



Guam Association of REALTORS®
“Voice for Real Estate”

424 West O’Brien Drive
Suite 236A Julale Center
Hagatna, GU 96910
Office: (671) 477- 4271
Fax: (671) 477- 4275
www.guamrealtors.com
email: ceo@guamrealtors.com

April 20, 2020

Hon. Michael San Nicolas
1632 Longworth HOB
Washington, D.C. 20515

Dear Congressman San Nicolas,

I hope this letter finds you well. On behalf of the Guam Association of REALTORS®, I want to express our appreciation for your leadership and efforts to provide much needed assistance during the COVID-19 pandemic. We hope and pray for an end to this crisis sooner than later.

The funding for the Payroll Protection Plan (PPP) and the Economic Injury Disaster Loan (EIDL) has been depleted. Many of our members have applied but not been able to secure any funding. The National Association of REALTORS® (NAR) is engaging with both houses of Congress to work on additional funding for these programs. Your diligence in working with your colleagues in congress to ensure that this will become a reality is greatly appreciated. A copy of the letter from NAR 2020 President Vince Malta is attached for your reference.

I would like to follow up on the letter dated March 23, 2020 from our CEO Peggy Llagas. The letter is requesting your assistance in securing rental relief for tenants here in Guam. Locally, we are seeing tenants who either can only pay rent partially or not at all. Landlords who are unable to receive rental income may in turn be unable to pay their mortgages and other related expenses. It is a vicious cycle that we hope to find some remedy for. The letter is attached for your reference.

The real estate industry in Guam is considered nonessential, so we are at a standstill. The association supports the efforts to contain the coronavirus. We are following the stay at home mandate, but we do need help. We need to be assured that while we are compliant, relief will be available for us. REALTORS® are not earning any income and even when the mandate is lifted, it will take time to restart our industry.

Our REALTORS® midyear Legislative Meetings and Conference scheduled for May in Washington, D.C. has been canceled. On the agenda is a visit to your district office to discuss issues important to REALTORS® and the real estate industry. We want to maintain an open communication with you by phone or video call to discuss these and other important initiatives we are currently pursuing.



Guam Association of REALTORS®
“Voice for Real Estate”

424 West O’Brien Drive
Suite 236A Julale Center
Hagatna, GU 96910
Office: (671) 477- 4271
Fax: (671) 477- 4275
www.guamrealtors.com
email: ceo@guamrealtors.com

Thank you for all your hard work in Congress on behalf of the people of Guam. We applaud your efforts and like the National Association of REALTORS®, we too will stand behind you and will be ready to work with you for the greater good of our island and our industry.

Sincerely,

Clare Delgado
2020 President

Peggy Araullo-Llagas
CEO and Government Affairs Director

Attachment: March 19, 2020 letter re: Emergency Rental Assistance Fund
March 23, 2020 letter from NAR re: additional funding for PPP and EIDL

cc. Guam Association of REALTORS® board of directors

April 13, 2020

Vince Malta

2020 President

Bob Goldberg

Chief Executive Officer

ADVOCACY GROUP

William E. Malkasian

Chief Advocacy Officer / SVP

Shannon McGahn

SVP Government Affairs

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
1236 Longworth House Office
Building
Washington, DC 20515

The Honorable Mitch McConnell
Republican Leader
U.S. Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

The Honorable Charles E. Schumer
Democratic Leader
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell, and Leader
Schumer:

On behalf of the more than 1.4 million members of the National Association of REALTORS® (NAR) and its affiliates the CCIM Institute, the Institute of Real Estate Management (IREM), and the Society of Industrial and Office REALTORS® (SIOR), thank you for your work to assist small businesses impacted by the COVID-19 crisis in the CARES Act. This law was written to provide broad, much-needed protections for small businesses and independent contractors, and I urge you to support the funding these programs will need to meet demand and ensure the legislation is implemented as intended.

The CARES Act appropriated \$349 billion for the creation of Paycheck Protection Program (PPP) loans and \$10 billion for the SBA Economic Injury Disaster Loan (EIDL) advance grant program, providing two critical funding sources for small businesses and independent contractors impacted by COVID-19. EIDLs, which offer a maximum of \$2 million to each applicant, are designed to ensure working capital is accessible during a disaster; PPP loans are capped at \$10 million and must be used to maintain payroll costs and other expenses. High-demand for these programs has strained the SBA and its lenders, raising legitimate concerns that necessary funding will quickly become depleted. In addition, many SBA lenders are turning away PPP applicants without existing business accounts. This has left countless businesses and independent contractors unable to access funding, which within one week of opening was already nearly one-third committed.

Two weeks after passage of the CARES Act – while many small businesses and independent contractors had already submitted applications – the SBA announced that EIDLs will be capped at \$15,000 with a maximum advance amount of \$1,000 per employee. This sharp departure



from CARES Act language is meant to expand access to the program, but it completely alters the nature of the loan and the advance grant, dramatically reducing effectiveness for businesses in need. Especially impacted by this change are independent contractors who have no employees and whose EIDL grants are essentially rendered unforgivable. Tying EIDL advances to employee numbers bears no relation to the purpose of the loan; although these funds can be used for payroll costs, they are not explicitly tied to maintaining employee numbers or payroll levels – as is the PPP. Reducing the loan limit from \$2 million to \$15,000 is particularly devastating to businesses that have been shut down for a month and have no way of knowing when they will be able to reopen.

