

From: Morgan Hill Manager [morganhillmanager@mamc.com]  
Sent: Wednesday, October 06, 2010 4:10 PM  
To: !FHFA REG-COMMENTS  
Subject: Guidance on Private Transfer Fee Covenants (No 2010-N -11)

FHFA, please do not direct the GSEs to stop investing in mortgages on properties encumbered by private or deed based transfer fees.

In a down market like this, such a measure would be catastrophic for people who are trying to buy or sell condos.

Our association assesses a one time initiation fee on buyers of new sales and re-sales. The amounts are never large enough to cause a financial hardship on the individual buyer and this fee is a requirement set out by our Declaration. Our Declaration also mandates that this money be deposited in our reserve account.

The financial effect of such a directive on our reserve account would not be large. However, the effect on buyers and sellers would be devastating. In this market, where so many people are struggling, why throw up another obstacle to the sale or purchase of a home? FHFA's opinion that this restriction would be beneficial for mortgage markets and consumers is just plain wrong and I hope my email, along with thousands of others, will help to change their mind.