY opposed the take-over due to the amount of bureaucracy and potential for delay it would introduce to the title insurance process that often demands the timely issuance of title guarantees.
- Although bills were introduced by both Assembly and Senate, no action was taken.

3. Affordable Housing

In 2006 and 2007, city and state government enacted significant changes in the 421a Partial Tax Exemption program that reduced the level of tax exemption benefits and the eligible geographic areas for new housing development. Given the robust housing market at that time, government officials believed that a significant reduction in benefits would not seriously impair the level of housing production in the city. By the time these changes took effect in 2008, the city was in a recession and the housing market was in crisis. New housing permits declined 80 percent from approximately 30,000 a year to 6,000.

With 421a expiring at the end of the year, and continued loss of affordable housing units in the city, we need to renew the program and make modest changes that would be a catalyst for new construction and that would enhance the retention of affordable housing.

Finding an appropriate compromise on the package of housing bills in order to have a robust 421a program extended for several years has become one of REBNY's primary issues at the state. Given the changes in the electorate, we anticipate this extension to be a priority for the state in 2011.



Source: Rent Guidelines Board

Pursue 421a Extension

- ▶ Introduce an optional long-term affordability provision for 80/20 projects
- ▶ Extend construction period completion and benefit for 36 months
- ▶ Introduce a conversion provision (like 421g)
- ▶ Restore 421a benefits to FAR 15 Zoning Districts

Oppose Piggybacked Legislation

- ▶ Increases income and rent thresholds for deregulation
- ▶ Rent stabilize all post-1974 buildings that have left Mitchell Lama and Section 8 programs
- ▶ Reduces landlord's allowable charges for MCI
- ▶ Eliminates preferential rents
- ▶ Excessive reporting requirement to DHCR upon decontrol
- ▶ Extends the look-back period for determining legal rents

3. Affordable Housing

REBNY's 421a Extension Proposal

Optional permanent/long-term affordability provision for 80/20 projects

- ▶ Property taxes on many market-rate multifamily residential projects have risen from 20% to 30% of gross revenues
- ▶ Due to this tax burden, many developers of 80/20 projects sell to condominium converters at the end of the tax benefit, diminishing the supply of rental apartments and affordable housing in New York City.
- ▶ REBNY is working with HPD, the state legislature and City Council to consider a 30 year extension in the low income affordability requirement in exchange for a cap on real estate taxes of 20% of gross revenue.

Extension for construction completion and benefit period for 36 months

- ▶ During June 2008, the last month in which new residential developments could begin construction and vest the more generous benefits, the city issued 17,000 permits for new housing units.
- ▶ The financial crisis of 2008 halted between 7,000 and 10,000 units that currently have building permits and plans from securing financing or proceeding with construction. The 421a requires completion of construction without undue delay and within 36 months, or loss of benefits
- ▶ REBNY has advocated extending the construction period for receiving the pre-2008 benefits for an additional 36 months to induce lenders to begin to finance these stalled projects and resume construction as quickly as possible
- ▶ The city is supportive of extending the construction completion requirement, but is not supportive of extending construction benefits. We will continue to advocate for this change.

Proposed Housing Legislation during the 2010 Session

1. Reverting former Mitchell-Lama and Section 8 housing corporations to rent stabilization
2. Lowering Major Capital Improvement increases from 1/40th of costs to 1/60th
3. Restricting ability for landlords to recover housing to only one unit
4. Prohibiting the adjustment of preferential rent during a lease renewal
5. Increasing requirements for demolition of rent-stabilized units
6. Increasing the allowable income-to-rent ratio for limited profit housing from 7:1 to 8:1

Introduce a conversion provision (like 421g)

- ▶ Our struggling economy and our underutilized neighborhoods would benefit from incentives to encourage the redevelopment of obsolete commercial buildings to residential use.
- ▶ REBNY is pursuing a conversion program citywide incorporated into 421a that would offer the same benefit schedule, require on-site affordable units (100% of AMI) for projects in the Geographic Exclusion Area, base the building's mini tax on assessed value of the land and reduce the assessed value of building to zero.
- ▶ The city is not supportive of this change, but we will continue to advocate it

Restore 421a Benefits to FAR 15 Zoning Districts

- ▶ Due to a technical error in the local law, the 421a program failed to extend tax exemption benefits to FAR 15 areas, high density districts generally in Midtown and Downtown Manhattan.
- ▶ Restoring benefits is essential to new 80/20 housing in these districts. Most private mixed income projects are only economically feasible in high density Manhattan neighborhoods.

