

RECEIVED  
10.12.10

### CO-Ops ARE UNDER ATTACK

TO: ALL SHAREHOLDERS  
FROM: Brian Lewis

139-09 28th RD # 2C  
Flushing NY. 11354-1802

The MLCA drafted this letter. I am sending it to shareholders of MG#2 because we are particularly vulnerable.

The Federal Housing Finance Agency, better know as FHFA, who establish the rules and regulations regarding banks, has proposed that mortgages not be approved for co-ops, condos, or developers where a transfer fee (flip tax) exists.

Co-ops are unique to New York City, and should we lose the ability to keep the transfer fee (flip tax) on the sale of apartments, our carrying charges will increase by hundreds of dollars per unit. The earnings from the transfer fees pay for the many repairs, maintenance, and capital improvements to our property.

A coalition of co-ops was organized to challenge the proposal with the help of our legislative leaders at the city, state, and federal level. We are seeking an exemption for New York on this ban. Please support our efforts by signing the attached letter and send it to Director DeMarco. Our very existence is at stake. It means we may not get favorable financing needed to comply with Local Law 11 and fix the over 200 reported leaks from the building façade. MG#2 already pays more in maintenance than other co-ops in the area because of poor management and business decisions. If you do nothing, do not complain when we are hit by more assessments and substantial increases in our maintenance. It is time to say we have had enough. Shareholders must protest. Send the letter today.

#### Comparative base charges MG 1, MG2, Linden Towers

	MG #1	MG#2	<u>MG#2 PAYS MORE</u>	Linden Towers	
A and F 1st to 3rd Fl.	\$ 433.45	580.04	<u>\$ 146.59</u>	1 BR	\$ 443.15
3r to 6th floor	\$ 442.43	591.38	<u>\$ 148.95</u>	2BR/1 1/2 Bath	\$ 579.00
C,D,G 1st to 3rd Fl.	\$ 521.40	693.08	<u>\$ 171.68</u>		
4th to 6th Fl.	\$ 563.85	707.83	<u>\$ 143.98</u>		
E, 1st to 3rd Fl	\$ 551.55	734.42	<u>\$ 182.87</u>		
E, 3rd to 6th Fl	\$ 563.85	749.41	<u>\$ 185.56</u>	3BR/2 full baths	\$ 717.64
B, 2to 3rd Fl.	\$ 611.52	812.06	<u>\$ 200.54</u>		
3rd to 6th Fl	\$ 623.05	827.35	<u>\$ 204.30</u>		

**Edward DeMarco, Acting Director  
Federal Housing Finance Agency  
1700 G Street, NW,  
Washington, DC 20552**

**Dear Director DeMarco,**

**I am a cooperative shareholder at Mitchell Gardens # 2 Co-op. in Queens, NY. The rule change that your agency is proposing regarding the banning of the transfer fee (flip tax) in order for the bank to approve a mortgage would devastate our very existence.**

**There is no third party involved when a unit changes ownership in co-ops. All funds realized from the transfer of stock goes into the Corporations capital reserve account and is used for capital improvement, upgrades, and major repairs to the property. It is these funds that help middle class families and senior citizens on fixed incomes continue to live in affordable housing where they have made an investment.**

**Please do not impose this ban on us. Exempt New York from this proposal and allow us to continue to enjoy the quality of life environment we worked hard to achieve.**

**Sincerely,**

# 2c

Goldman Loo

YAKMA Loo

**Cooperative Shareholder**

10/8/10