



HISTORIC CHARLESTON
FOUNDATION

October 14, 2010

Alfred M. Pollard
General Counsel, Federal Housing Finance Agency
Fourth Floor
1700 G Street, NW
Washington, DC 20552

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

Dear Mr. Pollard,

It is our understanding that the issue of a federal prohibition on private transfer fees is open for comments. As a non-profit organization, Historic Charleston Foundation is in support of the use of private transfer fees when they benefit land and water conservation, historic preservation or provide another specific community benefit through payment to a non-profit organization. Since 2001, Historic Charleston Foundation has used transfer fees as a mechanism to fund our preservation easement program. Funds from this endowment are used for monitoring and enforcing our easements as required by the IRS. By eliminating this option, our organization will lose a potential long-term source of funding. We feel strongly that the FHFA should delay consideration of the proposed guidance through January 30, 2011 to allow for informed decision-making that fully considers the implications of the proposed change.

We request that FHFA commit to the following:

1. Insert an exception for tax-exempt organizations' use of transfer fees related to conservation or preservation easements
2. Continue to support homes and homeowners with community-benefits fees
3. Support reasonable Community-Benefits Fee Standards that distinguish between community-benefits fees (charitable purpose) and abusive fees that benefit only developers
4. Allow communities to freely associate to support community services, schools, affordable housing, conservation, and historic preservation with no new taxes
5. At a minimum, extend the comment period through January 30, 2011

Historic Charleston Foundation is a 501(c)3 non-profit education organization, whose mission is to preserve and protect the historical, architectural and cultural character of Charleston and its historic environs, and to educate the public about Charleston's history and the benefits that are derived from preservation.

Thank you for your consideration on this issue.

Sincerely,

April Wood
Manager of Easements and Technical Outreach