AMERICAN COMMERCIAL MORTGAGE, LLC

A Member of Bankers Capital Group

April 18, 2008

Board of Governors of the Federal Reserve System
20th & C Streets, NW
Washington, D.C. 20551

Dear Governors:

I was referred to you because the Federal Reserve Board has been in the forefront of the economic rescue. To date we've heard words like "bailouts" and short term loans to those institutions that already have access to money. Those are the same institutions run by the same people that created the crisis to begin with. If we asked Oren Hatch to add some color here, he might say, "Bailing out Bear Stearns, bad banks and bad management with $30 million here, a few $100 million there ... Pretty soon it adds up to REAL MONEY."

Thus far, the traditional American institutions in Wall Street have been recapitalized by foreign money. Wall Street firms used to be uniquely American but the recapitalization by foreign firms has changed that dramatically. Several foreign concerns had plenty of money but had religious compliance issues as a barrier to participate in such entities. New capitalization now allows participation. The transfer of ownership and sale of many other US assets begets "the selling of America." That paradigm may not be viewed as in the national interest of this nation.

We have a plan to jumpstart the economy and return the markets that are now paralyzed from a reckless capital market issuing bonds to investors backed by high risk underlying assets destined to fail. Our plan contemplates a partner which in this case may be a 501(c)(3) entity. The partner would prosper from its share of profits made by the operating company. Their proceeds could be able to fund their activity, for instance, protecting communities – levies come immediately to mind. The operating company would jumpstart the commercial MBS market, a $400 billion market currently idle in this crisis. Production would include low-risk, predictable commercial mortgages to be pooled and sold as investment grade securities. B-piece securities may be held or sold as high yield investments backed by proven, underlying assets.

Capital is essential to a thriving economy and our plan can benefit entities to the amount of capital made available. Our plan ensures no risk with US assets as security. Assets are valued at a minimum of 125% of advancement and are predictable & secure. Our plan begins with a line which we request be made available to our new entity. We would lend into the $400 billion commercial real estate market and jump start investors that otherwise remain paralyzed because of poor underlying assets securing bonds.

Thus far, we see this market paralyzed by the firms that created the crisis. Many have recapitalized by selling preferred ownership. But that has not helped the future; it has only stabilized the firms at this time. We - like many - are weary seeing those who have

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controlled the money, created this debacle and squandered resources getting rewarded for their inept & greedy practices. It's time for a change and the Federal Reserve Board can make that happen. Our plan does not involve billions in bailouts, guarantees or loans to those entities too paralyzed to jumpstart an economy. It is an economical solution with residual benefits. It is not throwing good money at a bad situation. It does not come with the "baggage" of bad mortgages but starts anew and sets a standard of sensibility.

American firms created financial instruments backed with over-valued, underlying assets. Not only did this set up failure but it undermined future business and any reopening of the markets. We see a new "Wall Street of the West" emerging on the Pacific side; but that will take time. The current Plan will provide a safety net for the economy of this country. Without foreign money, there is no way to accomplish this. The Federal Reserve Board is the only entity strong enough to not only bail out existing firms but create that safety net. And, it can be done with a fraction of the funds. It begins with access to a fully secured line backed by US assets.

Our plan will originate and turn a billion dollar line at least four times. In the out years, the line increases to accommodate production. Yet that amount is not nearly what this economy needs to get back to a $400 billion market. We can originate and securitize the higher limits of any size line. Credit drives this economy. It also requires people – and that's another economic stimulus. The higher the line, the higher the production, the higher return to our partner. The operating company would service the loans until securitization at which time servicing rights may be sold to the highest bidder. The market may be restarted slowly. Therefore, the Plan calls for holding a portfolio of mortgages until month 12. The Plan is included in summary form in an attachment.

If you make available a line we will create a new entity, originate commercial MBS product, jump start investors and consistently provide funds to a charitable entity. We do have an individual to run the 501(c)(3) entity; we see a Governor who can not seek the Presidency that may look forward to a large mission after leaving office. His wife also has such expertise. Both are quite capable yet now we just need a start.

We have an extensive plan, decades of experience and a noble mission. I would be pleased to explain in detail our plan, the minimal risks, the huge benefits and rewards. This has a huge "upside" to the government in real money and to the economy that gets a jump start. It returns America to Americans and provides quality underlying assets as support for mortgages. It has the effect of changing the paradigm in the lending industry which went so "out of alignment" in this last cycle.

Please call or provide information to discuss our plan with you. We have a detailed operating plan, experience and know-how to execute this "risk free" conservative Plan.

Sincerely,

William E. Cunningham, President

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New American Operating Entity
Summary Attachment
for the years 1 - 5

	2008	2009	2010	2011	2012	Total
PRODUCTION:						
Production ($million)	$745	$1,810	$5,640	$14,340	$20,350	
REVENUE:						
Origination Fees (Note 1)	$4,842,500	$3,620,000	$11,280,000	$28,680,000	$40,700,000	$89,122,500
Securitization Fees (Note 1)	26,075,000	63,350,000	197,400,000	501,900,000	712,250,000	$1,500,975,000
Loan Revenue Arbitrage (Note 4)	22,166,667	35,729,167	58,662,500	146,875,000	211,354,167	$474,787,500
Revenue	$53,084,167	$102,699,167	$267,342,500	$677,455,000	$964,304,167	$2,064,885,000
EXPENSES:						
Commissions/Bonus (Note 2)	$7,962,625	$15,404,875	$40,101,375	$101,618,250	$144,645,625	$309,732,750
Salary & Wages	1,697,000	3,258,125	5,531,377	6,327,401	7,347,450	24,161,353
Benefits & PR Taxes	706,923	1,361,404	2,806,443	5,189,298	6,971,782	17,035,851
Rent	121,350	180,000	180,000	210,000	240,000	931,350
License & Insur.	24,166	48,890	67,534	90,621	96,663	327,873
Office Expense	24,277	48,778	79,629	97,555	121,944	372,182
Adv./Marketing	221,085	451,192	916,685	948,978	997,643	3,535,583
Legal	188,579	443,248	687,037	708,055	744,303	2,771,222
Telephone	24,221	38,657	61,253	84,774	121,106	330,012
Accounting	72,331	122,506	183,337	210,965	241,103	830,242
Travel	103,412	183,337	244,449	289,442	355,677	1,176,317
Cost of warehouse line (Note 3)	15,041,667	25,520,833	49,637,500	117,500,000	169,083,333	376,783,333
Expenses	$26,187,635	$47,061,846	$100,496,618	$233,275,340	$330,966,630	737,988,069
Pre-Tax Income (Note 5)	$26,896,532	$55,637,321	$166,845,882	$444,179,660	$633,337,537	$1,326,896,931

Notes:

(1) Securitization profit on CMBS product, net of all costs (legal, accounting, agency, et al), range from 3% - 3.5%. Origination fees equal to 1% on 20% of CMBS product in Years 2-5; Year 1 has a 1% origination fee on 65% of product.

(2) Discretionary 15% bonus based on revenue

(3) Cost of line from warehouse line provider

(4) Arbitrage from originations positive to cost of line & varies

(5) Distributed ratably with partner

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