

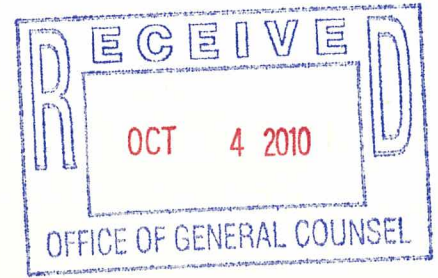


# CLAREMONT



## Civic Association

September 27, 2010



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

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

Dear Mr. Pollard:

On behalf of the Board of Directors of the Claremont Civic Association, I am writing to express my 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. In its current form, the proposed guidance will negatively impact homeowners relocating into our Homeowner Association in Portland, Oregon. I respectfully request the proposed guidance be either withdrawn in its entirety or revised to address only such fees that do not serve a legitimate purpose in a community association.

Claremont Civic Association has had a deed-based transfer fee in its governing documents since 2002. Those fees, collected at the time of purchase, directly benefit the homeowners in the community as they are dedicated to our reserve fund and cannot be used for any purpose other than major maintenance or replacement of existing assets.

I recognize that there are certain deed-based transfer fees that 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 has no continuing investment or involvement in the association serve no purpose other than to enrich the fee recipient at the expense of homebuyers. However, most of the deed-based transfer fees serve a very beneficial purpose to the community and, in turn, help to maintain property values. It is imprudent to view all deed-based transfer fees alike and to propose covenants that will prevent Fannie Mae, Freddie Mac and the Federal Home Loan Bank System from investing in mortgages on encumbered properties without consideration of the purpose for the transfer fee involved.

The Honorable Alfred M. Pollard  
Page Two  
September 27, 2010

I appreciate the opportunity to comment on FHFA's proposed guidance regarding deed-based transfer fees and I strongly urge FHFA to reconsider its proposal to ban the agency's purchase of all deed-based mortgages. This regulatory curtailment on creditworthy borrowers will cause financial hardship for homebuyers who have done nothing wrong. It will do nothing to protect housing markets.

Sincerely,

A handwritten signature in cursive script, appearing to read "Helen Evers".

Helen Evers  
Treasurer  
Claremont Civic Association