4. Strong Washington Voice

In the past year, REBNY and its members have increasingly been playing key roles in federal legislative policy that impacts real estate in New York and across the country. REBNY hired Ogilvy Government Relations to represent our various and significant interests in federal policy, as well as continuing to work with partner organizations including the Real Estate Roundtable and US Chamber of Commerce. Focusing on educating legislators on their proposals' impacts on job creation and economic recovery, our efforts often made it difficult for Congress to pass damaging proposals like Carried Interest and reinstating the Estate Tax at 2001 levels.

The outcome of the November midterm elections was largely seen as a referendum on Mr. Obama's presidency - during which Republicans gained an incredible amount of political ground nationwide and regained control of the House. The conflicts in the Middle East, the spending associated with the President's key programs, and the weak economy played key roles in the Democrats losing independent voters and seniors by significant numbers. Dominant performances by Republican candidates in key swing states that President Obama won in 2008 (OH, IN, PA and FL) will force the White House to rethink their agenda heading into the 2012 elections.

REBNY Campaigns

- ▶ Carried Interest
- ▶ FIRPTA
- ▶ FASB
- ▶ Estate Tax
- ▶ Capital Gains and Dividend Taxation
- ▶ Flip Tax and Fannie Mae Issues
- ▶ Meetings with Federal Political Leadership

Watch for in the 112th Congress

Going forward, the new Republican majority in the House will be made up of a younger, more conservative group of members while the Democratic Caucus will be more liberal. The Republican leadership in the House will be under great political pressure to fulfill their pledges from the campaign trail which include full repeal of the new health care reform law, massive spending cuts and permanent extension of the Bush tax cuts. The Senate will also have a new class of more conservative, populist members that may change the dynamic of the current Republican conference.

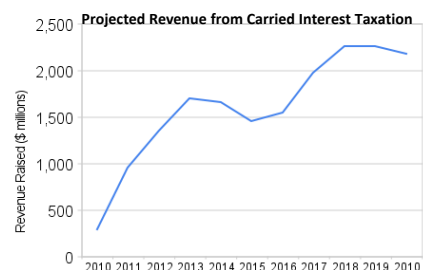
Key Issues

1. Taxes – including Personal and Corporate Tax Review
2. Spending Reductions – including an Earmark Moratorium, Spending Cuts, and Debt Reduction Task Force
3. Afghanistan efforts – including additional funding and support
4. Raising the Debt Ceiling
5. Healthcare Revisions – including a House effort for full repeal of health care reform law, targeted reform to address insurance mandate, and 1099 reporting
6. Financial Services – including making technical corrections to the Dodd/Frank bill and Fannie Mae/Freddie Mac reform
7. Highway Bill
8. Farm Bill
9. Energy Legislation – not including comprehensive climate change legislation
10. Aggressive Oversight and Investigations of Administration and Agencies

4. Strong Washington Voice

Carried Interest/Enterprise Value Tax Increase

- ▶ Carried Interest proposal to tax partnerships at regular income was defeated 3 times in 2010. REBNY actively fought all forms of the proposal affecting real estate and significant changes were made in subsequent bills.
- ▶ Although Carried Interest will likely keep surfacing as it provides significant funds to “pay-for” other legislation, enough concerns have been voiced making it difficult for Congress to pass the legislation as originally proposed.
- ▶ Final bill negotiations included tax rates for managing partners would have increased from capital gains rate of 15% to an effective rate of about 34.7% for holdings less than 5 years, and an effective rate of about 29.6% for holdings greater than 5 years.
- ▶ Family Partnerships: Bill language was broadened to include interests held by family members of a managing partner to be taxed at Carried Interest rates.



Source: Washington Post

FIRPTA (Foreign Investment in Real Property Tax Act)

- ▶ Rep. Joe Crowley (D-NY) and Rep. Pat Tiberi (R-OH) introduced the Real Estate Revitalization Act of 2010 (H.R. 4539), which would make reforms and improvements to FIRPTA and encourage foreign investment during a time of low access to capital and low issuance of commercial mortgage backed securities.
- ▶ The House passed a version of this bill with an overwhelming bipartisan vote.
- ▶ This bill will not become law this year, but a good foundation has been laid for possible enactment next year.

