



July 31, 2000

President and Chief Executive Officer
Federal Home Loan Bank

RE: Expansion of the Affordable Multifamily Participation Program (2000-APP-08)

Dear Mr. :

The Federal Home Loan Bank (FHLBank) submitted a request, dated January 31, 2000, to the Federal Housing Finance Board (Finance Board) seeking approval to expand the FHLBank's Affordable Multifamily Participation Program (AMPP) to include the [REDACTED] Community Reinvestment Corporation (CRC#1). Finance Board staff has reviewed the request pursuant to Resolution Number 99-6, dated January 27, 1999 and Resolution Number 96-73, dated October 11, 1996, and has found that the request meets the terms and conditions for approval. Accordingly, the request to expand the AMPP to include CRC#1 is approved.

In your letter to the Finance Board you originally had requested Finance Board approval of both CRC#1 and the [REDACTED] Community Reinvestment Corporation (CRC#2) lender consortia. However, we understand that there has been a delay in the FHLBank's due diligence review of CRC#2. Therefore, at the FHLBank's request, the Finance Board will act separately upon the CRC#1 and CRC#2 applications.

The FHLBank has submitted documentation to the Finance Board evidencing the FHLBank's review of CRC#1. Specifically, the FHLBank reviewed the qualifications of CRC#1 in the following areas: the experience of CRC#1 in affordable housing lending; the quality of the loan portfolio; audited financial statements; the business/strategic plan; the potential loan participation volume; and CRC#1's servicing capacity, staffing and servicing contingency plan. Finance Board staff has completed its review of this documentation and concurs with the FHLBank's assessment of the capacity of CRC#1 to participate in the AMPP.

Pursuant to Resolution Numbers 99-6 and 96-73, the FHLBank's operational policies and procedures governing CRC#1's participation in the program will be as established under the AMPP as applicable to the Community Investment Corporation of [REDACTED]. Further, the FHLBank and CRC#1 will comply with the requirements of Resolutions 99-6 and 96-73 and the FHLBank will monitor CRC#1 to assure its compliance with the policies governing the AMPP.

If you have any questions, please feel free to contact me at (202) 408-2890.

Sincerely,

/s/ William W. Ginsberg

William W. Ginsberg
Managing Director