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Public Comments on Proposed Guidance; Request for Comments: Private Transfer Fee Covenants:=====

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I write on behalf of 336 Tenants Corp., a cooperative located at 336 Central Park West in New York City. We strongly disagree with the proposed rule which we consider wrong and harmful to housing communities and their residents -- such our own. The transfer fees we collect are used to fund needed capital maintenance and improvements to our building and to replace aging building systems. Many of these improvements and maintenance items are legally mandated by the City of New York. With transfer fees, our board would have to substantially increase monthly carrying charges in order to maintain the building or would have to borrow the funds for those improvements which would increase the monthly carrying charges indirectly and would undermine the financial health and stability of the building for the long term. Either of these would inflict financial hardship on our shareholder/unit owners and could result in defaults, displacements for individuals and poorer quality of life for everyone. Many of our shareholder/unit holders are elderly, retired people on fixed incomes for whom this proposal would be especially burdensome and for whom the overall effect could be devastating. We urge FHFA to protect the right of housing cooperatives to preserve affordability by continuing to collect transfer fees. This is not a positive or a salutary improvement in the overall profile of housing cooperatives which should be promoted by the FHFA in its role as an overseer of beneficiaries of FHFA home loans. Thank you for your attention and your consideration of our views.

J. Michael Schell
President
336 Tenants Corp.