

From: Lois Freedman [lgf@mbfcpa.com]
Sent: Friday, October 15, 2010 5:41 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on Prives Transfer Fee Covenants (N0. 2010-N011)

We are a small New York City cooperative corporation, and we have a private transfer fee covenant (flip tax) in place to raise funds for the maintenance of our building. The building itself is 100 years old. All operating and capital funds come from our shareholders, and all funds collected from the shareholders, whether in monthly maintenance fees or in transfer fees, are used for the maintenance of the building. None of these fees ever go to sponsors or developers.

In cases such as ours and other similar New York City cooperatives, there is nothing that FHFA would gain by imposing financing restrictions. Your proposal would impede an important source of financing that supports aging housing stock, would force monthly costs to go up, and could depress housing prices here in New York.

Sincerely,

603 West 111th Street Owners Corp.

Timothy Dwyer, President

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