

SUPPORTING STATEMENT FOR FORM S-11

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Form S-11 is a specialized form under the Securities Act used for registration of securities issued by real estate investment trusts, (as defined in Section 856 of the Internal Revenue Code), or securities issued by issuers whose business is primarily that of acquiring and holding for investment real estate or interests in real estate or interests in other issuers whose business is primarily that of acquiring and holding real estate or interests in real estate for investment.

2. Purpose and Use of the Information Technology

The information to be collected is intended to ensure the adequacy of information available to investors about the issuer.

3. Consideration Given to Information Technology

Form S-11 is filed using the Commission's Electronic Data Gathering, Analysis, and Retrieval System (EDGAR).

4. Duplication of Information

There is no other source for the information required to be disclosed on Form S-11. The requirements for Form S-11 have been written taking into consideration state securities laws and NASD requirements. As a result, respondents can use one document to meet the requirements of these other agencies as well as ours, thereby reducing the burden on the respondents.

5. Reducing the Burden on Small Entities

Only small entities that choose to access the public securities markets, and do not have an available exemption from registration, would be subject to the Securities Act registration requirements. There are specific exemptions for small offerings.

6. Consequences of Not Conducting Collection

Form S-11 requires disclosure of financial and other information so that investors can make informed investment decisions.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Before it was adopted, Form S-11 was proposed for public comment. No comments were received on this request during the 60-day comment period prior to OMB's review of this extension request.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Not applicable.

11. Sensitive Questions

No information of a sensitive nature is required under this collection of information. Basic Personally Identifiable Information (PII) is required that may include name, business address, and residential address (for sole proprietor only), telephone/cellular/facsimile number, email address, and Tax ID Number (TIN). Records of Notice may be found at the following link:

<http://www.sec.gov/about/privacy/sorn/secsorn1.pdf>. The Privacy Impact Assessment (PIA) is provided as a supplementary document.

12. Estimate of Respondent Reporting Burden

We estimate that Form S-11 takes approximately 779.04 hours per response and is filed by approximately 100 issuers annually. In addition, we estimate that 25% of the 779.04 hours per response (194.76 hours) is prepared by the issuer for a total annual reporting burden of 19,476 hours (194.76 hours per response x 100 responses). The estimated burden is made solely for the purpose of the Paperwork Reduction Act. It is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

We estimate that 75% of the 779.04 hours per response (584.28 hours) is prepared by outside counsel. We estimate it will cost approximately \$400 per hours (\$400 x 584.28 hours per response x 100 responses) for a total annual cost of \$23,371,200. The cost estimate is made solely for the purpose of the Paperwork Reduction Act. It is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

14. Costs to Federal Government

The estimated cost to the federal government is approximately \$100,000 to review and process Form S-11.

15. Reason for Change in Burden

The decrease of \$2,000 in the cost burden is due to an adjustment in the estimate of the number of hours used to calculate the cost burden.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit OMB Expiration Date

We request authorization to omit the expiration date on the electronic version of the form. Including the expiration date on the electronic version of the form will result in increased costs, because the need to make changes to the form may not follow the application's scheduled version release dates. The OMB control number will be displayed.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable.

B. STATISTICAL METHODS

Not applicable.