

From: Charles Favreau [chaskfav@gmail.com]
Sent: Thursday, October 14, 2010 8:13 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants, (No. 20 1O-N-11)

To the Officers of FHFA

I write as the President of the Board of the Forest Hills Inn Apartments, a cooperative residence in the Queens community of Forest Hills Gardens. If one were to do an internet search of "Forest Hills Gardens", the Gardens would be recognized as a most charming and beautiful neighborhood, and most affluent. The exception to the last characteristic are its cooperative apartments which also exist in the Gardens. They are enclaves of the middle class who bring a healthy diversity to the community. They are the people whom our politicians in Washington claim to hold dear and whose causes we are to believe they represent.

I will be brief. We all know of the positive effect "flip tax" fees have on controlling maintenance costs especially at this time of fiscal crisis, for the proceeds go into the operating budget of the corporations for maintenance and repairs and , ultimately, enhance the value of the property to the advantage of all its shareholders.

But there is a far more important rationale for keeping the flip tax. As is implied in its name, this assessment deters the practice of "flipping" properties by unscrupulous real estate interests. This practice, the buying of properties while prices are depressed, as is the case today, only to resell them when the market improves, itself creates instability in the neighborhood, and, you will remember, it was one major cause of the recent and continuing fiscal crisis (You remember..."The Bubble"). Please, learn from history. Respectfully, continue to keep us protected, please do not end the flip tax for cooperatives.

Thank you.

Charles K. Favreau

President, Bd. of Trustees

Forest Hills Inn Apartments