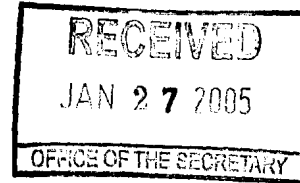




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January 26, 2005

Steven Spinola
President



The Honorable William H. Donaldson
Chairman
Securities and Exchange Commissioner
450 Fifth Street, NW
Washington, DC 20549

57-10-05

Dear Chairman Donaldson:

The Real Estate Board of New York is a major trade association representing more than 8,000 owners, managers and other real estate professionals active in New York City. We are very concerned about the Security and Exchange Commission's (SEC) Central Limit Order Book (CLOB) proposal and its economic impact on the New York Stock Exchange (NYSE) and Lower Manhattan.

Lower Manhattan has slowly been recovering from the September 11, 2001 attack. The NYSE has played a critical role in the recovery and is an important generator of jobs for the area and the region. It is also the premier equity trading exchange in the world.

The CLOB proposal would, in the view of many, effectively nationalize the U.S. equity markets, removing incentives for markets to compete. Another concern is that this proposal would undermine the innovation currently underway at the NYSE that is preparing to implement its hybrid market. This market would offer customers the ability to trade electronically through the auction market. The CLOB proposal would prevent the hybrid market from becoming operational. The CLOB has been rejected by Congress and the SEC previously. It should be rejected again.

REBNY appreciates the efforts of the SEC to protect investors and maintain the integrity of our system. It is a difficult and important task. In this effort we urge you to consider the importance of the NYSE to the economic viability of Lower Manhattan and to our nation as a symbol of the free market for countries around the world.

Sincerely,

Steven Spinola