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Sent: Friday, October 15, 2010 8:10 AM
To: !FHFA REG-COMMENTS
Cc: institute@serenbe.com
Subject: Guidance on Private Transfer Covenants (No. 2010-N-11)

Dear Federal Housing Finance Agency ("FHFA")

Yesterday it was brought to my attention that FHFA is seriously considering prohibiting property transfer fees on mortgages made through Fannie Mae, Freddie Mac and Federal Home Loan Banks on the grounds that such property transfer fees are often made known to the buyers and sellers at the last minute, that the proceeds go into the pockets of the developer as additional profit and that such fees do not render value to the property owners paying the fees or to the community in which the property is located.

I am writing to advise you that FHFA's concerns about the value or use of property transfer fees are absolutely wrong in the case of communities that voluntarily agree to spend money to support the environment and the artistic values of the area where the proceeds of the transfer fees are spent. Therefore, FHFA should NOT prohibit or restrict in any way transfer fees that are paid to non profit IRC 501(c)3 organizations that carry out the purposes for which they are formed.

I live in a community, Serenbe in Chattahoochee Hills, Georgia, where a 1% transfer fee is charged on all sales, but for a purpose, known well in advance by buyer and seller, that is extremely important and beneficial to the property owners and residents of Serenbe. People such as my wife and I have bought homes at Serenbe because we wanted to be participants in a community that values a healthy living environment and that supports and produces artistic endeavors such as painting, theater and other cultural activities. WE knew when we bought our home at Serenbe that we were going to pay a 1% fee, and we were happy to do so because we knew those funds would be spent for the purposes we valued, and such has been the case.

I understand there can be situations where transfer fees can be abused, but there are many communities such as Serenbe that tell everyone up front what fees are being used for and who attract buyers to the community because of such a commitment.

Please do not throw the baby out with the bath water. Exempt all not for profit 501(c)3 or 501(c)4 organizations and conservancy organizations from any prohibition such as you are considering. These organizations have in their applications to qualify as not for profit organizations and certainly in the case of the Serenbe Institute which enriches the life of our community, that transfer fees can increase real estate activity and can provide enormous value to property owners and to a community.

Thank you

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