



PRINCIPLES WITH SANTA FE ASSOCIATION OF REALTORS® POSITIONS

PROTECTING PRIVATE PROPERTY RIGHTS

REALTORS® believe that private property rights are the fundamental tenant upon which our nation was founded and are guaranteed by both the New Mexico State Constitution and the United States Constitution. REALTORS® strongly support the right of each individual to own, use, and transfer real property. REALTORS® also recognize water as one of the cornerstones of private property rights and support a common-sense approach to the government's control of ownership rights and usage of this valuable resource. REALTORS® support and encourage consumer protection programs that are consistent with maintaining and enhancing private property rights as well as education programs designed to inform the public of the existence and benefits of such programs.

SUPPORTING A VITAL AND VIBRANT ECONOMY

REALTORS® believe that vigorous and fair competition is essential to the maintenance of the free enterprise system, and the best way of encouraging economic development. Strong economic development in both cities and rural areas will increase the quality of life for New Mexicans by assuring strong job creation, a sustainable economy, a myriad of opportunities, increased purchasing power, a broadened tax base, and the vitality of a community with a diversity of views and experience. A broad tax base is crucial to the government's ability to provide and update infrastructure and deliver necessary services to communities and citizens across New Mexico.

REALTORS® support legislation that promotes a healthy business climate which encourages business to locate and thrive in the state. As such, REALTORS® support legislation that:



promotes the ability of members to conduct business in a profitable environment of free enterprise; makes it easier to operate small businesses; spurs business growth and improves the economic vitality of both the state's urban and rural areas; promotes regulatory reform that would avoid duplicative regulation; streamlines permitting processes and procedures; provides user friendly government assistance for small business; and promotes the ability of the business community to offer health care benefits that are affordable and meet the needs of their employees.

REALTORS® believe that a well-educated citizenry is an essential component of New Mexico's economic well being and support programs and legislation to improve the educational system that are prudent, accountably administered and strategically focused on demonstrable results to maximize each dollar invested.

GROWING HOUSING OPPORTUNITIES -- THE AMERICAN DREAM

REALTORS® believe that home ownership is indeed the American dream and that it fosters responsibility and stability in communities, grows positive civic values, and increases individuals' financial security. REALTORS® support efforts to afford all residents of the State of New Mexico the opportunity to live in safe, affordable, and environmentally sustainable housing. Housing at affordable prices makes our communities attractive to businesses that want to relocate to the Santa Fe area. Housing is a major driver of the economy, representing the largest expenditure that consumers make.

FAIR HOUSING

REALTORS® subscribe to the policy of fair housing. We believe equal opportunity in housing can best be achieved through observance of the law, through education, and through mutual cooperation of the real estate industry and the public in a free and open housing market. The Federal Fair Housing Law assures all people the right to freely choose where they will live.



REALTORS® fully accept the responsibility to promote awareness among real property consumers of the obligations and advantages of strict compliance with the spirit, as well as the letter of the Federal Fair Housing Law and the New Mexico Human Rights Act.

HOUSING AFFORDABILITY

REALTORS® favor legislative measures aimed at increasing the availability and affordability of housing to all residents of New Mexico in the same areas where people work, play, and shop. REALTORS® recognize that the availability of affordable housing affects all sectors of the real estate market including first-time buyers, low-income families, minorities, seniors, people with disabilities, renters and single-family home buyers, as well as rental property owners and developers. High monthly payments, down payments and closing costs are major obstacles to homeownership. One out of three homeowners worry that rising monthly payments, especially property taxes and energy costs, will force them to sell their home and buy a less expensive one. To protect homeownership by keeping homes and rental property affordable, REALTORS® fight to prevent, reduce or eliminate taxes and fees that increase housing costs (i.e., property, transfer, and gross receipts).

RENTAL HOUSING AND RENT CONTROL

REALTORS® believe the solution to escalating rent prices is to substantially increase the supply of rental units available to the market. Rent control laws threaten the rights of property owners and reduce the housing inventory by discouraging the construction of new rental housing. Capping rental income diminishes available funding for necessary building maintenance and repair, contributing to an increase in disrepair with a resulting reduced property value. REALTORS® support the current rent control prohibition contained in New Mexico state statutes.



REALTORS® support efforts to modify the New Mexico Uniform Resident Relations Act when such regulations are enforceable for both owner and resident, do not lengthen timeframes for notice, and define an equitable relationship between owners' and residents' responsibilities for compliance. Any regulation should recognize the owners' and residents' responsibility to maintain and improve livability and economic value of the property.

