

No.: 97-34
Date: April 1, 1997

FEDERAL HOUSING FINANCE BOARD

Modification of the Federal Home Loan Bank of Seattle's
Home\$tart Plus Set-Aside Program

WHEREAS, section 10(j) of the Federal Home Loan Bank Act (Bank Act) requires each Federal Home Loan Bank (FHLBank) to establish an Affordable Housing Program (AHP) pursuant to regulations of the Federal Housing Finance Board (Finance Board), see 12 U.S.C. § 1430(j)(1);

WHEREAS, section 10(j)(5) of the Bank Act requires each FHLBank annually to contribute a statutorily prescribed portion of its annual net earnings to fund its AHP, see id. § 1430 (j)(S);

WHEREAS, section 9605(g)(2) of the Finance Board's AHP regulation authorizes each FHLBank, subject to prior Finance Board approval, to set aside a portion of its annual required AHP contribution to implement a homeownership program (Homeownership Set-Aside Program) that satisfies the requirements of the statutory provisions governing the AHP and that meets those goals of the National Homeownership Strategy that, in the Finance Board's determination, are consistent with the goals of the AHP, see 12 C.F.R. § 960.5(g)(2);

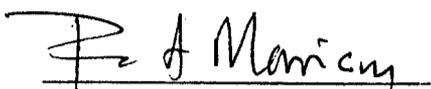
WHEREAS, pursuant to section 960.5(g)(2) of the AHP regulation, on February 6, 1997, the Finance Board authorized the FHLBank of Seattle to set-aside, in a program called Home\$tart Plus, up to \$250,000 per year of its required annual AHP contribution to fund downpayment and closing cost assistance for low- and moderate-income public housing residents participating in a housing authority's Family Self-Sufficiency Program, see Board Resolution 97-13 (February 6, 1997);

WHEREAS, the FHLBank's approved Home\$tart Plus program requires households to participate in a Family Self-Sufficiency Program for at least three years, prior to receiving matching funds from the FHLBank; and

WHEREAS, the FHLBank of Seattle has requested Finance Board approval to eliminate the minimum three-year Family Self-Sufficiency program participation requirement in order to accommodate public housing residents who are prepared to purchase homes after less than three years of participation in a Family Self-Sufficiency program;

NOW, THEREFORE, BE IT RESOLVED, that the Finance Board hereby approves a modification to the FHLBank's Home\$tart Plus program eliminating the minimum three-year Family Self-Sufficiency program participation requirement for participating households.

By the Board of Directors of the
Federal Housing Finance Board


Bruce A. Morrison, Chairman