

Funding recipient (Name and address)	Amount approved
Housing Authority of the Village of Central, P.O. Box 275, Central, NM 88026.	2,166
Total	\$3,888,076

[FR Doc. 95-3948 Filed 2-15-95; 8:45 am]

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Office of the Assistant Secretary for Housing-Federal Housing Commissioner

[Docket No. N-95-3785; FR-3724-N-02]

Interest Rate for the Section 235(r) Mortgage Insurance Program

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Notice of change in interest rate.

SUMMARY: This notice announces a change in the maximum interest rate for mortgages to be insured under section 235(r) of the National Housing Act. The section 235(r) maximum interest rate is to be determined by the Secretary of HUD and published in the **Federal Register**. Mortgage market conditions now dictate that the Secretary increase the section 235(r) maximum rate from 8.50 percent to 9.00 percent. There is no change being made in the maximum margin of additional percentage points that may be added to the maximum rate if the established conditions are met. Therefore, the maximum for the premium section 235(r) interest rate will be 10.50 percent (9.00 percent for the rate of interest and 1.50 percent for the margin of additional percentage points).

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: John N. Dickie, Director, Program Evaluation Division, room B-133, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 755-7470, Ext. 117; (TDD) (202) 708-4594. (These are not toll-free numbers.)

SUPPLEMENTARY INFORMATION: Section 235(r) of the National Housing Act (12 U.S.C. 1715z) authorizes the Secretary to insure mortgages that refinance existing mortgages insured under section 235. The purpose of the program is to reduce the interest rate insured and assisted under section 235 in order that the assistance payments the Department pays on behalf of mortgagors may be reduced. The regulations implementing the program are contained in subpart H of 24 CFR part 235—refinancing of mortgages under section 235(r).

The interest rate for these loans is set by the Secretary and published in the **Federal Register** as authorized by 24 CFR 235.1202(b)(3). The previous section 235(r) interest rate of 8.50 percent was published in the **Federal Register** on June 17, 1994 (59 FR 31267). The Department has determined that market conditions dictate a change in the section 235(r) interest rate. The change will take effect on the date of publication of this notice.

The most recent HUD survey of Mortgage Market conditions (i.e., Secondary Market Prices and Yields), an OMB-designated Principal Federal Indicator, found that the dominant national FHA rate being quoted to potential homebuyers for "lock-in" commitments of 60 days or more was 9.00 percent on October 1, 1994, with an average of .78 points, and an effective interest rate of 9.11 percent.

Most FHA mortgages are funded in the GNMA mortgage-backed securities market. There is a 50 basis point spread between FHA contract interest rates and GNMA coupon rates (this covers the GNMA guarantee fee and servicing cost). On November 14, 1994, the GNMA 8.00 percent coupon securities (8.50 percent FHA loans) were priced at more than 5 points discount. This level of discount tends to impede FHA loans to finance home purchases. On the other hand, the GNMA 8.50 percent security (9.00 percent FHA loans) was trading in the two-month forward market at around two points discount, while the 9.00 percent GNMA coupons (9.50 percent FHA mortgages) continued to trade at over par (i.e., premium). Under the FHA negotiated rate/points provisions a two point discount for 9.00 percent FHA mortgages would not be burdensome.

Adjusting the section 235(r) rate to 9.00 percent will bring this rate back into line with the rest of the FHA current production loans. Therefore, the maximum rate for section 235(r) mortgages is 9.00 percent beginning with the publication date of this notice. The maximum margin of additional percentage points that may be added to the maximum rate under 24 CFR 235.1202(b)(3)(i)(B) will remain at 1.50 percent.

The subject matter of this notice is categorically excluded from HUD's environmental clearance procedures, in accordance with 24 CFR 50.20(l). For that reason, no environmental finding has been prepared for this notice.

Dated: December 9, 1994.

Nicolas P. Retsinas,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 95-3947 Filed 2-15-95; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[PRT-798920]

Receipt of Application(s) for Permit

The following applicant has applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to Section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531, *et seq.*)

Applicant: S. Lee Stone, Austin Parks & Recreation Department, Austin, Texas.

The applicant requests a permit to include take activities for the black-capped vireo (*Vireo atricapillus*) for the purpose of scientific research and enhancement of propagation and survival of the species as prescribed by Service recovery documents.

ADDRESSES: Written data or comments should be submitted to the Assistant Regional Director, Ecological Services, U.S. Fish and Wildlife Service, P.O. Box 1306, Albuquerque, New Mexico 87103, and must be received by the Assistant Regional Director within 30 days for the date of this publication.

Documents and other information submitted with this application are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents to the above office within 30 days of the date of publication of this notice. (See **ADDRESSES** above.)

Susan MacMullin,

Acting Regional Director, Region 2, Albuquerque, New Mexico.

[FR Doc. 95-3944 Filed 2-15-95; 8:45 am]

BILLING CODE 4310-55-M

[PRT-798823]

Receipt of Application(s) for Permit

The following applicant has applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to Section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C., *Et. Seq.*)

Applicant: Dr. Robert Hershler, Smithsonian Institution, Washington, DC.