

October 13, 2010

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

CONNER

Attn: Public Comments

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

Dear Mr. Pollard,

We are residential developers in Alabama, and are writing to express our OPPOSITION to the above guidance.

Our company supports Private Transfer Fees as a means of jump starting stalled residential developments, restoring construction related jobs and lowering the cost of home ownership. Private equity funding of the present value of these fees will allow us to deleverage our bank loans thereby reducing our initial costs. These savings can be passed along to the initial home buyers and allow them to finance a smaller amount.

This funding will provide equity that is not attainable from traditional sources. Banks have essentially stopped lending money for developments and are being told by regulators to reduce their existing exposure. Without funding, even our historically successful projects will fall into foreclosure thereby further devaluing all residential property. We do support full and clear disclosure of these fees to promote transparency and eliminate any chance that the existence of these fees could be missed during a proper title search.

I ask you to reject the proposed guidance.

Sincerely,

CONNER BROS. CONSTRUCTION CO., INC.

By



Donald M. Conner, President

Conner Bros. Construction Co., Inc.

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