

**Stapleton Foundation**  
*for sustainable urban communities*

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March 30, 2011

Alfred M. Pollard, General Counsel  
Comments/RIN 2590-AA41  
Federal Housing Finance Agency  
Fourth Floor, 1700 G Street, NW  
Washington, DC 20552

Attention: Private Transfer Fees Notice of Proposed Rulemaking

Dear Mr. Pollard:

Community Investment Fund, Inc. and the Stapleton Foundation jointly submit these comments regarding the Federal Housing Finance Agency's notice of proposed rulemaking regarding private transfer fees. Community Investment Fund and the Stapleton Foundation use funds from the Stapleton Community Fee, a fee imposed through a private covenant, to promote and increase important programs that benefit the Stapleton community in Denver, Colorado. We submitted comments on FHFA's notice of proposed guidance, and have followed this issue closely.

Community Investment Fund and the Stapleton Foundation appreciate FHFA's response to the comments of many homeowners associations and nonprofit organizations around the country regarding the importance of allowing private transfer fees to sustain programs that benefit the community where the fees are imposed. Community Investment Fund and the Stapleton Foundation support the proposed rule.

We do, however, request that FHFA make one clarification to the definition of "direct benefit." The proposed rule defines "direct benefit" in three sentences as follows:

Direct Benefit means that the proceeds of a private transfer fee are used exclusively to support maintenance and improvements to encumbered properties as well as cultural, educational, charitable, recreational, environmental, conservation or other similar activities that benefit exclusively the real property encumbered by the private transfer fee covenants. Such benefit must flow to the encumbered property or the community comprising the encumbered properties and their common areas or to adjacent or contiguous property. A private transfer fee covenant will be deemed to provide a direct benefit when members of the general public may use the facilities funded by the transfer fees in the burdened community and adjacent or contiguous property only upon payment of a fee,






We would like to clarify that so long as a private transfer fee satisfies the requirements of the first two sentences of this definition, it is not necessary that the fee also satisfy the requirements of the third sentence. Accordingly, we request that you add the following phrase before the beginning of the third sentence of the definition: "Without limitation to the foregoing sentences, a private transfer fee . . . "

Again, thank you for proposing a rule that strikes an appropriate balance between the need to discourage the inappropriate use of private transfer fees and the desire to retain the use of these fees for legitimate community purposes.

Respectfully,

COMMUNITY INVESTMENT FUND,  
INC.

By: 

STAPLETON FOUNDATION

By: 