

From: Barbara Bryan [bryanbhike@yahoo.com]  
Sent: Monday, October 11, 2010 4:22 PM  
To: !FHFA REG-COMMENTS  
Cc: Barbara Bryan  
Subject: Guidance on Private Transfer Fee Covenants (No. 2010-N-11)

Mr. Alfred Pollard, General Counsel  
Federal Housing Finance Agency  
1700 G Street, NW, Washington, DC 20552

I am writing on behalf of Stan Corp., a self-managed 8-unit cooperative located at 179 Stanton St., New York, NY. We strongly disagree with the above proposal, as we depend heavily on transfer fees to keep our apartments affordable for the moderate-income people who live here, including a retired couple, several artists, and a family with a 10-year-old. Shareholders volunteer to carry out duties such as garbage removal, sweeping and shoveling the walks, and taking care of the heating system, in order to keep our costs low and our maintenance affordable. Our building dates back to the late 1890s and as a rental property had experienced years of neglect. When we co-oped in the 1980s, we included a transfer fee, owed by the seller, in our documents, to help us make important capital improvements. That fee is set at 10% of the profit on the sale; because we are only assessing a fee on the seller's profit, we protect the seller from loss, while allowing the building to use rising housing values to make needed repairs and improvements. Over the years we have had seven sales, and profits from the transfer tax have helped us to replace the roof and boiler, make structural repairs in the basement, replace all of the original windows in the building, and accomplish many smaller capital improvements. Of course, we also use our monthly maintenance to fund capital improvements, but because we have so few units, a number of shareholders with limited incomes, and an old building, transfer fees are an important element in our capital improvements.

We strongly urge FHFA to protect the right of housing cooperatives to continue to collect transfer fees.

Thank you,  
Barbara Bryan, President, Stan Corp