FASB Lease Accounting

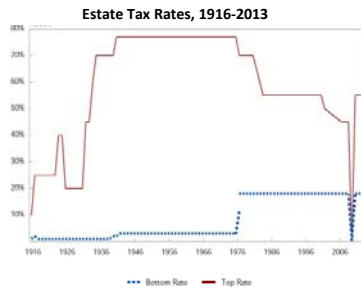
- ▶ The Federal Accounting Standards Board is proposing changes in lease accounting to disclose all liabilities, replacing straight line rent expenses with straight line depreciation and imputed interest, front ending liabilities of leases to tenants that will likely result in substantially shorter leases.
- ▶ REBNY, in coordination with the Real Estate Roundtable and the US Chamber of Commerce is organizing responses from other impacted industries, including equipment leasing and financial services
- ▶ Met with key officials of FASB and lobbied members of G20 to gain international support for at least delaying adoption of these rules.



Meeting with Federal Leadership

- ▶ REBNY hosted several meetings with existing and up coming federal leadership to inform them on real estate priorities, including meetings with Speaker Nancy Pelosi, Speaker-elect John Boehner, Senate Majority Leader Harry Reid, and current Chair of the Senate Finance Committee Max Baucus

4. Strong Washington Voice



Estate Tax

- The estate tax had been repealed for 2010, and was scheduled to revert to pre-2001 levels in 2011 (top rate of 55% and \$1 million exemption)
- REBNY advocated a proposal that is 35% with a \$5 million exemption, a reintroduction of the stepped up basis, a preservation of valuation discounts, and deductible federal estate taxes from the state
- An Estate Tax proposal was signed into law in December 2010 (see below) as part of a two year tax program as well as being electively retroactive in 2010

Capital Gains and Dividends Taxation

- For 2010, capital gains and dividends were taxed at a 15 percent rate
- Beginning in 2011, the capital gains tax rate was scheduled to increase to 20 percent, and dividends taxed at ordinary income rates - with a maximum rate of 39.6% plus the new 3.8 percent payroll tax on "unearned income" enacted earlier this year as part of the health care reform law.
- As part of the Obama tax deal, the capital gains and the dividend tax rate were both extended for two years at 15%, the same as the 2010 levels.

Housing Reform/Fannie-Freddie Reform

- Congress and the Administration will likely pursue housing reform legislation, including reform of Fannie Mae/Freddie Mac.
- Potentially will be very sweeping in scope and impact, and may also be a vehicle for more tangential changes in the law.
- REBNY will continue to educate Fannie/Freddie on New York specific issues that should be addressed in their programs and policies.
- Launched a letter-writing campaign protesting the proposed prohibition of financing developments with a flip tax, including NYC coops and condos.



Extension of Bush-Era Tax Cuts and Tax Extenders

- In December, Congress passed and President Obama signed into law the extension of tax cuts to all income levels for two years along with an extension of unemployment benefits.
- It also included a reinstatement of the Estate Tax with an exemption of \$5 million and a maximum rate of 35% for 2011 and an alignment of the estate tax with the gift tax.
- This deal was substantially similar to what Majority Leader-elect John Boehner informed REBNY prior to the elections.



5. Census 2010

New York City has always sent more tax dollars to Albany and Washington than it receives. In 2008 we gave New York State \$11 billion more in taxes than we got back and we receive less than 80¢ for every dollar sent into the federal government. An analysis of fiscal year 2008 funds showed that that 31 percent of federal assistance, \$446.7 billion, was distributed based on census population and income data as a guide.

As a civic-minded organization, REBNY launched a campaign to increase the responsiveness by reminding New Yorkers that they can help determine the number of representatives we get in Congress and the amount of federal funding the city receives to pay for a myriad of services.

The collective voice of REBNY has an extensive reach, and our participation and advocacy can have a tremendous impact. Our assistance was one of the factors that helped increase New York City's response reach 60% in 2010.



