

From: Charles Feldman [cfeldman@gibsondunn.com]
Sent: Friday, October 15, 2010 12:34 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Private Transfer Fee Covenants,(No. 2010-N-11)

General Counsel Pollard

The proposed Federal Housing Finance Agency (FHFA) guidance that would prohibit Fannie Mae or Freddie Mac from buying mortgages on property that have a private transfer tax fee agreement, or a "Flip Tax" as it is known in New York, would seriously adversely affect the stability of my cooperative building and the value of each apartment.

The Flip Tax has bolstered the capital reserve fund of the building in which my wife and I live, funding necessary capital improvements. These improvements have benefited my fellow coop shareholders and the surrounding neighborhood.

In our building and in most coops in New York, these fees go back to the property for the benefit of the building and its occupants, not to the building developer. These fees have funded building maintenance, the repair and replacement of building systems, and additional building wide improvements that benefit the residents.

We urge you to drop this current proposal which would seriously harm New York City's housing market.

Sincerely,

Charles Feldman
