

CAI Comments on Revised FHFA Transfer Fee Regulation

CAI has submitted a second set of comments in response to the revised draft regulatory guidance issued by the Federal Housing Finance Agency on private, deed-based transfer fees.

FHFA issued a revised draft regulation on private, deed-based transfer fees in late January 2011. The revisions reflect input from more than 2,600 interested parties. As originally drafted, the FHFA private, deed-based transfer fee regulation would have prohibited federally backed mortgages for any property in a community with a private, deed-based transfer fee. For community associations, this means that up to 11 million housing units in associations with such fees would be cut off from most mortgage products. CAI member comments and survey data were submitted to FHFA to encourage them to rethink their proposal. FHFA's revised regulation can viewed [here](#)

The revised guidance reflects many of the changes sought by CAI members. These changes include; allowing the continuation of deed-based transfer fees assessed by community associations, applying any regulation on deed-restrictions after a future date and an acknowledgement that such fees benefit homeowners in community associations. However, despite these changes, CAI continues to have concerns about the revised guidance. Specifically, CAI is concerned that the guidance as revised would limit how associations can spend funds raised from such fees, that FHFA would require associations to allow members of the public onto private association property, and that limits placed on where funds could be used are not in line with how many associations operate. You can read CAI's comments to FHFA [here](#).

For more information on the revised FHFA regulation, please see our FHFA revised regulation FAQ [here](#).