

## For Immediate Release

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## Invest in America Commends President Obama for Focus on Foreign Investment

*Coalition of businesses, non-profits, and trade associations unite to applaud the Obama administration's effort to preserve America's economic competitiveness, but call for additional action*

(Washington, DC) October 31, 2013 – The Invest in America Coalition applauds President Obama's effort to address declining rates of foreign direct investment into the U.S. economy, and his commitment to reverse this disquieting trend. The Administration will convene the Select USA 2013 Investment Summit today as part of a government-wide initiative to recognize increasing competition for global capital, as investors consider emerging markets like India and China, and to identify viable strategies to encourage foreign direct investment in the U.S. economy. By focusing on foreign investment, the Obama Administration is supporting efforts to speed economic recovery.

As potential investment incentive programs and initiatives generated by the Summit are discussed in Washington D.C., the Invest in America Coalition hopes that the commercial real estate market does not go overlooked. With a 19.8% drop in employment, the commercial real estate market and the construction industry suffered the heaviest during the recession, and these sectors have been among the slowest to recover. A stagnant commercial real estate market can be an impediment to overall economic growth because real estate and infrastructure are essential to the success of industries that require land and infrastructure. This includes a number of businesses crucial to America's economic competitiveness such as agriculture, food processing and high-tech manufacturing.

"We could spur billions in new investment and create thousands of middle class jobs here in the United States by providing relief from outdated tax rules that discriminate against foreign investors who finance U.S. real estate projects," said Jeffrey D. DeBoer, President and CEO of The Real Estate Roundtable. "We should welcome, not shun, foreign capital that can be used to strengthen our communities, reignite growth, and put Americans back to work."

Currently sitting in committee, both in the U.S. House of Representatives and the U.S. Senate, the Real Estate Investment and Jobs Act of 2013 (H.R. 2870 & S. 1181) is intended to reform antiquated provisions of FIRPTA to encourage more investment in the commercial real estate market and large infrastructure projects. It is expected that the influx of capital from this revision will boost credit markets; reduce risk of widespread – and potentially devastating – commercial defaults; and enable Americans to put foreclosed commercial properties back to good use.

"The United States is the largest and most attractive real estate market in the world. Yet, our tax laws effectively discourage foreign investment into this market with antiquated FIRPTA tax regulations, which divert capital to other more favorable markets where investment is easier and more profitable, said Jim Fetgatter, Chief Executive of the Association of Foreign Investors in Real Estate. "Contrary to several years ago, the US is now competing with both mature and emerging markets for international capital whose tax regimes encourage such investment."

Members of Congress are urged to join support efforts to reform FIRPTA by co-sponsoring the Real Estate Investment and Jobs Act. Citizens and interested parties are encouraged to express support of the bill to their local Members of Congress.

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**About the Invest in America Coalition**

The Invest in America Coalition aims to reform FIRPTA in order to inject new, long-term capital into the U.S. commercial real estate market, boosting a vital sector of American business and reducing the potential risk of widespread commercial defaults reverberating throughout our economy. Members include the Real Estate Roundtable, International Council of Shopping Centers, International Union of Painters and Allied Trades, Westfield Group, Real Estate Board of New York, Association of Foreign Investors in Real Estate, Kimpton Hotel & Restaurant Group Inc., Paramount Group, Madison International Realty and Brookfield.

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