



DMB/HIGHLANDS GROUP, LLC

October 11, 2010

Mr. Alfred M. Pollard, Esq.
General Counsel, Federal Housing Financing Agency
1700 G Street NW, 4th Floor
Washington, DC 20552

Re: Public Comment – Guidance on Private Transfer Fee Covenants (#2010-N-11)

Dear Mr. Pollard:

On behalf of DMB/Highlands Group, LLC, (DMB/H) I am writing to express my opposition to the above referenced Guidance on Private Transfer Fee Covenants as proposed

While the primary target of the Agency's proposed action may be to limit a promoter's use of transfer fees for the purpose of creating cash flow to the promoter or an organization controlled by the promoter, broadly construed, the term "private transfer fee" would include any and all fees payable on future transfers for the purpose of generating income, regardless of who collects the fee or the eventual use of the fee.

Since 1996, DMB/H has developed hundreds of home sites in the Lake Tahoe-Truckee area of Northern California. We have successfully used a 1% transfer fee on these sales to fund and sustain the efforts of the Martis Fund, a 501(c)3 focused on local environmental and housing issues. None of the transfer fees are a source of income to DMB/H or any entity related to DMB/H.

The Martis Fund is managed by a board of directors comprised of a broad spectrum of local environmental and housing advocates and our firm, and allocates the transfer fees for a) purchase of open space, b) wetland enhancement and education and c) workforce housing.

Therefore, if the Agency finds it necessary to issue guidance on this matter, I strongly encourage the Agency to preserve the larger community benefits realized from transfer fees by limiting its guidance to those instances wherein the promoter or a promoter related entity is the beneficiary.

Sincerely,

DMB/Highlands Group, LLC

Ron Parr
Executive Vice-President