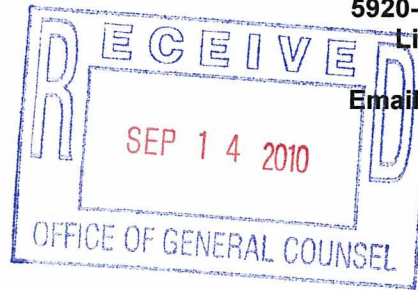


J. KEVIN MOORE

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September 9, 2010

The Honorable Alfred M. Pollard
General Counsel
Federal Housing Finance Administration
Fourth Floor
1700 G Street, NW
Washington DC 20552

RE: Proposed Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)

Dear Mr. Pollard:

I write to express my **strong opposition** to the Federal Housing Finance Agency's Notice of Proposed Guidance on Private Transfer Fee Covenants published in the *Federal Register* on August 16, 2010. If implemented in its current form, the guidance will have a significantly negative impact on all homeowners in **Kipling Sun Townhomes Association**, which I represent. I respectfully request the proposed guidance be either withdrawn in its entirety or revised.

As with the majority of HOA's across the country, Kipling Sun employs a covenant or deed-based transfer fee to fund critical community operations and to ensure the association is able to sufficiently fund ongoing and unanticipated costs. The elimination of deed-based transfer fees will reduce Kipling Sun's revenues by approximately \$4000 each year. This reduction in association income means our homeowners will face higher association assessments of approximately \$3.00 per year or this loss of income will increase the likelihood of special assessments.

Kipling Sun was organized in 1994 and has used a deed-based transfer fee to finance community operations since 2007. The experience of our association is that the fees directly benefit homeowners in the community, as they ensure maintenance of adequate reserves. This protects the values of homes in our community for all residents, which is a considerable additional benefit for the individuals purchasing a home in our community.

There are certain deed-based transfer fees that I believe do not serve a legitimate purpose and FHFA identified one such fee in its proposed guidance. Fees that are paid at closing directly to a third party that makes no investment in the association serve no other purpose than to enrich the fee recipient at the expense of homebuyers. This is why the Colorado and several other state legislatures have considered legislation to void or require disclosure of private transfer fees that solely benefit unrelated third parties. This is the appropriate venue to address private transfer fees, as property law and the practices governing real estate transactions are in the purview of state and local governments. State and local governments are familiar with local real estate

markets and are, therefore, able to craft solutions to policy problems appropriate to housing in that state.

I appreciate the opportunity to comment on FHFA's proposed guidance on private transfer fee covenants, and I strongly urge FHFA to reconsider its proposal to ban all covenant or deed-based transfer fees.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Moore". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping underline.

J. Kevin Moore