

No.: 92-747

Date: December 16, 1992

FEDERAL HOUSING FINANCE BOARD

Affordable Housing Program Funding - Second Round 1992

WHEREAS, Subsection 10(j) of the Federal Home Loan Bank Act of 1932 (12 U.S.C. § 1430 (j)) requires that each Federal Home Loan Bank ("Bank") establish an Affordable Housing Program ("AHP");

WHEREAS, the Federal Housing Finance Board ("Finance Board") adopted regulations for the operation of the AHP by the Banks effective March 1, 1991, codified at 12 C.F.R. Part 960;

WHEREAS, the Bank of Chicago has evaluated applications for AHP funds received from member institutions in accordance with the AHP regulations, and forwarded to the Board the Bank's recommendations for funding of proposals; and

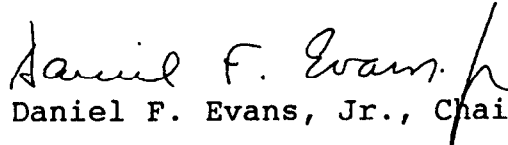
WHEREAS, the Board has reviewed the proposals submitted by the Bank and is hereby making the determination required by 12 C.F.R. § 960.5(f)(3);

NOW, THEREFORE, IT IS RESOLVED, that the Board approves AHP funding proposals for the Bank of Chicago identified in Attachment I to this resolution, subject to the receipt of information requested by the Housing Finance Directorate of the Finance Board ("Directorate") and deemed satisfactory by the Director or Deputy Director of the Directorate, and subject to the conditions set forth in Attachment J to this resolution, all of which are incorporated by reference herein;

BE IT FURTHER RESOLVED, that if a substantial modification to any AHP funding proposal approved pursuant to this resolution is proposed, the modification must be reviewed by the appropriate Bank and approved in writing by the Director or Deputy Director of the Directorate to assure that the modified AHP funding proposal would score sufficiently highly to have been eligible for approval according to this resolution; and

BE IT FURTHER RESOLVED, that this approval is conditioned on the Bank determining at the time that AHP funds are being drawn down that the proposals continue to qualify for AHP funding in accordance with the regulations and policies of the Board.

By the Federal Housing Finance Board


Daniel F. Evans, Jr., Chairman

AFFORDABLE HOUSING PROGRAM PROJECTS--SECOND ROUND 1992

----- DISTRICT OF MEMBER=CHICAGO STATE=IL -----

Project City	State	Lead Lender	Lender City	State	Subsidy (thou.)
Chicago	IL	Avondale Federal Savings Bank	Chicago	IL	267.81
Chicago	IL	Avondale Federal Savings Bank	Chicago	IL	46.87
Chicago	IL	Bell Federal Savings	Chicago	IL	80.00
Evanston	IL	Bell Federal Savings	Chicago	IL	8.50
Chicago	IL	Bell Federal Savings	Chicago	IL	81.40
Chicago	IL	Bell Federal Savings	Chicago	IL	77.00
Chicago	IL	Cragin Federal	Chicago	IL	255.76
Elgin	IL	Elgin Federal Financial Center	Elgin	IL	32.00
Decatur	IL	First Mutual Savings Bank	Decatur	IL	19.09
Chicago	IL	LaSalle National Bank	Chicago	IL	154.40
Chicago	IL	LaSalle National Bank	Chicago	IL	175.00
Chicago	IL	Standard Federal Bank for Savings	Chicago	IL	15.00
Whiteside Co	IL	Sterling Federal Bank, FSB	Sterling	IL	20.12
STATE					1,232.96

----- DISTRICT OF MEMBER=CHICAGO STATE=WI -----

Project City	State	Lead Lender	Lender City	State	Subsidy (thou.)
Madison	WI	Anchor Bank, SSB	Madison	WI	18.00
Eau Claire	WI	First Federal Bank of Eau Claire	Eau Claire	WI	14.40
Milwaukee	WI	Security Bank *	Milwaukee	WI	250.00
STATE					282.40
DISTRICT					1,515.36

* Multi-member Project

CONDITIONS APPLICABLE TO
THE FHLBANK OF CHICAGO AHP APPLICATIONS

The following application is approved under the specified conditions:

Federal Home Loan Bank of Chicago:

An application from Security Bank involving the Wisconsin Housing Partnership Corporation proposed to use AHP funds for a loan loss reserve account necessary to fund a secondary market transaction or alternatively, to provide a direct subsidy that would be used to reduce the interest rate charged on loans provided by the loan fund. The Office of Legal and External Affairs - Legal Division and the Housing Finance Directorate staff have determined that the use of AHP funds to establish a loan loss reserve account required to provide security for a secondary market sale of loans previously made by the loan fund did not meet the statutory requirement that the preponderance of AHP funds ultimately benefit low- and moderate-income residents. However, HFD recommends that the alternative proposal to use AHP funds to subsidize the interest rate on loans offered by the loan fund, be approved on the condition that the loan fund provides further information to clarify how the AHP subsidy will benefit low- and moderate-income residents and the loan fund complies with the loan fund guidelines to be approved by the Board.