



GOVERNMENT RELATIONS COMMITTEE

GOVERNMENT RELATIONS COMMITTEE

1. Twelve Members. Broad Representation.

2. Legislative Approach:

- *Apolitical*
- *Advocacy rather than lobbying*

3. Sources of Input:

- *Monitor legislative threats at the state & federal levels*
- *Regional chairs reach out to local stakeholders*
- *Periodic Town Halls*

4. Meetings: 1x per Mo. + Special Meetings



Eddie Wilson
President
AAPL



Linda Hyde
Vice President
AAPL



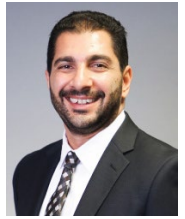
Kat Hungerford
Secretary
AAPL



Cort Chalfant
First Chair
Nexus Private
Capital



Matt Gunter
Legal Chair
RCN Capital



Nema Dagbandan
Ex Officio
Geraci LLP



Mike Fallot
Officer
MM Lending, LLC



Brian Gallian
Officer
NDetail Capital



Christopher Ambrose
Officer
Ambrose Law
Group



Ruben Izgelove
Officer
We Lend



George Caballero
President
Caballero
Lending Services



Chris Ragland
President
Ragland Realty

WORK-PRODUCT

1. Research
2. Position & White Papers
3. Calls to Action: Letter / Call-in Campaigns
4. *"Day on the Hill"* – Washington, D.C.



Highlights from 2021

1. Two State and One Federal Issue → **Good outcomes in each case, thus far**
 - State Summaries: Chris Ambrose
 - Fed. Summary: Nema Daghandan
2. Day on the Hill, October 21st. → **Very well attended & received**
 - Summary: Nema Daghandan
3. Evaluated a number of other issues but, **no direct action taken**
 1. Federal remote notary bill
 2. CFPB foreclosure ban
 3. New York eviction moratorium bill
 4. Property Assessed Clean Energy Programs "PACE Financing" → Priority lien issue



State Issue #1: NY AB1420/S1061

1. Required license to make business purpose loans <\$500k

→ AAPL Actions:

- Prepared official policy position requesting business purpose exemption matching previous NY legislation
- Committee members met with officials in the state

Current Status: Never moved past committee, can bring up next year, unlikely



State Issue #2:

COLORADO SERVICING LICENSE

1. Required servicers to become licensed even if servicing business purpose loan
2. Even required of self-servicing



AAPL Actions:

- GRC connected directly with bill sponsor
- Paired up with Colorado Mortgage Association and was able to completely carve out business purpose lending



Federal Issue:

"SAVE REG. D": IRA RESTRICTIONS IN SPENDING BILL

1. Prohibited IRA investment in any Reg D offering (including mortgage funds & RE Syndications)
2. Prohibited IRA investment in any company where owner was also a manager

AAPL Actions:

- Created official industry position and letters from mortgage funds & IRA investors
- Held emergency association meeting to execute on strategy
- Coordinated efforts with California Mortgage Association
- Met with Congressional Representatives to discuss our position

Current Status: IRA restrictions removed from the bill

JOINT LEGISLATIVE LIFT with THINK REALTY

→ Who, What & Why....

How Joint GRC Initiatives Benefit AAPL Members

DAY ON THE HILL

1. October 21, 2021
2. 10 Meetings with offices of Senators on the Finance and Housing Committees
3. Meeting with Assistant Director CFPB



Issues Addressed:

- IRA restrictions in tax bill
- SAFE Act licensing exemption
- HMDA Reporting
- SARE Bankruptcy Regulation



HIGHLIGHTS OF DOTH



- Very receptive to understanding the positive community impact private lending has particularly related to how investors earn yield and how many contractors are hired for job
- Senator Grassley reached out after the fact confirming AAPL's impact related to IRA provisions being removed and was surprised that they were



CHALLENGES AHEAD

BASED ON DOTH MEETINGS

1. CFPB refuses to acknowledge that a Consumer means an individual borrowing money for consumer purposes. They appear to desire an expansion of the regulatory relationship.
2. Partisan politics has created significant black boxes of information and positions
3. Constant issue of unintended consequences → problem compounded due to partisan politics



EXPECTATIONS FOR 2022

➔ **More unintended consequences:**

1. NY legislation - intended to reduce racial inequity
2. IRA legislation - intended to reduce wealth gap

Neither was directed at the private lending industry but both had huge implications

Mobilization and joining forces with like minded parties will continue to be high priority

To Watch: Will states and/or federal government intervene to stem any spike in foreclosures now that moratoriums have worn off?

QUESTIONS & ANSWERS



Eddie Wilson
President
AAPL



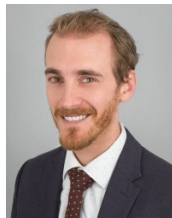
Linda Hyde
Vice President
AAPL



Kat Hungerford
Secretary
AAPL



Cort Chalfant
First Chair
Nexus Private
Capital



Matt Gunter
Legal Chair
RCN Capital



**Nema
Daghbandan**
Ex Officio
Geraci LLP



Mike Fallot
Officer
MM Lending, LLC



Brian Gallian
Officer
NDetail Capital



**Christopher
Ambrose**
Officer
Ambrose Law
Group



Ruben Izgelove
Officer
We Lend



**George
Caballero**
President
Caballero
Lending Services



Chris Ragland
President
Ragland Realty