	2000	2010
National average	72%	72%
NY State	66%	67%
New York City	57%	60%
Staten Island	64%	64%
Manhattan	62%	67%
Bronx	57%	62%
Queens	56%	59%
Brooklyn	52%	55%

Source: NYC 2010 Census

Census 2010

- ▶ With the arrival of the 2010 Census, REBNY's members partnered with the city to encourage their residents and tenants to return their form and "Get Counted."
- ▶ In 2000, only 57% of New Yorkers returned their census form.
- ▶ REBNY members participated in:
 - Education
 - Including reminders in maintenance bills and mailings to residents
 - Posting notifications in building common areas
 - Running Public Service Announcements on monitors in the lobby and elevator screens of buildings
- ▶ Efforts contributed to an increase in New York City's responsiveness by 3 points

6. Economic Recovery

REBNY Activity

- ▶ DOB Restructuring
- ▶ Increase in e-filing
- ▶ Green Buildings
- ▶ Administrative Special Permits for City Planning
- ▶ Brownfield Cleanup
- ▶ Legislation:
 - Adjacent Buildings introduced
 - Agency Disclosure Law
 - Illegal Hotels
 - Bikes-in-Buildings implementation

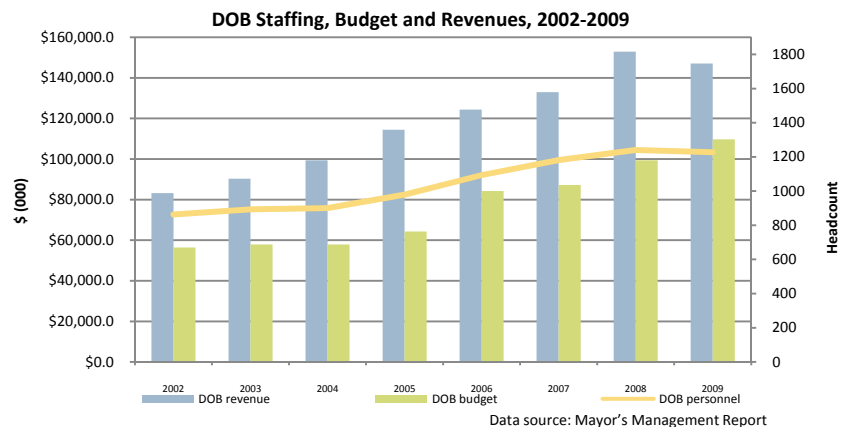


Mayor Michael Bloomberg

Real estate and new development are critical for the economic recovery of New York City. At its height in 2008, the construction industry represented nearly \$30B of activity and employed over 130,000 people. Well functioning city agencies are critical to ensuring a functioning industry. In 2008, a study by Deloitte found that administrative delays were increasing project costs by 14-17%. REBNY has been devoting a tremendous amount of energy to voicing our concerns with the city and fighting proposals that add time, costs, and delays to projects.

From FY02 to FY09 when construction activity nearly doubled from \$15.3B to \$25.8B, the city failed to keep up. The Building Department has not kept pace with the necessary resources to service the construction activity. And as the recession continues, agency resources will continue to be cut. Additionally, the city continues to undertake some of the most ambitious initiatives in its history, including overhauling the city's building code, and PlaNYC, requiring major legislative initiatives to green the city and reduce carbon emissions by 30%.

REBNY has engaged the new Deputy Mayors and has launched several efforts to show how agency policies and operations have created bureaucratic drags on development. Through these efforts we communicate that safety can be achieved while also attaining a more functional level of efficiency, customer service issues, and economic development.



6. Economic Recovery



Department of Buildings Restructuring

- In response to concerns from the industry and the city, DOB has split its enforcement and development functions, so that each division can concentrate on a singular mission. The Borough Offices will serve as the front line for getting projects approved and permitted, while the Enforcement arm will focus on site safety and inspections.

Increase in E-Filing

- ▶ DOB will expand its e-filing options with the goal of eventually creating a paperless process
- ▶ Areas to be expanded:
 - Job Applications
 - Permits
 - Industry-certified Inspections
 - Limited Alterations Applications
 - After-Hours Variances
 - Place of Assembly Filings
- ▶ The goal is to reduce the need to appear in person at DOB's offices and reduce the time to obtain approvals and permits.



