

From: Bruce Langson [blangson@nvtowers.com]  
Sent: Wednesday, September 15, 2010 11:45 PM  
To: !FHFA REG-COMMENTS  
Subject: Guidance on Private Transfer Fee Covenants No. 2010-N-1

Dear Mr. Pollard-

I ask that you reject the proposed guidance, for the following reasons:

1. Despite widespread use of transfer fees for decades, there is no evidence of harm to consumers or lenders.
2. Passing the guidance will negatively impact millions of homeowners, who will find their property ineligible for low-cost financing.
3. Transfer fees are voluntary. No one is forced to pay the fee and they are easily recognizable through proper disclosure.
4. Developers use capital recovery fees to spread infrastructure costs. There is nothing unfair or inequitable about this practice. It is analogous to using road bonds to pay for roads.
5. Developers sell off the income stream (e.g. a development bond), and use the proceeds to PAY OFF LOANS, REDUCE NEGATIVE EQUITY, and RESTART FAILED PROJECTS CREATING JOBS. In return, homeowners pay less up front.
6. HOAs use transfer fees to lower quarterly dues. Non-profits use the income to provide important community benefits.
7. These fees are embedded within deed restrictions, and cannot be easily removed in most cases if at all. Some fees (to charity) run in perpetuity.
8. If the issue is protecting Fannie and Freddie, there is no basis for eliminating the use by subdivision developers. Lender liability bears no relationship to the ultimate use of the fee.
9. The guidance is being pushed almost exclusively by two special interest groups well known for lobbying hard for lax lending standards and sub-prime loans in pursuit of profits.
10. The guidance will not stop developers from using the fee. It will simply saddle homeowners with higher interest payments.

Mr Pollard, I am the developer of a 2000 room convention hotel adjacent to the Las Vegas Convention Center.

The Convention authority strongly desires that this new hotel be built on its adjacent southern boundary in order to keep it in competition with other convention facilities in the area. The Las Vegas Convention Center is the only convention facility without state of the art accommodations adjacent to its facility. The Hilton Hotel to the North is 40 years old and does not provide all of the amenities necessary for today's business climate.

Allowing Private Transfer Fee Covenants will allow us to start construction two to three years sooner than if we must wait for the normal lending market to reach this level of activity for us to start.

We will hire 4000 people immediately during the construction phase and an additional 1000 permanent employees upon opening. 5000 full time jobs are very needed here in Las Vegas. We currently have an unemployment rate of approximately 25%, the highest in the nation.

Please allow Private Transfer Fee covenants as presented by Freehold Capital Partners.

Thank you,

Bruce K. Langson  
Managing Member  
Nevada Towers, LLC.