AMLI
RESIDENTIAL

200 West Monroe Street | Suite 2200 | Chicago, Illinois 60606 | Phone: 312·283·4700 | Fax: 312·283·4720 | WWW.AMLI.COM

February 4, 2008

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Re: Further Notice of Proposed Rulemaking In the Matter of Exclusive Service Contracts for Provision of Video Services in Multiple Dwelling Units and Other Real Estate Developments, MB Docket No. 07-51

Dear Ms. Dortch:

This letter is written in response to the above-captioned Report and Order and Further Notice of Proposed Rulemaking released by the Commission on November 13, 2007, in which the Commission seeks comment on whether, among other things, it should prohibit exclusive marketing and bulk billing arrangements between video providers and MDU building owners. (the "FNPRM").

AMLI Management Company is in the multifamily real estate business. We own a total of 67 apartment properties with approximately 24,000 dwelling units located in Texas, Illinois, Washington, California, Georgia, New Jersey, Florida, Missouri, and Kansas. About 95% of our properties are covered by some form of exclusive marketing agreement for the provision of video services. About 90% of our properties are covered by some form of exclusive marketing agreement for the provision of voice services.

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We are opposed to any prohibition of exclusive marketing clauses because we believe that such a prohibition would adversely affect the conduct of our business without justification. We question whether the Commission has the authority to regulate the activities of property owners in this way. It is imperative that we retain the authority to enter into exclusive marketing agreements with all types of video and voice service providers on our terms.

We enter into exclusive marketing agreements in order to help us recoup the significant communications infrastructure outlays that we make when we construct new buildings, renew services and/or upgrade the wiring in existing buildings. Video providers and voice providers (as the case may be), agree to pay some of the costs of the communications infrastructure in exchange for exclusive marketing rights. Without the ability to enter into exclusive marketing agreements, we would have to bear the full cost of wiring new buildings and upgrading the wiring in existing buildings. This would hurt our competitive position in the apartment market, as we would be forced to pass these costs through to our residents in the form of higher rents.

When it comes time to upgrade the communications infrastructure in existing buildings, we generally require wiring upgrades to be at the cost of the service provider. This is because we are not in the business of designing and installing wiring infrastructure. Providers are usually only willing to undertake these upgrades in return for exclusive marketing agreements. We have very limited capital budgets and many competing capital expenditure priorities, so if we can no longer enter into exclusive marketing agreements in exchange for wiring upgrades, there is a great risk that communications infrastructure upgrades will be severely delayed, or not undertaken at all. In addition, any costs we absorb must be passed through to or residents, which would negatively impact our ability to compete in the rental apartment market.

In conclusion, we urge the Commission not to ban exclusive marketing arrangements and bulk billing arrangements. To do so would reduce our ability to provide state-of-the art communications infrastructure and low service rates to our residents. Thank you for your attention to our concerns.

Sincerely,

AMLI Management Company

Robert J. Faitz

Vice President Ancillary Services

Cc: Steve Hallsey, CEO/President

Dan Gladden, Sr. V.P.