

From: Tricia [tricia@mcgarveycommunities.com]
Sent: Thursday, October 14, 2010 3:35 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Covenants (No. 2010-N-11)

I am writing regarding my concern over the Federal Housing Finance Agency proposed new guidance that would prohibit Fannie Mae, Freddie Mac, and the Federal Home Loan Banks from purchasing mortgage loans in communities with "private transfer fee covenants."

I am aware of the controversial version of this plan being promoted by some developers whereas a developer or property owner records a long-term covenant requiring payments to trustees or other private parties everytime the property is resold. While this may be a source to provide affordable housing, it may often be misused for the profit of the developer.

The broad spectrum of the FHFA's proposal includes fees to 501(c)(3) or 501(c)(4) organizations, conservancy organizations or homeowner associations.

It is imperative that homeowner associations collect these fees to help stabilize their budget especially during the early development period. The transfer fees collected at closing (whether a flat fee or a percentage of sales price) is a minuscule amount and is not a profit for developers.

I ask that you either reject the proposed regulation or narrow its scope to exempt fees to 501(c)(3) or 501(c)(4) organizations, conservancy organizations or homeowner associations.

With kindest regards,

Tricia Gray

Tricia Gray
McGarvey Residential Communities
432 Osceola Avenue
Jacksonville Beach, FL 32250
(904) 247-9160
(904) 247-9163 fax