



October 7, 2010

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

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

Mr. Pollard:

I am writing to urge you to REJECT the proposed guidance No. 2010-N-11 relating to private transfer fees as it is currently written.

The abusive practice of using transfer fees for purely private gain can be curtailed without disturbing the legitimate use of transfer fees for community benefits. As proposed, this guidance would have a severely negative impact on the operations of environmental groups and land trusts that rely on these disclosed fees for the continued protection and restoration of important conservation lands. A transfer fee has a real value to the community when used in specific circumstances that benefit the public, such as, when used by non-profit organizations or governmental agencies to build and maintain community enhancements or promote important community benefits such as open space preservation.

With a high percentage of mortgages (by some estimates 90%) insured or backed by Freddie Mac or Fannie Mae, this proposal would effectively preclude the use of transfer fees for community benefits, removing this critical tool for protecting our nations privately held natural resources.

Approval of this guidance as written is ill-advised and should be REJECTED. The FHFA should instead adopt transfer fee standards that protect community benefits by inserting an exemption for tax-exempt organizations' use of transfer fees, while prohibiting abusive fees that are used solely for private gain.

At a minimum, the comment period should be delayed through January 30, 2011 to allow for the thoughtful and transparent consideration of the impacts of such a change.

Sincerely,

A handwritten signature in blue ink that reads "Hedrick Bejin".

Hedrick Bejin, President