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Congress of the United States  
House of Representatives  
Washington, DC 20515-2801

April 27, 2009

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Timothy Geithner  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Geithner:

It is widely known--and I am sure that you are aware--that Las Vegas is experiencing economic problems. I wanted you to know that the situation in Las Vegas has continued to deteriorate, especially in the last few weeks, and appears to be getting worse by the day.

In Friday's edition of the Wall Street Journal there is an article about the Fontainebleau project in Las Vegas. Fontainebleau has filed a \$3 billion lawsuit against a group of lenders who have, if the allegations are true, reneged on their contractual commitment to provide the Company with approximately \$800 million in funding.

This is just the latest in a series of very high profile projects that have been put in jeopardy by troubles in the commercial lending market. Other projects totaling approximately \$14 billion have experienced difficulties in recent months. The case of Fontainebleau is especially concerning, however, since the project has been put in jeopardy by banks that have allegedly backed out of an *existing contract* without citing specific defaults or deficiencies on the part of the developers.

The whole situation is even more disconcerting given the fact that Bank of America, JP Morgan Chase, and certain other lenders named in the suit have received tens of billions of dollars of federal bailout money meant to ease credit flow. Clearly, backing out of existing commitments to lend money to projects that by all measures appear sound is a move in the wrong direction.

If the commercial lending market does not improve I am concerned that Nevada's current unemployment rate of 10.4% could rise dramatically and the very character of Las Vegas could be permanently damaged. Given the hundreds of billions that have been invested to free up credit markets, I wonder when we can expect the situation to improve. Bear in mind, Mr. Secretary, that tens of thousands of jobs depend on projects in Las Vegas during the construction phase alone, not to mention the thousands of people who will be employed in these facilities when they open.

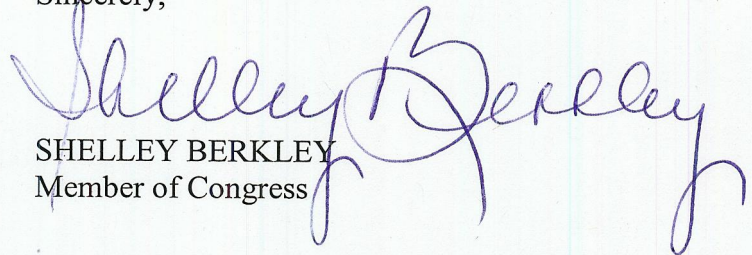
I am urging all parties to enter into discussions as soon as possible to try to rectify the situation. I would ask you to examine this case closely given the impact on Southern Nevada and its 1.5

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million residents. While the Fontainebleau is one of the largest projects currently under construction, it is reflective of countless other projects around the country that are suffering with the lack of available commercial lending.

Thank you for your consideration and I appreciate all of your work to address the current financial crisis.

Sincerely,



SHELLEY BERKLEY  
Member of Congress

cc: The Honorable Barney Frank  
The Honorable Harry Reid  
The Honorable Ben Bernanke

SB:mrc