

Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)From: Jerry Shallenberger [jerry.shall@gmail.com]
Sent: Tuesday, October 12, 2010 7:04 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)

To Whom It May Concern:

I am the treasurer of the Tri Palm Unified Owners Association, an association wholly owned and operated by the homeowners. We are a senior community of approximately 1,600 homes, located in Thousand Palms, California.

The loss of transfer fee income would be devastating to our association. Transfer fee income represents nearly 14% of our total annual operating income. Loss of this income would require a 17% increase in our annual assessments. Many of our residents are on very limited budgets and would be hard pressed to pay the increase.

The only other alternative would be to reduce our expenses. We are a small organization serving a large community. We have only two paid employees, each working only part time. Reducing expenses by 15% would mean stopping many of the programs we currently offer to our members.

Please reconsider the suggestion to disallow transfer fees. While I agree with the idea to stop transfer fees paid to a private investor, I believe that stopping them in wholly member owned associations would be a disservice to those who live in such communities..

Thank you for your attention to this.

Sincerely,

Jerry Shallenberger

Treasurer, TPUOA