February 7, 2011

VIA ELECTRONIC MAIL – rule-comments@sec.gov
Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Proposed Rule – Suspension of the Duty to File for Classes of Asset-Backed Securities Under Section 15(d) of the Securities Exchange Act of 1934. File Number S7-02-11.

Dear Ms. Murphy:

On behalf of the Commercial Real Estate ("CRE") Finance Council, we appreciate the opportunity to provide comments to inform the Commission's proposed rule to require ongoing reporting obligations for asset-backed securities ("ABS") issuers under Section 15(d) of the Securities Exchange Act of 1934 until there are no longer ABS of the class sold in a registered transaction held by non-affiliates of the depositor.[1] The CRE Finance Council is the collective voice of the entire $3.5 trillion commercial real estate finance market, including portfolio, multifamily, and commercial mortgage-backed securities ("CMBS") lenders; issuers of CMBS; loan and bond investors such as insurance companies, pension funds and money managers; servicers; rating agencies; accounting firms; law firms; and other service providers.

Our principal missions include setting market standards, facilitating market information, and education at all levels, particularly related to securitization, which has been a crucial and necessary tool for growth and success in commercial real estate finance. To this end, we have worked closely with policymakers in an effort to ensure that legislative and regulatory actions do not negate or counteract economic recovery efforts in the CRE market. We will continue to work with policymakers on this effort, as well as our ongoing work with market participants and

[1] Proposed Rule on the Suspension of Duty to File Reports for Classes of Asset-Backed Securities, Request for Comment, Release No. 34-63652; File No. S7-02-11, 76 Fed. Reg. 2049 (Jan. 12, 2011) (hereafter "Proposed Rule").

policymakers to build on the unparalleled level of disclosure and other safeguards that exist in the CMBS market, prime examples of which are our "Annex A" initial disclosure package, and our Investor Reporting Package™ ("IRP") for ongoing disclosures.

While the CMBS market is very different from other asset classes and already is seeing positive developments, the CRE Finance Council is committed to building on existing safeguards, to promote certainty and confidence that will support a timely resurgence in the short term and a sound and sustainable market in the long term. In this regard, we have worked with market participants to develop mutually agreed upon improvements needed in the CRE finance arena that will provide an important foundation for industry standards. Prime examples of our work include both the CRE Finance Council's "Annex A" initial disclosure package and the Investor Reporting Package™ for ongoing disclosures.

Furthermore, our members across all constituencies have devoted an extraordinary amount of time over the past year to working collaboratively and diligently on the completion of industry "best practices" for: (1) Model Representations and Warranties; (2) Underwriting Principles; and (3) Annex A revisions, all of which we previously shared with the Commission.

The CRE Finance Council believes that these three new industry "best practices" projects, along with the unparalleled ongoing disclosure offered by our existing IRP, will create increased transparency and disclosure in underwriting and improved industry representations and warranties, which we believe will go a long way toward meeting both investor demands and Dodd-Frank objectives. To this end, in our response to the Commission's proposed enhancements to Regulation AB, we provided an extensive comparison of both the CRE Finance Council's IRP to proposed Schedule L-D, and our Annex A to proposed Schedule L. In both cases, the CRE Finance Council's disclosures were inclusive of, if not more robust, than the requirements suggested by the Commission.

It is with this perspective that we offer observations from the CRE finance industry regarding the Commission's proposed criterion for shelf eligibility, which would require the issuer to file ongoing reports with the SEC to provide disclosures pursuant to Exchange Act Section 15(d) and related rules. Specifically, the issuer's reporting obligation would extend as long as non-affiliates of the depositor hold any of the issuer's securities that were sold in registered transactions.

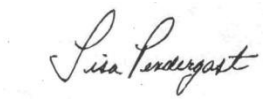
CRE finance industry participants believe that, although full and transparent disclosure on an ongoing basis is desirable, the proposed ongoing SEC filings do not add much value in the CMBS context. The CMBS market in particular has been a market leader in providing ongoing disclosures, as evidenced by the IRP. The IRP is either distributed directly to investors or made easily accessible to investors electronically much sooner than the Commission's proposed Exchange Act filings, making the proposed filings duplicative and of little added value to investors. The IRP is a widely-used data reporting methodology for disclosing loan-level and property-level information on a pool-specific basis, which has evolved over the course of the past 14 years based on feedback from industry stakeholders, which have included servicers, trustees, commercial and investment banks, rating agencies, insurance companies, traders, B-Piece buyers, and investors that have composed the CREFC Investor Reporting Committee.

Since 1996, the IRP has effectively standardized ongoing reporting for all domestic-issued CMBS transactions. Thus, the proposed ongoing reporting requirement will add to the expense and administrative burden of securitization without commensurate benefit to CMBS investors.

We recognize that pursuant to Section 942 of Dodd-Frank, Congress has put in the hands of the Commission the authority to determine when and under what conditions an issuer is able to suspend filing. The Commission is authorized to permit different filing requirements for each class of issuers of ABS. We believe that the CMBS industry, in large part because of the history of the IRP discussed above, warrants a shorter period of Exchange Act filings. Thus we urge the Commission to permit the CMBS industry to continue its longstanding approach for post-securitization reporting by adopting rules that require CMBS transactions to comply with current practices, which allow for the suspension of Exchange Act filing pursuant to Section 15(d), to the extent that the pooling and servicing agreement requires that investors have access to the IRP, which is available closer in time to the related payment date than a corresponding Exchange Act filing.

The CRE Finance Council appreciates the SEC's consideration of our comments regarding its proposed rule to suspend the reporting obligations for ABS issuers when there are no longer ABS of the class sold in a registered transaction held by non-affiliates of the depositor. We stand ready to provide any additional assistance that may be helpful. Thank you for your consideration, and please contact Brendan Reilly or Mike Flood at (212) 509-1844 if you have questions or would like additional information.

Sincerely,



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