

From: Andrew Loza <aloza@conserveland.org>
Sent: Thursday, April 07, 2011 4:32 PM
To: !FHFA REG-COMMENTS
Subject: Private Transfer Fee Covenants (No. 2590-AA41) - Reject as written

Mr. Alfred M. Pollard, General Counsel
Federal Housing Finance Agency
regcomments@fhfa.gov

RE: Proposed Rule on Private Transfer Fee Covenants (No. 2590-AA41)
Please REJECT As Written

Dear Mr. Pollard:

On behalf of the 80 charitable organizations making up the Pennsylvania Land Trust Association, I am writing to urge you to REJECT the proposed rule No. 2590-AA41 relating to private transfer fees as it is currently written.

The use of transfer fees for purely private gain can be curtailed without disturbing the use for legitimate conservation and community purposes. As proposed, this rule is too broad and inconsistent. The rule would have a severe negative impact on conservation organizations that rely on these disclosed fees for their conservation work -- conservation work that directly benefits the land subject to the fees as well as the broader community.

With a high percentage of mortgages insured or backed by Freddie Mac or Fannie Mae, this proposal would effectively preclude the use of transfer fees for conservation, removing a critical tool for conducting responsible and voluntary conservation. While we understand the desire on the part of the FHFA to limit the abusive use of impact fees, this regulation would have the unintended effect of chilling private initiatives in land conservation and causing increased reliance on government for conservation work.

Approval of this rule as written is ill-advised and should be REJECTED. The FHFA should instead adopt transfer fee standards that protect conservation and community benefits while prohibiting fees that are used solely for private gain.

Sincerely,
Andrew M. Loza, Executive Director
Pennsylvania Land Trust Association
717-230-8560
<http://conserveland.org>
Eighty of PA's leading conservation organizations make up the Pennsylvania Land Trust Association.