

## Federal Housing Finance Agency.

## § 1269.1

### § 1265.3 Core mission activities.

The following Bank activities qualify as core mission activities:

- (a) Advances;
- (b) Acquired member assets (AMA), except that United States government-insured or guaranteed whole single-family residential mortgage loans acquired under a commitment entered into after April 12, 2000 shall qualify only in a cumulative dollar amount up to 33 percent of: The cumulative total dollar amount of AMA acquired by a Bank after April 12, 2000, less the cumulative dollar amount of United States government-insured or guaranteed whole single-family residential mortgage loans acquired after April 12, 2000 under commitments entered into on or before April 12, 2000 (which calculation, at the discretion of two or more Banks, may be made based on aggregate transactions among those Banks);
- (c) Standby letters of credit;
- (d) Intermediary derivative contracts;
- (e) Debt or equity investments:
  - (1) That primarily benefit households having a targeted income level, a significant proportion of which must benefit households with incomes at or below 80 percent of area median income, or areas targeted for redevelopment by local, state, tribal or Federal government (including Federal Empowerment Zones and Enterprise and Champion Communities), by providing or supporting one or more of the following activities:
    - (i) Housing;
    - (ii) Economic development;
    - (iii) Community services;
    - (iv) Permanent jobs; or
    - (v) Area revitalization or stabilization;
  - (2) In the case of mortgage- or asset-backed securities, the acquisition of which would expand liquidity for loans that are not otherwise adequately provided by the private sector and do not have a readily available or well established secondary market; and
  - (3) That involve one or more members or housing associates in a manner, financial or otherwise, and to a degree to be determined by the Bank;
- (f) Investments in SBICs, where one or more members or housing associates

of the Bank also make a material investment in the same activity;

(g) SBIC debentures, the short term tranche of SBIC securities, or other debentures that are guaranteed by the Small Business Administration under title III of the Small Business Investment Act of 1958, as amended (15 U.S.C. 681 *et seq.*);

(h) Section 108 Interim Notes and Participation Certificates guaranteed by the Department of Housing and Urban Development under section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5308); and

(i) Investments and obligations issued or guaranteed under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 *et seq.*).

[65 FR 43981, July 17, 2000]

## PART 1269—STANDBY LETTERS OF CREDIT

Sec.

1269.1 Definitions.

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1269.3 Standby letters of credit on behalf of housing associates.

1269.4 Obligation to Bank under all standby letters of credit.

1269.5 Additional provisions applying to all standby letters of credit.

AUTHORITY: 12 U.S.C. 1429, 1430, 1430b, 1431, 4511, 4513 and 4526.

SOURCE: 63 FR 65699, Nov. 30, 1998, unless otherwise noted. Redesignated at 65 FR 8256, Feb. 18, 2000, and further redesignated at 67 FR 12853, Mar. 20, 2002 and 75 FR 8240, Feb. 24, 2010.

### § 1269.1 Definitions.

As used in this part:

*Act* means the Federal Home Loan Bank Act as amended (12 U.S.C. 1421 through 1449).

*Applicant* means a person or entity at whose request or for whose account a standby letter of credit is issued.

*Bank* written in title case means a Federal Home Loan Bank established under section 12 of the Act (12 U.S.C. 1432).