

From: Lance Elliott [lfe@sanehomes.com]
Sent: Tuesday, September 14, 2010 2:56 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants No. 2010-N-11

To whom it may concern:

As a person with a Masters Degree in Economics who has worked in real estate for 33 years it makes no economic sense to ban the use of transfer fees. Financing for real estate development has become virtually impossible with the current lending guidelines and where the market is relatively healthy, here in San Antonio, we are already faced with a lot shortage in the \$250,000 to \$350,000 price range for new homes.

The transfer fees facilitate the development of both commercial and residential projects and they are not hidden fees. All parties to a transaction are aware of the existence of the fees and with a lower initial cost of development the fees will never become onerous. If I am not mistaken I think that the State I am from has state transfer fees and these do not inhibit buyers or sellers.

I work with both Not for Profit residential developers and with for profit developers and I believe that banning transfer fees will adversely effect both groups.

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