REALTORS® support short term rental businesses in Santa Fe that protect local jobs, offer diverse stay options, promote the region and meet the short term housing needs of tourists, families, New Mexico legislature, film industry, and our vibrant arts community. Short term rentals should be permitted to operate year-round without limits on rental periods for a minimum of 3-day stays. Short term rental parking, occupancy limits, permit fees and violations should meet existing code for local businesses with notice given to local neighborhood associations after the issuance of the permit. Additional exemptions may be permitted for owner-occupied units or self-contained developments with all owners required to pay both lodgers' and gross receipts' taxes.

PRESERVING THE LAND OF ENCHANTMENT

REALTORS® recognize the superb landscape and natural amenities in which New Mexicans are privileged to live and are firmly committed to protecting that quality of life. REALTORS® urge continued action in the protection of the quality of our air, water, and land. REALTORS® recognize the value of open space, parks, and recreational opportunities for all residents and visitors, and the value which these items bring to surrounding properties and the economy of the state. REALTORS® support policies, regulations, and statutes that serve to protect the Land of Enchantment through the marketplace, and with incentives, in each instance with fair and just compensation. REALTORS® firmly maintain that the best decisions are made by property owners in collaboration with political bodies closest to the voters. REALTORS® recognize that property development, management and preservation of natural resources are vital in order to



protect our existing and future housing stock, as long as the economic factors are also taken into consideration.

ENVIRONMENTAL ISSUES AND NATURAL RESOURCES

REALTORS® believe environmental restrictions should be based on both verifiable scientific and economic considerations to protect our air, water and land. REALTORS® urges the state of New Mexico to complete a hydrological study of the entire state and provide the State Engineer with the appropriate funding to manage the state's water resources and complete water rights' adjudications in a timely manner.

SUPPORTING QUALITY NEIGHBORHOODS AND COMMUNITIES

REALTORS® strongly believe that communities flourish when they offer a high quality of life at a reasonable cost and when they are located in proximity to areas where people work, play, and shop. Quality communities offer a diversity in housing choices, employment opportunities, a high-standard of public schooling, open space, access to public transportation, and community infrastructure to support the framework of the quality of life enjoyed by New Mexicans.

Government must encourage the construction of needed capital infrastructure, such as community water systems, community waste systems, upgraded roads and highways, and schools. REALTORS® recognize the imperative of long-term planning in accommodating future growth in residential, commercial, and industrial areas.

LAND USE AND GROWTH MANAGEMENT

REALTORS® are committed to pursuing reasonable and market-driven growth strategies that will meet the region's housing needs, expand home ownership opportunities, help revitalize Santa Fe, build attractive and livable neighborhoods and communities and allow for continued economic prosperity.



Toward this end, REALTORS® support mandatory planning for growth that allows for a wide range of housing types to suit the needs and income levels of the diverse population in Northern New Mexico. REALTORS® support ways to manage growth by permitting more housing opportunities and directing growth through infrastructure investments. No growth strategies such as moratoriums or growth boundaries that limit housing options and reduce an owner's private property rights should be opposed by communities. REALTORS® support financing strategies that utilize prudent debt service with the issuance of general obligation bonds and leverage local resources for vital infrastructure. REALTORS® also support amendments to New Mexico's Subdivision Act to correct inequities and impracticalities.

Impact fees can also be accessed to provide additional infrastructure for development. Research shows that impact fees, collected from homebuilders at the commencement of a project, increase the cost of a house by two-to-four times the amount of the fee, in part because developers must carry these finance costs for years until the project is completed. These inflated costs, passed on to the consumer, result in many prospective buyers being locked out of the market. Impact fees imposed on multi-family projects result in higher rents. REALTORS® oppose the use of impact fees that are unreasonable and add unnecessary costs to consumers.

REGULATORY TAKING

REALTORS® are dedicated to protecting the right to own, use and transfer real property. We believe the highest and best use of property should always be taken into account when new land use regulations are being considered. REALTORS® support legislation that recognizes the need for confiscation of private property by government while providing for the just and timely compensation for owners when their property value is reduced in whole or part by a taking (i.e., unreasonable dedication, wetlands, exclusionary zoning, down-zoning).

