



Vince Tabone for Assembly

24-55 Francis Lewis Boulevard
Whitestone, NY 11357



October 1, 2010

Alfred M. Pollard, General Counsel
Federal Housing Finance Agency
Fourth Floor 1700 G Street NW
Washington, D.C. 20552

Re: Private Transfer Fee Covenants.

Dear Mr. Pollard:

I am writing to you in reference to the proposed ban of Fannie Mae and Freddie Mac mortgages for co-ops, condos, and developers where a transfer fee (flip tax) exists.

As President of the Northeast Queens Community Action Network, Inc. and as a candidate for State Office I've had the opportunity to speak to hundreds of area co-op owners and there is a genuine concern that this proposed ban will increase the carrying charges for co-op owners and make living in our area less affordable, particularly for seniors on fixed incomes and middle class families.

Co-ops are a vital part of our community, and the implementation of such a ban would be catastrophic to the existence of these co-ops. There is no third party involved when a unit changes ownership in co-ops. Funds realized from the transfer of stock goes into the Corporations capital reserve account, which 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.

The loss of the transfer fee will ultimately increase the carrying charges for all the residents of each co-op, and will make living in these apartments unaffordable. It is the funds drawn from the transfer fees that help make these co-ops affordable.

I strongly urge you to not impose this ban on the people of this area. Exempt New York from this proposal and allow our Northeast Queens residents to enjoy the quality of life that they have worked hard to achieve, and deserve.

I thank you in advance for your attention to this matter.

Sincerely,

Vince Tabone, Esq.

Candidate for New York State Assembly- District 26