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FOUNDED 1866

April 8, 2010

By Electronic Submission

Ms. Elizabeth M. Murphy
Secretary of the Commission
Office of the Secretary of the Commission
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Maiden Lane Commercial Mortgage Backed Securities Trust 2008-1

Dear Ms. Murphy:

We represent Maiden Lane Commercial Mortgage Backed Securities Trust 2008-1 ("the Maiden Lane Grantor Trust"), Maiden Lane LLC, and the Federal Reserve Bank of New York (the "New York Fed" and, collectively, "Maiden Lane") and we are writing to request an exemption, pursuant to Section 15(a)(2) of the Securities Exchange Act of 1934, as amended (the "Act"), from the broker-dealer registration requirement of Section 15(a)(1) for these three entities. We further request an exemption, pursuant to Section 36 of the Act, from the reporting and other requirements imposed by the Act (other than Sections 15(b)(4) and 15(b)(6)) and the rules and regulations thereunder that apply to a broker or dealer whether or not registered with the Commission to the extent that these obligations would arise solely as a result of the discounted payoff described below.

I. Background

The Maiden Lane Grantor Trust is a grantor trust and Maiden Lane LLC is its beneficiary. The New York Fed is the sole and managing member of Maiden Lane LLC. The Maiden Lane Grantor Trust was established in the Spring of 2008 for the purpose of acquiring certain assets in connection with the acquisition of The Bear Stearns Companies Inc. ("Bear Stearns") by JPMorgan Chase & Co. The New York Fed made a loan to Maiden Lane LLC that was used by Maiden Lane LLC to purchase assets from Bears Stearns to facilitate the sale of Bear Stearns. The Maiden Lane Grantor Trust and another grantor trust were created to hold certain of the assets acquired from Bear Stearns. The New York Fed's actions were authorized by the Board of Governors of the Federal Reserve System (the "Fed") as part of an effort to stabilize the US financial

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system at a time of extreme stress. Consistent with the public policy mandates under which the Fed and the New York Fed operate, the actions in regard to Bear Stearns were intended to be of limited duration. The New York Fed is now seeking to participate in a transaction that will enable it to reduce its exposure to some of the Bear Stearns assets.

The assets acquired by the Maiden Lane Grantor Trust include an approximately \$4.0 billion interest in a \$20 billion mortgage and mezzanine financing provided to Blackstone in 2007 to take Hilton Worldwide, Inc. ("Hilton") private. The Hilton financing is highly structured and consists of a single mortgage loan and 11 tranches of mezzanine debt, each held by multiple pari passu lenders. In total, the mortgage and mezzanine debt is held by approximately 125 separate interests, which are affiliated with 24 different institutions. The Maiden Lane Grantor Trust is the largest holder of the Hilton financing, having an interest in the mortgage loan and nine of the ten mezzanine tranches. In August 2009, Blackstone submitted a debt restructuring proposal to Maiden Lane and the other Hilton lenders to deleverage Hilton and provide for greater liquidity.

The debt restructuring plan has the following main features: (i) the two most junior mezzanine tranches (J and K) will be converted to preferred equity; (ii) Blackstone, as sponsor, will be contributing approximately \$800 million of new capital to be used to retire approximately \$2.2 billion of portions of mezzanine loans G, H, and I pursuant to a discounted payoff ("DPO"); and (iii) the maturity date of all tranches of the Hilton financing will be extended, the interest rates will be increased and various other economic and non-economic terms will be amended to address the current financial condition of the assets. During the extensive negotiations of this debt restructuring, certain holders of interests in mezzanine tranches G, H, and I approached by Blackstone for DPOs expressed that they were unable or unwilling to participate in the DPO. As a result, the only holders of interests in these mezzanine tranches willing to accept a DPO were the Maiden Lane Grantor Trust and four large financial institutions, all of which have investment banking arms (collectively, the "Restructuring DPO Sellers").

In the course of the on-going negotiations of the DPO, it has become clear to Maiden Lane that part of the willingness of the other Restructuring DPO Sellers to accept the DPO is likely the opportunity to recoup the DPO losses by participating in future financial transactions with Hilton, including the possibility of an initial public offering ("IPO"). The IPO of Hilton has been discussed as a likely way to recapitalize the Hilton assets. This opportunity is available to the other Restructuring DPO Sellers because each is affiliated with a registered broker-dealer generally qualified to serve as an underwriter in any future IPO. The Maiden Lane Grantor Trust, Maiden Lane LLC, and the New York Fed are not registered broker-dealers and have no such affiliate.

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It is equitable that Maiden Lane should receive consideration that is comparable to that received by the Restructuring DPO Sellers for accepting the DPO and recoup its DPO losses. Given the fact that the Maiden Lane Grantor Trust's initial acquisition of the assets was part of the New York Fed's intervention to stabilize the financial system, it is especially important that Maiden Lane be able to obtain terms that are at least as favorable as those obtained by similarly situated Restructuring DPO Sellers. In order to do so, Maiden Lane should receive, at a minimum, some form of compensation that is calculated with some reference to the underwriting fees and other similar fees which the other Restructuring DPO Sellers are likely to receive in connection with the Hilton IPO. To this end, the parties have proposed to enter into a "Closing Statement and Agreement Mezzanine H, I" (the "DPO Agreement"). Pursuant to the DPO Agreement, the Maiden Lane Grantor Trust is to receive a "Contingent DPO Payment", which is to be substantively in the form of

an amount equal to the average of the underwriting fee and other fees in connection with the Offering actually paid by Hilton to the Restructuring DPO Sellers at competitive market rates in connection with the Offering (the "Contingent DPO Payment"). If the Offering is for less than \$4 Billion, the Contingent DPO Payment payable to DPO Lender shall continue to apply to each supplemental Offering or new initial public Offering of Hilton until the face amount of such Offerings in the aggregate are at least \$4 Billion.