Green Buildings

- The passage and implementation of the Greener Greater Buildings laws continue to have a large effect on our owners and managers.
- Through our participation in the Mayor's Sustainability Advisory Committee, the Green Codes Task Force, and the update of PlaNYC, we continue to have a voice in policies
- REBNY members continue to monitor
 - 111 Recommendations from the Green Codes Task Force
 - Greener Greater Building Code Legislation and requirements
 - Agency Strategic Proposals, including DEP's Green Infrastructure Program, DOHMH's Fit City, and HPD's sustainable housing program
 - Green Building Code adoption

Fair Housing Act Compliance/Local Law 58

- In 2008, the US Attorney's Office began investigating residential buildings in New York City to determine compliance with the Fair Housing Act relating to accessibility for people with disabilities.
- Neither the NYC Building Code nor Local Law 58 which govern construction and accessibility in New York have been deemed a safe harbor by HUD.
- Buildings that settle FHA claims with the USAO are required to provide for substantial payments in the form of penalties, compliance, and retrofits. NYC has up to 176,000 units that may be subject to such penalties and future construction may be deterred due to uncertain liability and risk
- REBNY is working with developers under USAO investigation to pursue an aggressive path to clarify whether buildings compliant with Local Law 58/NYC Building Code and their handicap-accessibility requirements also successfully satisfy FHA.

6. Economic Recovery

Administrative Special Permits for City Planning

- ▶ Proposed to the Charter Commission that Administrative Special Permits requiring technical review for compliance not be sent to the City Council for approval.
- ▶ This review hampers development and leads to unrelated and costly financial demands being placed on new projects.



Council Speaker Quinn

Brownfield Cleanup Program

- ▶ Worked with the city's newly formed Office of Environmental Remediation (OER) to create a city administered, voluntary brownfield clean-up program. The program:
 - ▶ Granted the city the authority to establish a clean-up protocol
 - ▶ Granted liability protection for owners that acquire contaminated sites and clean them up.



Legislative Initiatives

Adjacent Building Legislation:

- A bill that creates a mechanism for developers to gain a license to access an adjacent property
- Allows developers to properly safeguard the foundation and structural integrity of a building during construction
- Housing and Building Committee Chair Erik Dilan is sponsoring the bill for the City Council that has been introduced



Advertising Regulations:

- REBNY is part of the dialogue with the NYS Department of State as they revamp the advertising guidelines over how to define a team and when the term broker may be used.

Agency Disclosure Law:

- Advocated for changes in the agency disclosure law
- Consumers are now allowed to give their advanced consent in writing for dual agency representation
- Expected to facilitate transactions and alleviate any confusion regarding representation by a real estate broker
- Expanded the requirement for written disclosure to previously exempted condominium and cooperative units thereby providing additional protections to brokers, individual agents and consumers
- Provided 4 member seminars and a video on the new Disclosure Law



Illegal Hotels Law:

- Negotiated the bill to strengthen the law that prohibits illegal hotels in residential districts
- Exempted extended stay uses for not less than 30 days
- Grandfathered hotel uses for existing hotels built before 1961

Bikes In Buildings

- As the law came into effect, REBNY members reported few issues thanks to the safeguards and mechanisms we helped negotiate.



