

No.: 90-72
Date: July 13, 1990

FEDERAL HOUSING FINANCE BOARD

Authorization for the Federal Home Loan Bank of Dallas
to Purchase Mortgage-backed Securities in Excess of the
Funds Management Policy Investment Limitations

WHEREAS, Section 11(h) of the Federal Home Loan Bank Act provides the authority for the Federal Home Loan Banks to invest their excess liquidity in mortgage-backed securities; and

WHEREAS, the Board, in its Funds Management Policy, has limited the extent to which each Bank may make such investments, based upon the capital stockholdings of such Bank; and

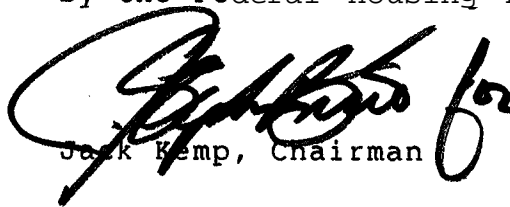
WHEREAS, the Federal Home Loan Bank of Dallas has exceeded such limitations, not as a consequence of its own actions, but by virtue of actions outside its immediate control; and

WHEREAS, a Dallas member requires a commitment from the Federal Home Loan Bank of Dallas to purchase up to \$10 million in mortgage-backed securities as part of its Affordable Housing Program proposal; and

WHEREAS, the Board believes that it would be in the best interests of the member, the Federal Home Bank of Dallas, the Affordable Housing Program, and the System as a whole, for the Federal Home Loan Bank of Dallas to make such a commitment to its member;

NOW, THEREFORE BE IT RESOLVED, that in the event said member's Affordable Housing Program submission receives Board approval, and subject to the normal credit underwriting and investment policies and procedures employed by the Federal Home Loan Bank of Dallas in making such commitments, the Federal Housing Finance Board hereby grants the Federal Home Loan Bank of Dallas an exception to the Funds Management Policy in order to allow the Bank to commit to the purchase of up to \$10 million in Fannie Mae Affordable mortgage-backed securities from such member.

By the Federal Housing Finance Board


Jack Kemp, Chairman