February 15, 2012

Ms. Susan M. Cosper
Technical Director
File Reference 2011-210
Financial Accounting Standards Board
401 Merrit 7
P.O. Box 5116
Norwal, CT 06856-5116

Re: Proposed Accounting Standards Update, Real Estate – Investment Property Entities (Topic 973)

Dear Ms. Cosper:

Camden Property Trust ("Camden") appreciates the opportunity to comment on the Financial Accounting Standards Board's (the "Board" or "FASB") Proposed Accounting Standards Update – Investment Property Entities (the "Exposure Draft" or "ED"). Camden is an S&P 400 company and is one of the largest multifamily real estate investment trusts in the nation and specializes in the ownership, development, and management of apartment home communities. As of December 31, 2011, Camden owned interests in, operated, or were developing 206 multifamily properties comprising approximately 70,000 apartment homes in the United States of America, and our common stock is traded on the NYSE under the symbol "CPT."

Camden supports the Board's efforts to continue to develop high-quality accounting standards to improve financial reporting, and we also support the Board's efforts to achieve convergence of generally accepted accounting principles in the United States of America ("GAAP") and International Financial Reporting Standards ("IFRS"). We do not, however, believe the ED as drafted provides significant clarity or consistency with respect to financial reporting matters for our industry and investment properties. Additionally, we believe the ED should be analyzed and understood in connection with the FASB and International Accounting Standards Board ("IASB") joint project on leases; as there is not a current exposure draft on the leases project, the impact of which could be significant for the financial reporting of Camden and our industry, it is difficult to provide a thorough analysis of the potential effects of the adoption of the ED and the joint project on leasing if they are subsequently adopted as final standards.

Camden is a member of the National Association of Real Estate Investment Trusts ("NAREIT"), and NAREIT submitted a comment letter on behalf of its global members in response to the
invitation to comment on this ED. Camden supports the views expressed in the NAREIT letter, and this Camden letter provides additional support for certain of the views expressed in the NAREIT comment letter and provides supplemental comments.

Convergence with IFRS

The ED does not bring us closer to the accounting standards issued by the IASB. One of the stated goals at the inception of the investment property project was to continue the path of convergence to a worldwide set of consistent accounting standards; if the ED is adopted, we believe the differences between GAAP and IFRS will be greater:

- Under IAS 40, fair value is an option but the ED requires fair value.
- Under IAS 40 the determination of an investment property entity utilizes an asset approach, while the ED utilizes an entity approach.
- The FASB and IASB have reached different conclusions of consolidation (or not) when either an investment property entity or investment company entity has a controlling financial interest in another investment property entity or investment company entity.

Accordingly, adopting the ED as written would not improve convergence and we strongly believe the investment property model should converge with IAS 40 in order to have a consistent method of financial reporting for the real estate industry: many of the industry's investors invest on a global scale and require consistent, and comparable, financial reporting.

Express Business Purpose Criteria

The ED states, "the express business purposes of the entity is to invest in a real estate property or properties for total return including an objective to realize capital appreciation," and, an entity has "...an exit strategy to dispose of its property or properties...to realize capital appreciation to maximize total returns."

It has been Camden's experience there are other, additional, means to realize capital appreciation besides the sale of a property. In addition to a sales strategy, we measure financial returns to also encompass, for example, operating cash flow, appreciation of a property's value, refinancing a property and the distribution of the total or excess proceeds, and contributing properties to a joint venture. Total return to our shareholders is measured by dividends received and the change in the underlying value of our common shares; a major factor in changes to our common share value is changes in the perceived fair value of our operating properties and our cash flows from operations.

We believe the express business purpose criteria should be modified to a principles-based definition to include an objective to realize capital appreciation or periodically monetizing the fair
value of investment properties, without providing a bright line criteria of what is specifically allowed or not allowed.

**Nature of Business Activities Criteria**

To qualify as an investment property entity, the ED requires "substantially all of the entity's business activities are investing in a real estate property or properties;" our understanding of "substantially all" is greater than 90%. Based upon this definition, it is our belief most real estate companies, including Camden, would not meet this bright line definition as most real estate companies own and operate real estate properties in joint ventures in addition to investing in wholly-owned real estate properties.

If a real estate company invests in just a few joint ventures, there is also the risk companies could be classified as an investment property entity in one year, fail to qualify in the following year, then qualify as an investment property entity in a subsequent year – with the cycle continuing each year – all based on the level(s) of investment, refinancing of existing ventures or individual properties, or the recycling of capital based upon sales and purchases of real estate properties.

Accordingly, we believe real estate owned through a non-controlled joint venture should be included in the "substantially all" test if this criteria remains in a final standard. We also believe any guidance should be asset vs. entity based in the determination of measuring at fair value, and should apply to all investment properties despite the industry, corporate / legal structure, or if an investment property meets a "substantially all" test.

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Camden appreciates the opportunity to comment and express our views on the ED. If the Board or staff would like to discuss our views as expressed in this letter, please contact me at (713) 354-2500.

Very truly yours,

Michael P. Gallagher
Vice President - Chief Accounting Officer