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from the ground up

**Mailing Address**  
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Clinton Jones  
General Counsel  
Federal Housing Finance Agency  
400 7th St SW  
Washington, DC 20219

**RE: RIN 2590–AB30, Notice of Proposed Rulemaking on Exception to Restrictions on Private Transfer Fee Covenants for Loans Meeting Certain Duty to Serve Shared Equity Loan Program Requirements**

Dear Mr. Jones,

As the national advocacy organization whose members comprise a diverse array of shared equity homeownership programs, Ground Solutions Network strongly supports FHFA's proposed rule regarding exceptions to restrictions on private transfer fee covenants associated with shared equity loans. Codifying the existing waiver to this restriction into regulation serves shared equity programs well as a recognition of their importance in providing affordable homeownership opportunities and giving them a greater degree of stability when it comes to securing loan products.

In response to the specific requests for comments:

- Regarding Question 1, yes, we believe the proposed rule should apply to the Federal Home Loan Banks as well as the Enterprises. We have advocated for the Banks to expand their activities to include shared equity homeownership programs such as community land trusts, limited equity cooperatives, or other forms of resale-restricted affordable homeownership models. As it stands, the current PTSC regulation may pose a barrier to the Banks participating in shared equity programs. In the interest of opening up the Banks to supporting shared equity at some point in the future, we believe this rule, as proposed, should also cover the Banks.
- Regarding Questions 2 and 3, we advocate for all Duty to Serve criteria be applied other than the 100% of AMI limit. We do not think it is necessary to specify an AMI limit in the final rule. Not specifying a limit provides a necessary degree of flexibility for lenders and programs operating across different markets. We recognize that removing the 100% AMI limit would disqualify loans from Duty to Serve eligibility but feel that the remaining criteria will ensure that any lender or program would be doing work aligned with the Duty to Serve goals.
- Regarding Question 4, there are no additional criteria we would propose applying to determination of eligibility. The Duty to Serve criteria have worked well up until now and we see no reason to make any additions.

We thank FHFA for pursuing this rulemaking and recognizing the benefit of strengthening support for shared equity homeownership across all agencies under your regulatory umbrella.



Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Stromberg'.

Brian Stromberg  
National Policy Director  
Grounded Solutions Network  
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