

2128_David J Larijani NY Private Realty Group.txt

From: David Larijani [dlarijani@nyprg.com]
Sent: Wednesday, October 13, 2010 11:22 AM
To: !FHFA REG-COMMENTS
Subject: transfer fee regulation

Please understand the side effect of the legislation is disastrous.

Co-ops are not the target of the legislation as I understand it, and an unintended victim.

For years, imposition of a flip tax (on buyer or seller) has been an effective means of overcoming budget shortcomings and a preventer of frequent increases in maintenances city-wide. The co-ops are RELATED parties, not unrelated third parties as the definition suggests. Co-op Boards are managers; elected talent from within. Their scrutiny in preventing underqualified persons to become shareholders has historically SURPASSED the scrutiny of Banks, whose poor judgement may have brought us to this point. I would strongly argue the scrutiny of Co-ops actually PREVENTED a property value catastrophe in New York City. It is these very saviors of value being negatively effected now if this legislation is not modified to be more carefully written and directed at it's intended target.

The legislators may feel this bill would have more clout if presented in such broad terms. I propose there is no reason to not look at the consequences, particularly in a historic nature, in NYC, where co-ops were perfected as the best way to own and manage the large buildings and the countless folks residing in them. Since 1910. If targeting of 3rd party developers will somehow lose it's clout by dividing up the issue(s) at hand, SO BE IT. Maybe more work is required, and a more careful writing of the legislation is in order.

“Encumbering housing transactions

with fees that may not be properly disclosed may impede the marketability and the valuation of properties and adversely affect the liquidity of securities backed by mortgages on those properties.”---

Well, it does not. Prove it. And study the consequences too.

2128_David J Larijani NY Private Realty Group.txt

Thank you.

[NEW YORK PRIVATE REALTY GROUP]

David J. Larijani

president / broker

889 first avenue (at 50th street), new york, ny 10022

dlarijani@nyprg.com,

Cell (917) 864-8875, office (646) 502-8975

www.nyprg.com