

From: Pamela Sah [pamelasah@gmail.com]
Sent: Friday, October 08, 2010 1:28 PM
To: !FHFA REG-COMMENTS
Subject: OPPOSING Proposed Guidance on Private Transfer Fee Covenants (No. 2010-N-11)

375 Lincoln Pl., #4F
Brooklyn, NY 11238
pamelasah@gmail.com

October 8, 2010

BY E-MAIL to: regcomments@fhfa.gov

RE: OPPOSING Proposed Guidance on Private Transfer Fee Covenants
(No. 2010-N-11)

Dear Sirs/Mesdames:

I am writing in strong opposition to the Federal Housing Finance Agency's proposed guideline that would prohibit supervised institutions from investing in mortgages on property encumbered by a Private Transfer Fee Covenant, commonly known as a "flip tax".

As a resident unit owner in a 35-unit cooperative apartment building in Prospect Heights, Brooklyn, I believe that this new guideline would wreak further havoc on the struggling housing market by excluding FHFA borrowers from the pool of prospective purchasers, and inappropriately restricting current residents who want to refinance.

In buildings such as ours, flip taxes provide desperately-needed funds to carry out necessary and legally mandated capital improvements. Without this important source of revenue, my monthly maintenance will increase exponentially, which my family cannot afford in this economic climate. Flip taxes allow our Board to maintain an attractive and functioning property, which in turn maintains the value of my apartment and makes the market more fluid for all parties. (For that reason, flip taxes were approved by a 70% majority of our shareholders six years ago).

It makes no sense that the GSE's should limit this additional source of revenue for coops or condos to use to make capital improvements, while at the same time recommending that buildings budget for capital repairs.

We and thousands of other coop and condo owners request that you take our concerns into account and create an exception for our type of building, or abandon the guidance altogether. Thank you for your consideration.

Sincerely yours,

/s/
Pamela Sah

Cc: Senator Chuck Schumer
Senator Kirsten Gillibrand
Representative Yvette Clark