

## **CAI Transfer Fee Survey Response – Unprecedented**

A few weeks ago, the G&PA department issued a call for member data on the use of private transfer fees in communities across the country. This data will be used to help us file comments on the draft regulation issued by the Federal Housing Finance Agency that would ban Fannie Mae and other federal entities, from purchasing mortgages in any community with such a fee. The effect of this rule as drafted would mean that residents in communities with such fees would be locked out of obtaining mortgage financing to sell the properties.

CAI's member response to this survey has been unprecedented. Close to 1,300 communities completed the survey. Our manager members, board volunteers and business partners all worked in concert to get the word out. This response will help CAI support our arguments to FHFA on the negative impact of this rule with hard data. Special thank you to community managers who completed the survey for multiple properties, included one manager who entered data for 230 of their companies managed properties. The individual data is critical if we are to make the government truly understand the negative impact of the proposed regulation.

Some highlights of the data collected include:

- 1,252 communities responded to the survey.
- Close to 50% of communities reported having a deed-based transfer fee
- Communities reporting such fees represent 482,000 housing units
- More than 40% of these communities have had such fees in place for 10 or more years
- Such fees are levied in three ways; a fixed fee, a percentage of sale or a multiple of monthly assessments
- 100% of the fees reported go directly into the community by funding reserves, specific operating expenses, capital project funds or community based charities
- Two thirds of the properties with deed-based fees would require a two-thirds majority or more of all owners to amend or eliminate such fees.
- Such fees have resulted in a cancellation of a sale within a community less than 1% of all sales.

A full report will be posted after CAI completes its comments to the FHA and will be shared with our state Legislative Action Committees for use in their advocacy efforts. Thank you to all respondents for your time in helping CAI protect your community.

Although the survey is closed your community can still take action by:

[Submitting comments to FHFA](#) on how the regulation would impact your community.

Sending an email or faxing a [letter](#) to your Representative and Senators in Washington.