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GOVERNMENT REGULATION

REALTORS® believe the free enterprise system is the most efficient method of producing and distributing wealth, and government power must be limited for the free market to function effectively. Government should stimulate, not discourage, individual initiative, thereby allowing the private sector to prosper and expand. REALTORS® support consistent and standardized methods of data collection from all government entities to reduce over-burdensome paperwork and excessive bureaucracy.

REALTORS® support legislation that requires local and state regulator agencies to consult with affected industries before imposing or amending any regulations or fees. To support the expansion of housing options, REALTORS® oppose government regulations that impose an income limit on licensed “handymen” and license subcontractors other than those involved with plumbing, electricity, and HVAC systems. We support the continuation of the exemption of Independent Contractors from New Mexico’s Workmen’s Compensation laws.

ECONOMIC DEVELOPMENT

REALTORS® support the development of laws and policies that create an environment that encourages existing businesses to expand and fosters the development of new businesses. Free markets are based on opportunity, initiative, incentives and competition. Competition increases the quality of products at more affordable prices. Increased business investment produces more jobs, higher wages, better working conditions, and a higher standard of living for all New Mexicans.

REALTORS® support ample funding for the New Mexico Department of Economic Development’s annual advertising and marketing budget. We support increased funding for the use of incentives like Industrial Revenue Bonds and In-Plant training programs to help attract business to Santa Fe. We work to protect the full value of the state’s economic development



incentives package. To sustain our businesses, REALTORS® strongly support the improvement of telecommunications facilities and the availability of high speed, broadband Internet access throughout the Santa Fe region. Additionally, regulators need to ensure that there is a competitive and level telecommunications playing field that offers the same advantages and opportunities to all participants while enabling these companies to make a return on their investments.

CONSUMER PROTECTION

REALTORS® believe that sellers of real property should disclose known conditions (including defects) of property at the time it is offered for sale. Disclosure must be within the limits of the seller's knowledge and belief. Therefore, REALTORS® support enactment of a seller disclosure law requiring sellers of residential property to disclose property conditions to prospective buyers. We also support legislation that provides for the establishment of standards and the bonding of home inspectors to protect buyers.

REALTORS® take no position on legislation to mandate the public disclosure of sales information at the time of transfer of real property.

Real estate professionals share the public's concern about where convicted sex offenders are living and believe local law enforcement agencies are the best source of information on sex offenders. REALTORS® believe real estate licensees should not be responsible for notifying home buyers when offenders live in their neighborhood and oppose any state legislation that would require public notification by these professionals.

Regulation proposed by the Federal Reserve and U.S. Treasury would allow big banking conglomerates into real estate brokerage and property management. This action will lead to the same large-scale consolidation we've recently witnessed in the banking industry. Consolidation



will mean less competition, less choice and higher costs for consumers. To protect consumers' interests, REALTORS® oppose the banking industry's involvement in the sale, listing or leasing of real estate.

To expedite real estate transactions in an electronic age, REALTORS® support the Federal Electronic Signatures in Global and National Commerce Act, and supports legislation, or the lack thereof, from the State of New Mexico that keeps user rights consistent with those available through this federal legislation.

REAL ESTATE INDUSTRY

Vigorous and fair competition is essential to a healthy business and REALTORS® are committed to strict compliance with federal and state antitrust laws. To protect this competition, REALTORS® recognize that fees are a matter of individual agreement between client, customer and real estate broker, and will strongly oppose any attempt to fix or set rates or fees between individual real estate firms.

REALTORS® support measures that maintain an adequate flow of funds into the real estate financing marketplace that includes legislation to provide for mandatory table funding of all real estate loans and the use of PERA funds for instate mortgages. REALTORS® support the current MFA process whereby the private sector handles the origination and services of MFA loans. REALTORS® urge MFA to explore opportunities for pilot projects utilizing alternative means for origination and servicing of MFA loans in areas where no lenders are available to originate or service these loans.

LICENSE LAW

REALTORS® support the efforts of the Real Estate Commission in its enforcement of the license law. We support a change in the license law to provide that interest on funds deposited

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into the Real Estate Commission Fund, which consists of monies received from licensees excluding funds designated for the Real Estate Recovery Fund, stay in the fund rather than reverting back to the State General Fund at year's end. REALTORS® support license law reciprocity with other licensing jurisdictions and having two categories of single licensure: Associate Broker and Qualifying Broker. We support the proviso that the qualifications for obtaining a Qualifying Broker's License be three years of licensure and the completion of the Broker Basics Course.