

No. : 97-25
Date: March 12, 1997

FEDERAL HOUSING FINANCE BOARD

Increase in Affordable Housing Program Funding (AHP) Subsidy
for West I Limited Partnership

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

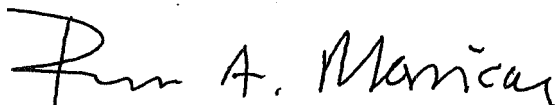
WHEREAS, the Federal Housing Finance Board (Finance Board) has adopted regulations for the operation of the AHP by the FHLBanks codified at 12 C.F.R. Part 960. The AHP regulation requires that the Finance Board determine which applications for AHP awards are to be funded. (12 C.F.R.960.5(f));

WHEREAS, on June 23, 1993, the Finance Board approved an AHP application from Charter One Bank, for an AHP subsidy of \$23,457 from the Federal Home Loan Bank of Cincinnati (Cincinnati Bank) to subsidize an advance of \$568,500 and provide a below-market interest rate on the first mortgage interest to assist in the rehabilitation of the West I Limited Partnership Project (Project) a rental housing project in Cleveland, sponsored by the Stockyard Area Development Corporation and Brooklyn Centre Development Corporation. See Board Resolution 93-52;

WHEREAS, the Cincinnati Bank is requesting approval of a modification in the AHP subsidy which increases the total amount of AHP subsidy from \$23,457 to \$80,742, to correct the computation error which occurred during the review process and which resulted in an incorrect subsidy recommendation. The proposed modification would result in the average AHP subsidy per unit of the Project increasing from \$391 to \$1,346 per unit. The Project has been restored and both the effectiveness and total scores remain the same so the Project continues to score high enough to have been funded in its original AHP funding round;

NOW, THEREFORE, IT IS RESOLVED, that based on the factors set forth above and the authority provided in 12 C.F.R. § 960.5(f)(3), the Finance Board approves the increase in AHP subsidy from \$23,457 to \$80,742 to correct the miscalculation which resulted in an incorrect subsidy for the Project.

By the Board of Directors of the
Federal Housing Finance Board



Bruce A. Morrison, Chairman