



July 25, 2008

Via Electronic Mail

Secretary
Securities & Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

**Re: Trepp, LLC Comments to Proposed Rules for Nationally Recognized
Statistical Rating Organizations
SEC File No. S7-13-08**

Dear Secretary:

Trepp, LLC (“Trepp”) submits this letter in response to the Security & Exchange Commission’s (“SEC”) request for comment on its “Proposed Rules for Nationally Recognized Statistical Rating Organizations” (“Proposed Rules”) published in the Federal Register on June 25, 2008 (73 Fed. Reg. 36212-36252).

Trepp is a leading provider of analytics, information and technology to the global Commercial Mortgage Backed Securities, or “CMBS”, market. We have a 28-year history in structured finance, with a core focus on CMBS for the past 15 years. In that time, we have become the CMBS industry standard for data and analytics for the more than \$900 billion in outstanding CMBS issuance. Trepp’s analytics permit a user to measure the impact of changing collateral performance on the CMBS bonds secured by a particular pool of commercial real estate loans.

We are headquartered in New York City with personnel in London and Shanghai. Trepp has a global client base of major investment banks, institutional investors, leading originators and rating agencies. Also, Trepp has an expert staff with highly specialized knowledge and skill in understanding and modeling complex bonds. This modeling expertise allows Trepp to reverse engineer and simulate the cashflow waterfall of a wide variety of structured products. Our CMBS deal coverage includes North American, European, and Asian CMBS as well as Commercial Real Estate backed Collateralized Debt Obligations, or “CDOs”. Trepp’s database contains detailed information on over 1800 CMBS transactions and more than 100,000 commercial mortgage loans, representing approximately 25% of commercial property financing in the US. Notably, Trepp is also the third-party provider of all CMBS cashflows to Bloomberg, LP worldwide, and has been since 1998.

Trepp's product suite focuses on tools to analyze CMBS, CRE CDOs, CMBS Derivatives (also commonly known as Credit Default Swaps), and Commercial Mortgage Loans. Our tools are available through the Web, through the Bloomberg™ platform, in the form of enterprise-based installations, and through various distribution relationships that incorporate selected data or software routines.

In the Proposed Rules, the SEC has proposed 12 specific rule changes that would apply to the practices of National Recognized Statistical Rating Organizations ("NRSROs"). Trepp's comments herein are limited specifically to the amendment to Rule 17g-5 proposing that information provided to and relied upon by an NRSRO be more broadly disseminated.

The proposed rule in the SEC proposal is designed to enable credit rating agencies other than the one(s) retained by the issuer to rate a bond issuance to provide their own fully-informed rating. The proposal would require NRSROs, either directly or through the information provider, to disclose any information provided by issuers, underwriters, sponsors, depositors or trustees upon which the NRSRO relied in issuing a rating and/or in engaging in surveillance activities. Within the SEC's discussion of this proposed rule, the SEC poses the following questions:

Do NRSROs obtain information about the underlying assets of structured products – particularly in the surveillance process – from third-parties such as vendors rather than from issuers, underwriters, sponsors, or trustees? If so, would it be necessary to require the disclosure of this information as proposed or can the goals of the proposed amendments in promoting unsolicited ratings be achieved under current practices inasmuch as the information necessary for surveillance can be obtained from third-party vendors, albeit for a fee?

Trepp has been pivotal in serving the information needs of the CMBS industry since the industry's inception, and has been hugely instrumental in improving and enhancing disclosure relating to these securities. Trepp therefore can provide significant comments on both questions contained in the above paragraph:

1. Do NRSROs obtain information about the underlying assets of structured products, particularly in the surveillance process, from third-parties such as vendors rather than from issuers, underwriters, sponsors, or trustees?

Trepp knows first-hand that NRSROs do in fact obtain information about the underlying assets of structured products, particularly in the surveillance process, from third party vendors: Trepp maintains contractual relationships with the four rating agencies historically active in structured finance, by which we provide ongoing performance data to each of them, both in bulk, and through web-based surveillance and analytical tools. Trepp's bulk data products are designed to deliver, in a standardized, consolidated file set, the monthly remittance, payment and performance data on CMBS. This bulk data product generally serves as a primary data source for loading each rating agency's proprietary surveillance system. For day-to-day use, the web-based tools provide a

convenient platform for accessing data from one or more deals. Our rating agency clients currently receive feeds from Trepp, without regard to their participation in the rating of a particular transaction, and thus can receive the same information as the agencies that did rate the transaction. These feeds presently include over 300 fields of updated information per individual loan and property, for every time the loans and bonds pay.

It is Trepp's understanding that our products are regularly used by our rating agency clients as one part of the surveillance process. We do not know the extent to which any of our rating agency clients supplement Trepp data with data directly from issuers, underwriters, sponsors or trustees during the surveillance process. We are not privy to all of the considerations which went into the decision to contract with Trepp, but one clear value of a vendor product is the ability of a rating agency to view data across the universe of transactions, irrespective of whether that rating agency was requested to rate a particular transaction.

2. If so, would it be necessary to require the disclosure of this information as proposed or can the goals of the proposed amendments in promoting unsolicited ratings be achieved under current practices inasmuch as the information necessary for surveillance can be obtained from third-party vendors, albeit for a fee?

The SEC's question has two parts: (i) Is disclosure necessary to promote unsolicited ratings?; and (ii) What is the best mechanism for affecting such disclosure?

(i) Disclosure does promote unsolicited ratings, and such disclosure already regularly occurs via Trepp's products and services, which make available information which supports informed credit decisions by all market participants. The information content of Trepp's products starts with the disclosure data provided by issuers, underwriters, sponsors and trustees at both the initial offering and through the monthly reporting process. Therefore, necessary disclosure does occur, and will continue to occur.

(ii) The SEC's proposed rule makes NRSROs responsible for ensuring disclosure of information relating to structured finance products, by imposing on an NRSRO the additional burden of publishing disclosure data. However, to the extent an NRSRO attains its data from a vendor such as Trepp, it is unnecessary to impose the burden that such NRSRO disclose the same data, since other NRSROs can also subscribe for the same access. The purpose of the proposed amendments is being achieved under current practices during the surveillance process because any NRSRO can contract with vendors such as Trepp to obtain timely data on the performance of the underlying assets backing structured finance securities.

Further, the use of a vendor, such as Trepp, demonstrates that the collection and management of data, even data disclosed pursuant to SEC regulations, imposes costs on both the supplier and consumer of that data. Sharing those costs through the development and technology resources of a vendor is a rational reaction by the market.

Failing to propose regulation that recognizes continued use of quality vendor services could reduce the current high level of disclosure in the CMBS market by discouraging vendors such as Trepp from contracting with NRSROs. Therefore, the SEC should make it clear in the proposed regulation that information provided by a third-party vendor to an NRSRO is not required to be disseminated more broadly.

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Thank you for providing Trepp with the opportunity to submit these comments. Please let us know if you require any additional information regarding Trepp's data and services.

Very truly yours,



Annemarie G. DiCola
Chief Executive Officer
Trepp, LLC