



February 25, 2009

VIA Electronic Mail (director@fasb.org)

Technical Director  
Financial Accounting Standards Board  
401 Merritt 7, P. O. Box 5116  
Norwalk, CT 06856-5116

File Reference: Proposed FSP FAS 107-b and APB 28-a

Dear Board Members and FASB Staff:

The Mortgage Bankers Association<sup>1</sup> (MBA) appreciates the opportunity to comment on the proposed FASB Staff Position (FSP), *Interim Disclosures about Fair Value of Financial Instruments* (the proposed FSP). The purpose of the proposed FSP is to increase the frequency of disclosures about fair value to improve the transparency and quality of information provided to users of financial statements.

FASB Statement No.107 (Statement 107), *Disclosures about Fair Value of Financial Instruments*, currently requires disclosures about fair value of financial instruments in annual financial statements. The proposed FSP would require such disclosures to be made in interim financial reports as well.

The proposed FSP would be effective for interim and annual reporting periods ending after March 15, 2009.

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<sup>1</sup> The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 280,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets; to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,400 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: [www.mortgagebankers.org](http://www.mortgagebankers.org).


### **MBA's Comments**

**Support of Proposed FSP:** MBA recognizes that the proposed FSP will require more disclosures under what are already tight reporting deadlines. However, given the current hybrid accounting model where some assets and liabilities are carried at amortized cost and some at fair value, MBA recognizes users of financial statements would be better served having fair value information on an interim basis. Since the required disclosures are provided on an annual basis, entities should already have infrastructure in place to prepare those disclosures. Accordingly, MBA supports the proposed FSP. However, for SEC registrants, the interim reporting period is much shorter than the annual reporting period. Therefore, MBA asks that FASB continuously keep in mind the shortened interim reporting time frame when considering the expansion of annual disclosures to interim periods.

**Support for Strategic Review of Fair Value Project:** Paragraph 3 in the background section of the proposed FSP refers to a recent addition to the FASB agenda of a joint project with the International Accounting Standards Board (IASB) to address the complexity related to recognition and measurement of financial instruments (joint fair value project). MBA recognizes that there is a growing conflict of opinion on the usefulness of fair value accounting as now envisioned in the accounting rules. Accordingly, MBA strongly supports the joint fair value project.

The MBA appreciates the opportunity to share these comments with the Board. Any questions about MBA's comments should be directed to Jim Gross, Associate Vice President and Staff Representative to MBA's Financial Management Committee, at (202) 557-2860 or [jgross@mortgagebankers.org](mailto:jgross@mortgagebankers.org).

Sincerely,

A handwritten signature in black ink that reads "John A. Courson". The signature is written in a cursive, flowing style.

John A. Courson  
President and Chief Executive Officer