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Public Comments on Proposed Guidance; Request for Comments: Private Transfer Fee Covenants:=====

Title: Proposed Guidance; Request for Comments: Private Transfer Fee Covenants
FR Document Number: 2010-20108
Legacy Document ID:
RIN: null
Publish Date: Mon Aug 16 00:00:00 EDT 2010
Submitter Info:

DC Ranch is a 2,7000 home master-planned community located in Scottsdale, Arizona. As is the case with the majority of community associations across the country, DC Ranch employs a covenant or deed-based transfer fee to fund critical community operations. Specifically, transfer fees are the primary funding source for the activities of the DC Ranch Community Council, a non-profit entity providing distinguishable and exceptional programming that enhances property values and quality of life for residents. The elimination of these fees will reduce our operating budget by roughly one-third or \$1.1million annually. This reduction in income would seriously jeopardize our ability to fulfill our commitment to property owners. As a result, homeowners may face higher assessments, special assessments, reduction in services, or all three.

The DC Ranch Community Council was organized in July, 1999, and has used transfer fees to fund operations since that time. The Community Council Transfer Fees, as they are referred to in our governing documents, are a fully-disclosed, equitable and sustainable way to provide long-term benefits to homeowners and the entire community. This proposed ban will negatively affect DC Ranch and other communities throughout the United States by creating a potential loss of housing value and desirability, as well as a loss of important community benefits. This ban will also severely limit individual choice and inhibit the way communities assemble.

Thank you for the opportunity comment on FHFA's proposed guidance on private transfer fee covenants. In the interest of protecting property values, services and amenities, we strongly urge FHFA to reconsider its proposal to ban all covenant or deed-based transfer fees.