

From: Rick Bluhm [rickbluhm@re4u.net]
Sent: Tuesday, October 12, 2010 3:16 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)"

To Whom It May Concern:

I am writing in opposition to the Guidance on Private Transfer Fee Covenants as it is written.

While I am very much in favor of eliminating private transfer fees for all of the reasons stated in the document, there does not appear to be any provision that would protect those home owners who have already purchased homes with these fees in place. If Fannie Mae, Freddie Mac and FHA are instructed to not invest in loans that have private transfer fees on the secured property, how will those current owners be able to refinance or sell their homes to borrowers who need to finance their purchase?

There are a large number of subdivisions in my market area that have private transfer fees in place with various beneficiaries of the fees including land trusts, charitable foundations as well as Homeowner Associations. Many of these have been in place for five to ten years. Under the directions of this guidance policy, the market value of these homes will be zero since there will be no way to sell them except to cash buyers who won't want to buy them because they will realize that they will have the same problem when they are ready to sell.

It is of utmost importance that the Guidance be revised to "grand father" in those properties and/or subdivisions that have private transfer fees in place and that this Guidance only applies to properties and/or subdivisions that have created a private transfer fee after the effective date of the Guidance.

Thanks for your consideration,

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