

November 27, 2023

Mr. Clinton Jones

General Counsel

Federal Housing Finance Agency

400 Seventh Street SW

Washington, D.C. 20219

Attention: Comments/ RIN 2590–AB30 Regarding Exception to Restrictions on Private Transfer Fee Covenants for Loans Meeting Certain Duty To Serve Shared Equity Loan Program Requirements

Dear Mr. Jones,

Vested Communities¹ is developing a market-based solution that creates financial safety nets for our partner communities. Housing is more than just an investment asset class. Our mission is to strengthen communities by enabling 100% home equity owners in 100% of the communities we impact. We have reviewed the Federal Housing Finance Agency's (FHFA) proposed rule to amend its regulation that restricts its regulated entities—the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) (collectively, the Enterprises), and the Federal Home Loan Banks (Banks)—from purchasing, investing in, accepting as collateral, or otherwise dealing in mortgages on properties encumbered

¹ Vested Communities is committed to financially strengthening communities via adoption of a fractional-equity business model that protects property valuations and strengthens homeowner balance sheets, all while enabling new homeownership opportunities for renters that wouldn't otherwise have an opportunity to build generational wealth in their home.

by certain types of private transfer fee covenants (PTFCs), and in related securities, subject to certain exceptions (PTFC Regulation).

We are generally **in favor of FHFA adopting such an exception** and would highlight that bilateral transactions by and between homeowners and investors are currently occurring in the marketplace, without requiring the encumbrance of titles or the like. Such transactions enable homeowners to monetize equity in their home without taking on the burden of additional debt, in many cases to make capital improvements to their homes or otherwise strengthen their balance sheets. All of which serves to support local property valuations, improves the living environment of these communities, protects the local tax base and reduces default risk (and the potential for financial support of the Enterprises).

We have no opinion of average monthly income (AMI) thresholds at this time, but believe these models positively impact the ability of all communities, including underserved communities, to live in more affordable, higher-quality housing stock. And fractional-equity business models enable such communities that might not otherwise be able to afford or attain homeownership to participate in the American Dream of homeownership, similar to the way millions of Americans participate in the wealth that is created in public and private equity markets in the United States.

We appreciate your consideration and continued collaboration. Should you have any questions or concerns, please contact me directly at jboseck@VestedCommunities.org or (310)270-1634.

Sincerely,

Jason Boseck, Founder

Vested Communities Operating, LLC

201 W. Baltimore Street

Baltimore, MD 21201