February 18, 2009

The Honorable Timothy Geithner
Secretary
United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

We are writing to commend you for your recent announcement regarding the expansion of the Term Asset-Backed Securities Loan Facility (TALF) to include as eligible collateral newly issued AAA-rated commercial mortgage-backed securities (CMBS). The undersigned groups represent various aspects of the over $6 trillion U.S. commercial and multifamily real estate market – apartment, healthcare, hospitality, industrial, office and retail sectors.

Commercial and multifamily real estate faces its worst liquidity challenge since the Great Depression. Of the over $3 trillion in commercial and multifamily real estate debt, hundreds of billions of loans in 2009 and well over $1 trillion of loans over the next few years are expected to mature from a variety of sources – banks, commercial mortgage backed securities, life companies and pension funds. With virtually no liquidity, commercial borrowers face a growing challenge of refinancing maturing debt and the threat of rising foreclosures and delinquencies.

Through the creation of a temporary credit facility structure that focuses on renewing the necessary capacity in credit markets in a variety of asset classes, the TALF is a solid approach to provide credit markets with the economic confidence to reconnect in the wake of a broad dislocation and help restart the stalled economy. As you work toward developing the operational details of the TALF program for CMBS – as well as the Public Private Investment Fund – we look forward to meeting with you to discuss these details and to ensure that these programs will be effective in reconnecting key elements of the credit markets.

We appreciate your efforts to address this crisis and hope to aid efforts to implement measures to restore confidence to the credit markets and help our economy move forward.

Sincerely,

American Hotel and Lodging Association
American Resort Development Association
American Society of Appraisers
The American Society of Farm Managers and Rural Appraisers
Appraisal Institute
Associated General Contractors of America
Building Owners & Managers Association, International
International Council of Shopping Centers
Mortgage Bankers Association
National Apartment Association
National Association of Independent Fee Appraisers
NAIOP, the Commercial Real Estate Development Association
National Association of Real Estate Investment Managers
National Association of Real Estate Investment Trusts
National Multi Housing Council
The Real Estate Roundtable