



September 30, 2010

Municipal Securities Rulemaking Board
Attention: Leslie Carey, Associate General Counsel
1900 Duke Street, Suite 600
Alexandria, Virginia 22314
Via Electronic Mail: Ronald Smith at rsmith@msrb.org
Re: MSRB Rule G-23

Ms. Carey,

My company, Newland Real Estate Group, LLC is a developer of large scale master planned communities, operating under the name Newland Communities. We currently own property and operate in 14 states and have more than 20 active communities at this time. One of these states is Texas where the use of special purpose municipal financing districts for the purpose of financing of infrastructure improvements is both a routine and customary practice and contributes significantly to the overall health of the residential housing market in Texas. During the calendar year of 2009, home sales in our Texas communities totaled 1,896. This use of public finance not only facilitates growth in an expeditious manner, it also has an extremely positive impact on the affordability of housing. I would be remiss to not point out that the housing markets in the State of Texas, while impacted during the recent housing downturn, have remained much healthier than the balance of the U.S.

Currently in Texas, the State thoroughly and effectively regulates the use of these public finance districts and subsequent to changes made to the laws that govern special purpose financing districts during the 1980's, there have been virtually no, if any failures of these special purpose financing districts. In short, the risk of development is absorbed by the private developer and only upon the successful sale of homes to private parties, can the districts then sell and issue bonds at which time the private developer is reimbursed for qualifying infrastructure improvements.

These bonds are currently very well received by the market. Regulation by the State of Texas requires that the sale of all special purpose finance district bonds be competitively bid. In the instance of non-rated/non-insured issues, there have only been two consistent bidders over the past 10 years. Rule G-23 in its current form proposes to prohibit financial advisory companies from bidding on their own client's bonds which would lead to a non-competitive bid situation. This can be good for no one.

I respectfully request that this proposed provision within rule G-23 be removed or modified in order that this very successful finance vehicle be allowed to continue. In reality, most of these bond issues are less than \$10 million and an exemption based on size of issue could possibly be a solution.



Thank you for your time and your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Walter Nelson', written in a cursive style.

Walter F. Nelson
President
Central Region

CC:
Mary L. Schapiro
Chairman
U.S. Securities & Exchange Commission
100 F. Street, NE
Washington, DC 20459