

From: william brown [wmbs-pp@msn.com]  
Sent: Tuesday, October 05, 2010 12:34 AM  
To: !FHFA REG-COMMENTS  
Subject: Guidance on Private Transfer Fee Covenants, No. 2010-N-11

FHFA is encouraged to adopt its August 10, 2010 proposed guideline, "Guidance on Private Transfer Fee Covenants," banning Fannie Mae, Freddie Mac and all Federal Home Loan banks from purchasing any loan on a property with a deed-based transfer fee.

Contrary to CAI's (Community Associations Institute) misplaced affirmation, "...transfer fees charged by community associations are nominal, ranging from a fixed fee (averaging \$750) to a percentage of the sales price (+/- 1.00%)...transfer fee funds allow financially strapped community associations to keep monthly assessments low." CAI, Community Associations Oppose FHFA Transfer Fee Ban, Frank Rathbun, VP, Communications and Marketing, "Transfer Fees, Capital Improvement Fund Fees and/or Capital Enhancement Fund Fees" are simply evidence of an association's failure to fund its capital needs from the date a capital asset is placed into service to the date of the "fee/fund" is assessed to a purchaser (prior to recordation of any deed, absolutely without any contractual, statutory or common law authority) or assessed to seller who has already paid dues ('monthly assessments') to his/her association for years (1,3, 5, 10, 15, 20 or more) to operate, maintain and enhance the association's common land (parks, landscaped open areas and other), streets, facilities (meeting room [s], guard gate [s], parking areas and other), amenities (recreational facilities: swimming pool [s], tennis court [s], golf course, fitness center, all-purpose building [s] and other) and/or other property shared in common ownership.

Recognizing these "fees/funds" for what they really are, the associations and their lawyers' efforts to bootstrap a "solution [band-aide on a 'financially strapped community association's' sucking chest wound]" on the backs of homeowners (current [sellers] and future [purchasers] in the current and continuing period of capital markets dislocation, the collective failure over time of the association, its board of directors, management companies, law firms and/or other agents to prudently manage and fund community associations, adoption of Guidance on Private Transfer Fee Covenants, No. 2010-N-11 is absolutely necessary.

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