

Resolution No. 6

Date: 6/6/2014

City: Washington, DC

NAHB Resolution

Title: Support for Voluntary Private Transfer Fees
Sponsor: Land Development Committee
Submitted by: Ernie Platt

WHEREAS, proposed new developments face ever-increasing pressure to provide, support, and finance community priorities such as affordable housing, open space, wildlife conservation efforts, and other community amenities and benefits;

WHEREAS, voluntarily established private transfer fees have proven to be a successful and flexible funding source for independently financing community priorities (as used herein, “voluntarily established” is simply meant to distinguish from government-imposed);

WHEREAS, voluntarily established private transfer fees are fees collected at the time of transfer of property;

WHEREAS, historically, revenues from voluntarily established private transfer fees have been directed to homeowners associations, or to charities and other nonprofit organizations organized pursuant to 501(c) of the Internal Revenue Code;

WHEREAS, states have enacted legislation that restricts or prohibits private transfer fees; and,

WHEREAS, states that allow voluntarily established private transfer fees require upfront disclosure requirements that provide transparency for consumers and lenders,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders support the use of voluntarily established private transfer fees for properties already subject to them, or where the voluntarily established private transfer fee is clearly disclosed, and where such fees are used to benefit (1) a property owners association that manages the subdivision; (2) a nonprofit that meets Internal Revenue Code requirements; or (3) a government entity.

Board of Directors Action:	Approved
Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
State and Local Government Affairs Committee Action:	Recommends Approval
Single Family Builders Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval

This resolution updates and replaces policy due to sunset: 2010.9 No. 18 Opposing FHFA Guidance to Restrict GSEs from Investing in Mortgages with Private Transfer Fee Covenants