The DPO Agreement further provides in substance as follows:

Hilton acknowledges and agrees that DPO Lender's right to receive any payment pursuant to this Section 5 is not conditioned upon DPO Lender's serving or acting as an underwriter, broker-dealer, finder, investment adviser or consultant, or otherwise taking any action whatsoever with respect to, or in connection with, the Offering, including any structuring or other preparation of the Offering or participating in any roadshow relating to the Offering, and Hilton acknowledges and agrees that DPO lender will not serve or act as an underwriter or broker-dealer and will not take any action whatsoever with respect to the offering. In addition, any amounts payable to DPO lender will be due and owing by Hilton in cash. DPO lender will not receive

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any underwriting compensation. In addition, any prospectus or other offering document or sales material relating to the Offering shall not disclose, refer or characterize any amount payable or paid to the DPO Lender, as contemplated hereunder, as constituting or being “underwriting compensation”, “selling compensation” or an “item of value” within the meaning thereof set forth in Rule 5110 of the Financial Industry Regulatory Authority, Inc. (“FINRA”), and to the extent that a filing is required with FINRA pursuant to such Rule 5110, or any successor rule, such filing shall not disclose, refer or characterize any amount payable or paid to the DPO Lender, as contemplated hereunder, as constituting “underwriting compensation” or an “item of value” for the purposes thereof. If the DPO Lender is identified in any prospectus, offering document or other sales material relating to the Offering, then the DPO Lender will be entitled to indemnification from Hilton and the underwriters of such Offering.

II. Discussion

As you know, the New York Fed works within the Federal Reserve System and with other public and private sector institutions to foster the safety, soundness, and vitality of the United States economic and financial systems. It is in that role that the New York Fed created the Maiden Lane entities to acquire the Hilton assets described above.

Although we do not believe that the Maiden Lane Grantor Trust, Maiden Lane LLC, or the New York Fed will be acting as brokers or dealers as those terms are defined in the Act by having the Maiden Lane Grantor Trust enter into the DPO Agreement and having the Grantor Trust receiving the contemplated Contingent DPO Payment, Maiden Lane is seeking this exemptive order to remove any possible question that the receipt of the Contingent DPO Payment could cause the Maiden Lane Grantor Trust, Maiden Lane LLC, or the New York Fed to be characterized as a broker or dealer that is required to register under the Act. We are taking this precaution because of the size of the contemplated transaction and the unique nature of our client.

There is no public policy reason that would indicate that the Maiden Lane Grantor Trust, Maiden Lane LLC, or the New York Fed should register as brokers or dealers.

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Registration is designed to protect customers of securities firms from sales practice abuses and from risks in the securities markets. Those reasons clearly are inapplicable to the Maiden Lane Grantor Trust, Maiden Lane LLC, and the New York Fed. To the contrary, it would be counter to public policy to require one or all of these entities to register as a broker-dealer because such registration could restrict the ability of the Fed in carrying out the functions of the Fed as this nation's central bank.

None of the Maiden Lane entities will engage in any activity that requires broker or dealer registration. The DPO is a one-off, extraordinary event for Maiden Lane and Maiden Lane will be invisible to any investors (except to the extent that disclosure is required in the offering documents) in a future Hilton IPO and the applicants will *not*

- participate in any negotiations between the issuer and any potential investors,
- prepare any materials (including financial data and sales literature) relating to the sale of securities,
- be involved in any distribution of any materials to potential investors,
- perform any independent analysis of the IPO,
- engage in any due diligence activities,
- assist in or provide financing for any purchases,
- provide advice relating to the valuation of or the financial advisability of such an investment,
- perform any of the usual activities of an underwriter,
- handle any funds or securities, or
- otherwise engage in activities that would require them to register with the Commission as a broker or a dealer.

The applicants further represent that they will not serve or act as an underwriter, broker-dealer, finder, investment adviser or consultant, or otherwise take any action whatsoever with respect to, or in connection with, any Hilton IPO or other Hilton securities offering, other than as a lender and/or preferred equity holder. The applicants will not structure or prepare any Hilton securities offering or participate in any roadshow relating thereto. In

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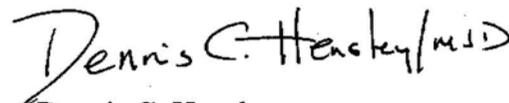
the DPO Agreement, Hilton acknowledges that the Maiden Lane Grantor Trust cannot and will not serve or act as an underwriter or broker-dealer and will not take any action whatsoever with respect to any Hilton securities offering. In addition, under the terms of the DPO Agreement, any amounts payable to the Maiden Lane Grantor Trust will be due and owing by Hilton in cash and the Maiden Lane Grantor Trust will not receive any underwriting compensation. We also note that Hilton will pay Maiden Lane directly; Maiden Lane will not be paid out of the underwriters' fee or by the underwriters.

III. Conclusion

On the basis of the foregoing, we respectfully request that the Commission issue an exemptive order to the Maiden Lane Grantor Trust, Maiden Lane LLC, and the New York Fed, pursuant to Section 15(a)(2) of the Act, exempting them from the broker-dealer registration requirement of Section 15(a)(1). We further respectfully request an exemption, pursuant to Section 36 of the Act, from the reporting and other requirements imposed by the Act (other than Sections 15(b)(4) and 15(b)(6)) and the rules and regulations thereunder that apply to a broker or dealer whether or not registered with the Commission to the extent that these obligations would arise solely as a result of the discounted payoff.

If you wish to discuss this matter further, please do not hesitate to contact me at 212.839.5731 or Madeleine J. Dowling at 212.839.5574.

Very truly yours,


Dennis C. Hensley

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