

From: Terry Galloway [terry@thegallowaygrp.com]
Sent: Monday, September 27, 2010 11:36 AM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants, (No. 2010-N-11) - Please Reject

Mr. Pollard:

I am writing to urge you to REJECT the proposed guidance No. 2010-N-11 relating to private transfer fees.

This guidance could have a severe negative impact on the operations of homeowners associations, environmental groups and affordable housing programs that rely on these disclosed fees for their operations. A transfer fee has a real value to a community when used in specific circumstances that benefit the community being assessed.

The real estate market has been devastated over the past few years and this guidance, if adopted, would exacerbate the problem by significantly decreasing the value of homes in communities with private transfer fees. Approval of this proposal will place a cloud over thousands of transactions and make many properties difficult to sell- especially if a potential buyer cannot get a loan. With a high percentage of mortgages (by some estimates 90% insured or backed by Freddie Mac or Fannie Mae, there will be significant disturbance and negative impact to the real estate market but also, importantly, to property owners trying to sell or refinance their property.

Approval of this guidance is ill-advised and should be REJECTED.

At a minimum, the comment period should be delayed and extended for a significant time to allow for the thoughtful and transparent consideration of the impacts of such a change.

Sincerely,

Terry Galloway, President

The Galloway Group