

October 28, 2009

The Honorable Barney Frank
Chairman
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Spencer Bachus
Ranking Member
Committee on Financial Services
2128 Rayburn House Office Building
Washington, DC 20515

Re: Financial Regulatory Reform and Commercial Real Estate Finance

Dear Chairman Frank and Ranking Member Bachus:

As a broad and diverse group representing all market participants in the commercial real estate sector, we applaud you for recognizing the need to restore confidence and to provide greater transparency in our financial markets through regulatory reform. In the coming weeks, as the Committee explores financial regulatory reform proposals, we urge you to consider the enormous challenges facing commercial real estate and the uniqueness of the markets that finance this \$6 trillion sector by customizing reforms accordingly in order to support, rather than impede, our market's recovery.

Over the last two decades, commercial real estate has helped fuel our nation's economic growth while providing jobs and services to local communities, as well as housing for millions of Americans in multi-family dwellings. Unfortunately, the recent turmoil in our economy and financial markets has created a serious lack of liquidity and virtually no credit

Ultimately, there is no question that our nation’s regulatory reform structure needs to be updated to meet current and future challenges and to provide investors and consumers with regulatory certainty and transparency. At the same time, tailoring the final regulatory reform proposals to avoid a “one size fits all” approach to the securitized credit markets for commercial real estate will support efforts to restore lending –