

October 22, 2007

Mr. Russell G. Golden  
Chairman of Emerging Issues Task Force  
Financial Accounting Standards Board  
401 Merritt 7  
Norwalk, Connecticut 06856-5116



LETTER OF COMMENT NO.

3

Re: File Reference No. EITF07-6– Accounting for the Sale of Real Estate Subject to the Requirements of FASB Statement No. 66 Accounting for the Sale of Real Estate When the Agreement Includes a Buy-Sell Clause

Dear Mr. Golden:

Camden Property Trust, a Texas real estate investment trust, was formed in 1993 and is engaged in the ownership, development, construction, and management of multifamily apartment communities. As of September 30, 2007, we owned interests in, operated, or were developing 199 multifamily properties comprising of approximately 68,000 apartment homes in 13 states.

Camden’s September 7, 2007 letter, a copy of which is attached, provided our opinion with respect to the EITF’s August 28, 2007 Issue Summary No. 1, including a discussion of Camden’s views regarding the business purpose(s) and operation of buy-sell clauses in real estate transactions and comments regarding the alternate views expressed in the issues summary.

We agree with the Exposure Draft’s statement “determining whether the terms of the buy-sell clause indicate that the seller has transferred the usual risks and rewards of ownership and does not have substantial continuing involvement is a matter of judgment and requires consideration of all relevant facts and circumstances of the transaction at the time real estate is sold.”

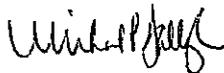
Camden believes paragraph 7 of the Exposure Draft provides principles-based guidance in the assessment of whether or not a seller of real estate has continuing involvement or if a buyer of real estate can compel a seller to repurchase real estate previously sold, and also believe the final guidance should not include any of the factors identified in paragraph 8 of the Exposure Draft; the guidance in paragraph 7 of the Exposure Draft is sufficient. Concerning paragraph 8, we are concerned the factors presented in the Exposure Draft will be used as an all-encompassing “roadmap” or “checklist” versus a full consideration and evaluation of the facts and circumstances unique to each real estate agreement.

The following are Camden's comments with respect to the EITF's specific questions included in the "Notice of Recipients:"

- a. Camden agrees with the proposed transition and effective date indicated in Paragraph 9.
- b. Camden accounts for these transactions consistent with this draft extract. We have studied other viewpoints in reviewing this issue and consistent with the findings of the National Association of Real Estate Investment Trusts, as outlined in their response to the EITF, we are not aware of diversity in current practice.
- c. As a matter of business practice, Camden's agreements contain buy-sell provisions similar to the ones described in the draft extract, and they do not specify or provide a basis for determining the offer price to be executed under the buy-sell clause.
- d. Camden or its partners have never invoked the buy-sell clause.
- e. As discussed above, Camden believes there is no need to include the factors identified in paragraph 8 in the final guidance.
- f. We do not believe additional disclosures need to be provided.

If you have any questions regarding the comments set forth in this letter, or if we can provide additional information, please contact me at (713) 354-2828 or email me at [mgallagher@camdenliving.com](mailto:mgallagher@camdenliving.com).

Very truly yours,



Michael P. Gallagher  
Vice President-Chief Accounting Officer  
Camden Property Trust

cc: Mr. George L. Yungmann, Sr. Vice President, Financial Standards, The National Association of Real Estate Investment Trusts

Mr. Jim Berry, Partner, Deloitte & Touche LLP

September 7, 2007

Mr. Russell G. Golden  
Chairman of Emerging Issues Task Force  
Financial Accounting Standards Board  
401 Merritt 7  
Norwalk, Connecticut 06856-5116

Re: EITF Issue No. 07-6– Accounting for the Sale of Real Estate When the Agreement Includes a Buy-Sell Clause

Dear Mr. Golden:

Camden Property Trust, a Texas real estate investment trust, was formed in 1993 and is engaged in the ownership, development, construction, and management of multifamily apartment communities. As of June 30, 2007, we owned interests in, operated, or were developing 198 multifamily properties comprising of approximately 68,000 apartment homes in 13 states.

Camden began investing and entering into joint ventures and partnerships soon after inception. As of June 30, 2007, Camden has investments in 21 such entities with multiple partners and as a matter of business practice have utilized buy-sell as a protective right. Camden has not historically viewed the mere existence of a buy-sell provision as creating an option to repurchase. Rather, we believe the buy-sell provision lies on a continuum where on one point a right of first refusal ordinarily is not viewed as an option to repurchase and on another point an option to repurchase would likely indicate the seller has retained a form of continuing involvement and would therefore preclude sales accounting. It is our belief buy-sell provisions are typically put in place as a mechanism to allow for a clean break amongst the parties (a divorce clause): rights that are shared equally among the partners. Therefore, the mere existence of a buy-sell feature would not indicate continuing involvement but rather should be used as one data point along with other facts and circumstances which may exist in determining whether such a feature would preclude sale accounting. We have studied other viewpoints in reviewing this issue and consistent with the findings of the National Association of Real Estate Investment Trusts, as outlined in their response to the EITF as relates to how often one of these protective provisions has been utilized, Camden or its partners have never triggered the buy-sell clause in any of our dealings.

We do not agree with View A as we believe the buy-sell clause as typically used in these joint venture agreements would not represent an option to repurchase property, rather as mentioned above it is merely a mechanism for the parties to separate should the need arise. In our case we structured the buy-sell provisions of our joint venture agreements to

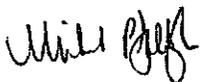
serve as a “divorce” clause, or a way for either party to amicably, and quickly, exit a joint venture agreement in the unlikely event the relationship between the joint venture partners deteriorates. The buy-sell clause allows either partner in a joint venture an opportunity to exit the venture at a fair price.

We believe existing literature exists on determining continuing involvement in a real estate sale and do not believe further guidance on this topic is necessary. We do support an evaluation of all of the facts and circumstances at reaching a determination of whether continuing involvement exists and conclusions should be based on the specific facts and circumstances in place. If the decision is made to further clarify real estate sales that include a buy-sell provision, Camden agrees with NAREIT with respect to View B on the evaluation of determining whether a deferral of a partial gain is necessary. We also believe the issues identified by the EITF in reviewing the seller’s continuing involvement should be evaluated, but we believe the likelihood of these factors being realized is remote.

In our opinion, View C is not appropriate. We strongly believe fair value is implied in the original sales contract and the required use of a “named price” buy-sell or a “fair value” buy-sell is not necessary. The idea of fair value differs between parties as each party, for example, has different criteria in the economic valuation of real estate assets; requiring the use, for example, of a third-party valuation would be an economic hindrance to the normal negotiating process of the business environment. Any offer made under the buy-sell clause not at fair value in the eyes of the offering party is, in our opinion, not realistic and Camden believes will not happen. We do not believe the remote possibility one of the parties to a joint venture agreement making an offer below fair value constitutes continuing involvement.

If you have any questions regarding the comments set forth in this letter or if we can provide additional information, please contact me at (713) 354-2828 or email me at [mgallagher@camdenliving.com](mailto:mgallagher@camdenliving.com).

Very truly yours,



Michael P. Gallagher  
Vice President-Chief Accounting Officer  
Camden Property Trust

cc: Mr. George L. Yungmann, Sr. Vice President, Financial Standards, The National Association of Real Estate Investment Trusts

Mr. James Johnson, Partner, Deloitte & Touche LLP  
Mr. Jim Berry, Partner, Deloitte & Touche LLP