

We appreciate FINRA's desire to improve and clarify understanding of unlisted REITs in light of their continued growth and investor impact.

Unfortunately, we are very disappointed in the specific steps and general direction of proposed regulation. It appears FINRA is trying to turn unlisted REITs into traded REITs. As a brokerage firm, we appreciate and value the unique nature of unlisted REITs as we believe they facilitate the inclusion of an asset class in portfolios that is distinct and specifically differs from traded REITs. Trying to force unlisted REITs to become something they are not likely misleads investors further and potentially removes a valuable asset from proper consideration.

More specifically, proposed pricing policies appear to be misleading and draconian. The focus is on near term accounting measures rather than on the investment's true value. As such, the pricing policies are grossly misleading.

If firms are forced to deduct all costs, then allow them to add back in expected liquidity and aggregation premiums routinely enjoyed by unlisted REITs when they are eventually sold or listed. The policy as proposed misrepresents the investment through forcing an immediate and up-front inclusion of all costs without a commensurate recognition of any of the value created. We believe it is unbalanced and would create inferior practices than exist under the current system.

Thank you for your consideration.

Daniel Wildermuth

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