Investment Program Association

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September 17, 2007

Via Electronic Mail

U.S. Securities and Exchange Commission
Attn: Nancy M. Morris, Secretary
100 F Street, NE
Washington, DC 20549
Electronic Address: rule-comments@sec.gov

Re: File Number S7-15-07; Smaller Reporting Company Regulatory Relief and Simplification

Dear Ms. Morris:

The Investment Program Association (the "IPA") is the national trade association that represents the interests of sponsors and other industry participants in the promotion of non-traded investment programs, including non-traded real estate investment trusts ("REITs"), real estate programs, equipment leasing programs and oil and gas programs. Members of the IPA include most of the major publicly offered direct participation program sponsors.

We appreciate the Commission's plan to extend the benefits of the Commission's current optional disclosure and reporting requirements for smaller reporting companies. As part of this plan, the Commission intends to substantially combine two current categories of issuers, "non-accelerated filers" and "small business issuers." However, we believe there is a category of non-accelerated filers that is not likely to benefit from the Commission's proposal - non-traded REITs.[1] While the IPA believes that scaled disclosure is important, the IPA is not requesting that non-traded REITs qualify as smaller reporting companies unless they would otherwise do so under the Commission's proposed rules. However, the IPA would like to take this opportunity to request that the Commission take action to benefit this category of non-accelerated filers, which, due to the Commission's current interpretation of market capitalization, is currently required to register all offerings of securities on Form S-11.

Specifically, we are requesting that the Commission amend Form S-11 to allow issuers to incorporate by reference into the prospectus information that was previously filed pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act") if the issuer meets the same criteria as set forth in General Instruction VII to Form S-1, which include the following:

[1] Under the Commission's proposed definition of "smaller reporting company," a non-traded REIT is not likely to qualify, either because: (1) it will not be deemed to have any "public float" because its shares are not registered on a national securities exchange, but may have in excess of $50 million in revenues; or (2) in connection with the filing of an initial registration statement, it intends to register shares more than $75 million of securities, based on the number of shares and proposed public offering price.

(1) the issuer must be subject to the Exchange Act's reporting requirements;

(2) the issuer must have filed all required reports under the Exchange Act for the preceding 12 months;

(3) the issuer must have filed an annual report under the Exchange Act for its most recently completed fiscal year;

(4) during the preceding three years neither the issuer nor any predecessor may have been:

- a blank check issuer;
- a shell company (other than a business combination related shell company); or
- an issuer for offerings of penny stock; and

(5) the issuer must make its incorporated Exchange Act reports and other materials readily accessible on a web site maintained by or for the issuer.

We believe this requested change is consistent with the Commission's goal of further integrating disclosures under the Securities Act of 1933, as amended, and the Exchange Act, without impacting investor protection. It is also consistent with the amendments adopted as part of the Securities Offering Reform (Release No. 33-8591; 34-52056; IC-26993), in which the Commission expanded incorporation by reference of reports previously filed under the Exchange Act to Forms S-1 and F-1 but not to Form S-11.

As the Commission has previously noted, (1) all public companies (including non-traded REITs) have enhanced reporting obligations which are similar to the largest reporting companies; and (2) there is widespread accessibility through the Internet to documents filed by public companies. Therefore, we do not believe that there is any likelihood of harm to investors as a result of allowing incorporation by reference of previously filed Exchange Act reports and, as noted above, this approach is consistent with the Commission's amendments to Form S-1.

We appreciate this opportunity to express our views to the Commission. We would be pleased to answer any questions the Commission or its staff might have about our comments.

Sincerely yours,

/s/ Rosemarie A. Thurston

Rosemarie A. Thurston, Chair
Legal and Regulatory Affairs Committee