

From: Lew Siegel [LWS@LWSEsq.com]
Sent: Wednesday, October 06, 2010 1:19 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants, (No. 2010-N-11)
Gentlemen,

I write on behalf of 639 Apartments Corp., a New York residential cooperative corporation which owns a building in New York City. Each of the building's tenants is a shareholder in the Cooperative Corporation.

The proposal to prohibit Fannie Mae and Freddie Mac from purchasing loans on units in developments with transfer fees will cause enormous harm unless it has an exception for cooperative housing buildings.

Our cooperative building has a transfer fee of 1% of the selling price of the unit. The fee is paid by the seller at the closing of the sale. The transfer fee was recently adopted and approved by a vote of the shareholders with more than 95% of those voting approving the adoption of the fee.

The fees are used to cover the costs of major repairs or capital improvements. Without these fees, the Coop would have to increase its maintenance charges to the detriment of all residents.

Please make sure that any final rule has an exception for Cooperative Housing buildings.

Thank you for your consideration.

639 Apartments Corporation

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