

**Meeting Between Federal Reserve Board Staff
and Representatives of CRE Finance Council (CREFC)
September 29, 2010**

Participants: Joseph Nichols, Matthew Eichner, Lawrence Rufrano, Molly Mahar, William Treacy, Benjamin McDonough, Sebastian Astrada, and Flora Ahn (Federal Reserve Board)

Douglas Tiesi (CREFC, The Royal Bank of Scotland), Brendan Reilly (CREFC), Scott Sinder (CREFC, Steptoe & Johnson LLP), Lisa Pendergast (CREFC, Jeffries & Company, Inc.), Mark Warner (CREFC, BlackRock), Kathleen Olin (CREFC, CW Capital), Michael Flood (CREFC), and John Collins (CREFC, Steptoe & Johnson LLP)

Summary: Staff of the Federal Reserve Board met with representatives of CREFC about commercial mortgage-backed securities and the Federal Reserve Board's responsibilities under section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The CREFC shared their views on: the need for improved underwriting, representations and warranties, and disclosure to bring investors back into the market; loans that will need to be refinanced in the near future and the uncertainty of the regulatory environment and interplay with accounting standards; the potential indirect effects of risk retention on smaller borrowers; and similar lending rules for loans generated for portfolios and securities.

The representatives of CREFC also recommended conformity among the regulations prescribed by the Federal banking agencies and the Securities and Exchange Commission and allowing different forms of risk retention for each asset class.