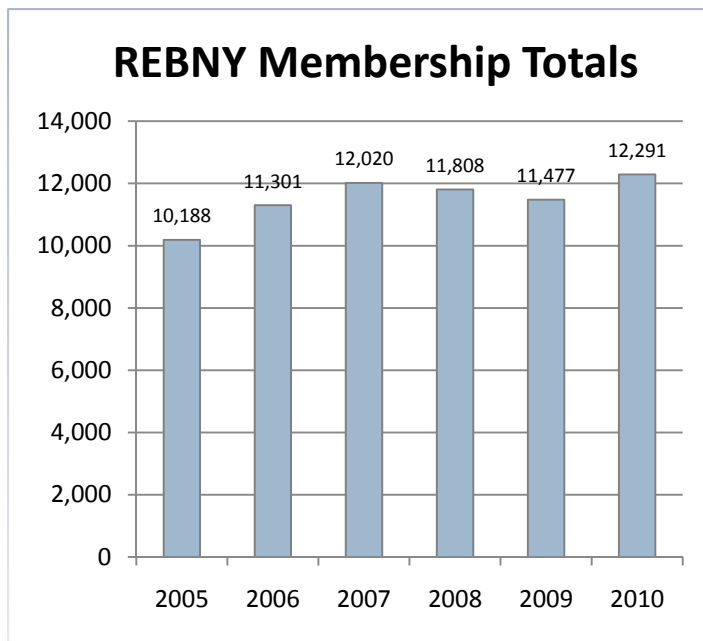
7. REBNY Changes

Over the past year REBNY has made strides toward a brighter future for the industry. Meeting the needs of our members is our most critical purpose and we have been maintaining the services members have come to depend on, as well as identifying ways to grow and meet the new needs of today and tomorrow. In these challenging fiscal times, we have not increased dues in the last three years.

In 2010, REBNY launched two new committees, we have had a series of new educational programs, have continued our philanthropic efforts, and maintained strong membership numbers – even through the economic downturn.

We are emphasizing communications and have hired key individuals with the intent of revamping REBNY.com, bringing in new members, expanding grassroots political power and government relations, and building new committees to address hot issues of the day. We have also updated classroom space, increased our marketing muscle for ResidentialNYC.com by partnering with NY1 and raised money for industry charities such as the Member in Need Fund and the REBNY Foundation.

With our updated approach we move into 2011 in great form.



Source: REBNY

- ▶ REBNY Education & Brokerage Events
- ▶ Social Media
- ▶ ResidentialNYC.com partners with NY1
- ▶ PAC: Action Center
- ▶ Memberships
- ▶ Fundraising
- ▶ New Committees
- ▶ Arbitration Cap
- ▶ REBNY Research and Reports
- ▶ Guidelines for Coop Boards of Directors
- ▶ Property Database
- ▶ Litwin and Resnick Rooms

7. REBNY Changes

Education

- ▶ Managed and hosted 15 Commercial Special Events with 2,875 people
- ▶ Managed and hosted 31 Residential Special Events with 3,310 people
- ▶ 50 Continuing Education and Qualifying Courses provided insight to 1,634 industry professionals.
- ▶ New York Residential Specialists designation courses allotted 60 stellar brokerage performers the honor in 2010.
- ▶ 7 Mandatory New Member Ethics Courses for residential and commercial brokers educated 410 new members on the importance and value of conducting business with REBNY standards.



Social Media, the REBNY Website & NY1Residential.com

- ▶ REBNY's healthy Twitter feed boasts 3,979 followers up from 2,820 in the 3rd quarter of 2010.
- ▶ Facebook has increased from 217 fans in the 3rd quarter of 2010 to 768 in the 4th.
- ▶ We are in the process of completely redoing REBNY.com to make it more user-friendly to our members.
- ▶ REBNY Website Education section is the most visited section of the site with 21,702 views this year up from 3,568 last year.
- ▶ ResidentialNYC.com has increased page views from 644,007 in 2009 to 1,123,574 page views so far in 2010.



REBNY Residential Listing Service (RLS)

- ▶ RLS participating firms increased to 495
- ▶ Virtual Office Website (VOW) users increased to 53
- ▶ Mandated that sales price be provided to the community within 24 hours after closing
- ▶ Material provided to a customer with 3 or more lines of another firm's exclusive listing must acknowledge the exclusive firm.

ResidentialNYC.com Partnership with NY1

- ▶ ResidentialNYC.com, REBNY's public real estate listings website, will soon become NY1Residential.com.
- ▶ We have teamed up with the popular Time Warner cable station, NY1, to re-launch the site. This partnership will gain even more marketing muscle through access to 54 Time Warner channels and NY1's high-volume website traffic. This partnership will improve the visibility of REBNY member listings.



Political Action Committee (PAC)

- ▶ PAC raised a record sum to support moderate Republicans and moderate Democrats in state elections who favor policies of fiscal responsibility.
- ▶ Through our involvement in state races and in last year's City Council elections, we have asserted ourselves on behalf of the New York business community.

Fundraising

- ▶ Tennis Outing: This was REBNY's 23rd Annual Pro-Am raised \$46,150 for the Big Apple Circus' Clown Care program and the Centurion Foundation.
- ▶ Residential Deal of the Year: This year's event, "Betting on New York," grossed over \$80,000 for REBNY's Member in Need Fund.



