

From: Richard Russell [rrussell@richlandequity.com]  
Sent: Sunday, September 26, 2010 1:16 PM  
To: !FHFA REG-COMMENTS  
Subject: Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)

General Counsel Pollard

Mr Schumer and Gillibrand:

I created and own Richland Equity Resources Corp. in 1992 after I put myself through college and 2 graduate degrees. My parent did not even want me to go to high school, and at 38, I got my 2nd graduate degree. All a myth. There was no family support.

Co-op's are the very reason why the Manhattan market did not collapse as did other areas. They usually required 30% down regardless of what bank commitment an applicant would come with.

Oddly, lenders now discriminate against them and favor, 'real property' where they feel safer. I do not understand this at all. Flip tax's simply add to the reserve fund and reduce the need for special This is also a Fannie\Freddie guideline as they want them to have 10% of the annual common charges and or maintenance fees in their reserve accounts..

There are more pressing issues to be focusing on here ! The TARP money did NOTHING to force banks to ease credit, M and T was the greediest. They put it into the portfolios, their stock prices went up and I cannot get most bankers at any significant level as they are all on vacation..

As an entepereneur, I have not has a day of in 40 months and struggle month to month. I used a lot of my own money to survive this..

I never did a loan nor bad credit but guided those people to other agencies to remedy their situations. I never got, 'rich', a result and now have to and do work more than ever before in my life. You also do not like Brokerage firms. I have asisisted many people reduce their rates and obtain properties they would otherwise NOT be able to get, Why?..because I try harder..

I created this in 1992 and most politicians want me to fail as does the 'well oiled machine' in Manhattan.

I am well know for my ethics and mission. I pay my own health insurance, employ people and create commerce, yet you cater to ' government agencies union worker's who contribute nothing, frankly.

I can show you 10 people at 120 B'way that exemplify this..

I try and I need your support

Richard Russell

see about us

The proposed Federal Housing Finance Agency (FHFA) guidance that would prohibit Fannie Mae or Freddie Mac from buying mortgages on property that have a private

transfer tax fee agreement, or a "Flip Tax" as it is known in New York, would seriously disrupt the stability and efficiency of the city's housing market.

The New York City condo and co-op housing market has operated with a flip tax for some time. In one study, it was reported that more than 50 percent of the co-ops in New York City have a flip tax.

This tax has bolstered the capital reserve fund of numerous buildings thereby funding critical and necessary capital improvements. These improvements have benefited the residents of these buildings and the surrounding neighborhood.

In New York these fees are going back to the property for the benefit of the building and its occupants, not to the building developer. These fees typically fund building maintenance, the repair and replacement of building systems, and additional building wide improvements that benefit the residents. FHFA is principally concerned with the private transfer fee covenant when the project developer, or their designated third party receives the proceeds, not when the fee goes to improve the operation of the building.

We urge you to drop this current proposal which would harm New York City's housing market.

Sincerely,

Richard Russell