We strongly urge you to provide additional funding for the PPP and EIDL programs in future COVID-19 response legislation, ensuring the need for these loans is met as this crisis continues. In addition, Congress should clarify implementation to resolve issues with added limits and requirements that are not in accord with legislative intent.

Thank you again for your work to ensure our nation's small businesses and independent contractors will not only survive this crisis, but will be able to lead in our nation's upcoming economic recovery.

Sincerely,

A handwritten signature in black ink, appearing to read "Vince Malta". The signature is fluid and cursive, with a large initial "V" and "M".

Vince Malta
2020 President, National Association of REALTORS®

cc: United States House of Representatives
United States Senate

March 19, 2020

Speaker Nancy Pelosi
House of Representatives
H-232, the Capitol
Washington, DC 20515

Minority Leader Kevin McCarthy
House of Representatives
H-222, the Capitol
Washington, DC 20515

Majority Leader Mitch McConnell
U.S. Senate
S-230, the Capitol
Washington, DC 20510

Minority Leader Chuck Schumer
U.S. Senate
S-221, the Capitol
Washington, DC 20510

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell and Leader Schumer:

The undersigned national associations represent for-profit and non-profit owners, developers, managers, lenders, housing cooperatives and housing agencies involved in the provision of affordable rental housing. We are grateful for the critical, bipartisan work being done by Congress to prepare and provide relief to American families and businesses negatively impacted by the COVID-19 outbreak.

Our collective members are preparing for potential impacts to their communities, working to address employee and resident concerns and doing all they can to stop the spread of the virus. The housing industry is on the front lines of responding to the COVID-19 outbreak in communities across the nation.

Many Americans may face a loss of income as a result of the COVID-19 outbreak, which could impact their ability to pay their rent. We strongly support providing direct federal rental assistance to families and individuals who suffer a loss of income during the COVID-19 crisis and are supportive of efforts to provide emergency assistance aimed at keeping people in their homes as the result of economic losses from COVID-19 prevention measures that are outside of their control. The ability of rental property owners to satisfy their own financial obligations will most certainly also be impacted. For this reason, relief should be granted to rental property owners to help ensure the continued viability of their properties.

We request your consideration of the following recommendations:

Emergency Rental Assistance Fund

We believe any relief package should include an emergency rental assistance fund to help families struggling to afford rent and utilities because of a pay cut or job loss associated with the coronavirus. It is imperative that such emergency assistance be quickly dispatched and be available in urban, suburban and rural communities.

Further, Congress should provide supplemental financial assistance for both HUD and Rural Housing Service programs to ensure that sufficient funds are available to maintain existing agreements that house nearly 5 million households. Current appropriations for rental assistance will not be sufficient as tenant incomes are dramatically reduced or eliminated as a result of the anticipated loss of employment or lack of sufficient paid leave.

Policymakers are beginning to implement eviction moratoriums across the country. It is important to note that evictions and foreclosures are not similarly situated in all cases. While foreclosures are inherently financial in nature, an eviction can be driven by a wide range of issues. Importantly, an eviction is the only mechanism to facilitate the removal of a resident that poses a safety or security risk to other residents, community staff and the property itself.

We caution policymakers against imposing blanket eviction moratoriums. Any such moratorium on evictions should be targeted to situations related to the COVID-19 and should be no more than 45 days with the option for renewal as circumstances dictate. Any eviction prevention efforts should not lengthen the process of pursuing a legitimate eviction, limit the access to the traditional justice system or curtail the right of housing operators to evict for other lease violations such as property damage, criminal activity or endangering other residents of the community.

Financial Mitigation

Most rental properties are owned by individuals and small businesses that have financial obligations, including mortgages, utilities, payroll, insurance and taxes. Many Americans are likely to suffer a loss of income as a result of the COVID-19 outbreak, which will in turn harm their ability to fulfill their rent obligations. As a result, even if rental relief were provided to large numbers of residents, it is likely that rent payment shortfalls would nevertheless impact the ability of rental property owners to satisfy their own financial obligations. To maintain a stable economy, we believe that targeted federal financial government assisted relief should also be provided to them during this time of crisis and that any disruptions to the normal financial flows, not be disproportionately borne by anyone in the process—renters, property owners, servicers, lenders or mortgage securitizers. Our organizations urge any measure that provides assistance to renters also provide support to rental property owners such as forbearance and other financial obligations (taxes, insurance etc.) to mitigate the loss of rental income from any gaps in the coverage of rental assistance, a loss of income that could throw the underlying mortgage into default, leading to tax liens being placed or other negative legal actions and ultimately putting the property and its residents at risk of additional disruption.

We are all well aware of the enormity of the tasks ahead and stand ready to work with you.

Sincerely,

CCIM Institute
Council for Affordable and Rural Housing
Institute of Real Estate Management
Manufactured Housing Institute
National Affordable Housing Management Association
National Apartment Association
National Association of Home Builders
National Association of Housing Cooperatives
National Association of REALTORS
National Leased Housing Association
National Multifamily Housing Council
cc: White House Coronavirus Task Force