7. REBNY Changes

REBNY Membership Services

- ✓ Established **REBNY Borough Committee** to address economic and public policy concerning our members that are active outside of Manhattan
- ✓ Established **REBNY Sustainability Committee** to articulate real estate's leadership role in sustainable development and shape legislation around green development.
- ✓ Raised the mandatory **Arbitration Cap** to \$1 million in the REBNY constitution.
- ✓ Produces the high-quality **REBNY Research and Reports** the industry has come to rely on, including the only citywide residential sales market report, Residential Broker Survey and the Manhattan-wide retail report that highlights key shopping corridors.
- ✓ Developed **Guidelines for Coop Boards of Directors** in managing coop board packages for all entities including brokers, managing agents, and coop boards.
- ✓ Continue to expand and improve our **Property Database** including adding owner name to our search results, established a search feature by owner name and provide the individual owner name for cooperative apartments.

We designed and constructed the new **Litwin Classroom** and **Resnick Conference Room** using funds donated by Mr. Litwin's and Mr. Resnick's colleagues in their honor.



Leonard Litwin Classroom with its Central Park theme



The Resnick Conference room is a welcome addition to REBNY's Meeting space.

REBNY Goals for 2011

GOALS

1. **Continue to advocate for fiscal responsibility**
2. **Renew Economic Incentive Programs**
3. **Maintain Strong Washington Voice**
4. **Encourage Housing Preservation**
5. **Facilitate Construction Activity**
6. **Public Infrastructure Investment**

AGENDA

- Support the Committee to Save New York
- ICAP/ICIP
- Personal Income Tax Surcharge Renewal
- MWBE Policies
- Carried Interest
- FIRPTA
- FASB
- 421a Legislation
- J-51 Legislation
- Rent Regulations
- Oppose Legislation Increasing Costs of Construction
- Labor Contract Negotiations
- #7 Line Extension to New Jersey
- 41st Street Station

REBNY Staff – Organizational Structure

President

Steven Spinola

212-616-5227

Executive Assistant: Gladys Roman

Communications

212-532-3100

Real Estate Weekly
Press Inquiries
REBNY.com
Facebook
Twitter
Other Social Media

Dir, Communication: Nicole Lesson
Dir, New Media: Amanda Wood

Owner/ Management

212-616-5232

Green Buildings and Sustainability
Energy
Coops and Condos
Rent Stabilization
Construction Issues
Labor

Residential and Commercial Management

SVP: Angela Sung
Gov't Affairs Associate: Shannon Fales
Executive Assistant: Cindy Ramotar
Administrative Assistant: Trish Ycaza

Operations

212-532-3100

CFO: Bill Auerbach
VP, HR/Member Benefits: Kathleen Gibbs
Assistant Comptroller: Jim Quartuccio
Accounts Receivable: Rukminie Sudhai
Accounts Payable: Ann Vitelli
Board Services: Jessenia Villarroel
Director, Compliance: Shelly Harris
VP, Membership/Publications: Mary Ann Aviles
Membership: Shameza Johnson, Yvette Schmidt,
Erica Maldonado, Marta Posner
Director, Computer Svcs: Farida Fadhil
Asst Director; Computer Svcs: Michael Fringo

Brokerage Services/ Education

212-616-5236

Broker and Salesperson Licensing and Continuing
Education
REBNY Listing Service (RLS)
ResidentialNYC
Membership Luncheons

SVP: Eileen Spinola
VP, Brokerage Svcs: Jeanne Oliver -Taylor
Brokerage Svcs: Ossie Shemtov
Executive Assistant: Indi Jaipal
Administrative Assistants: Desiree Jones,
Angela Donovan

Government & Public Affairs

212-616-5237

City, State and Federal Relationships
REBNYActionCenter.com
Campaigns
REBNY PAC
Arbitration and Ethics

SVP, Government Affairs: John Doyle
SVP, Public Affairs: Jim Whelan
Executive Assistant: Angela Jones

Research

212-616-5209

Market Reports
Zoning and Planning
Real Estate Taxes
Government Development Incentive Programs

SVP: Mike Slattery
VP, Urban Planning: Carol Van Guilder
VP, Economist: Brian Klimas
Research Assistant: Mike P. Slattery
Director, Durst Library: Carolyn Dunn
Executive Assistant: Pam Choy