- b. Describe the nature of the provision waived, and the designation of the provision;
- c. Indicate the name and title of the person who granted the waiver request;
- d. Describe briefly the grounds for approval of the request;
- e. State how additional information about a particular waiver grant action may be obtained.

Section 106 also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purposes of today's document.

Today's document follows publication of HUD's Statement of Policy on Waiver of Regulations and Directives Issued by HUD (56 FR 16337, April 22, 1991). This is the twelfth Notice of its kind to be published under Section 106. It updates HUD's waivergrant activity from July 1, 1994 through September 30, 1994. In approximately three months, the Department will publish a similar Notice, providing information about waiver-grant activity for the period from October 1, 1994 through December 31, 1994.

For ease of reference, waiver requests grant by departmental officials authorized to grant waivers are listed in a sequence keyed to the section number of the HUD regulation involved in the waiver action. For example, a waivergrant action involving exercise of authority under 24 CFR 24.200 (involving the waiver of a provision in part 24) would come early in the sequence, while waivers in the Section 8 and Section 202 programs (24 CFR Chapter VIII) would be among the last matters listed. Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement in Title 24 that is being waived as part of the waiver-grant action. (For example, a waiver of both § 811.105(b) and § 811.107(a) would appear sequentially in the listing under §811.105(b).) Waiver-grant actions involving the same initial regulatory citation are in time sequence beginning with the earliest-dated waiver grant

Should the Department receive additional reports of waiver actions taken during the period covered by this report before the next report is published, the next updated report will include these earlier actions, as well as those that occur between October 1, 1994 and December 31, 1994.

Accordingly, information about approved waiver requests pertaining to regulations of the Department is

provided in the Appendix that follows this Notice.

Dated: February 14, 1995. Henry G. Cisneros,

Secretary.

Appendix

Listing of Waivers of Regulatory Requirements Granted by Officers of the Department of Housing and Urban Development, July 1, 1994 through September 30, 1994.

Note to Reader: The person to be contacted for additional information about these waiver-grant items in this listing is: James B. Mitchell, Director, Financial Services Division, Office of Housing, Department of Housing and Urban Development, 470 L'Enfant Plaza East, Room 3119, Washington, DC 20024, Phone: (202) 755–7450.

Regulation: 24 CFR Sections 811.106(d) and 811.107(d) of 1977 Regulations.

Project/Activity: Gloucester County (New Jersey) HA refunding of bonds which financed an uninsured Section 8 assisted project, Colonial Park, HUD Project Number NJ16–0029–002.

Nature of Requirement: The Regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicholas P. Retsinas, Assistant Secretary for Housing—FHA Commissioner. Dated Granted: September 16, 1994.

Reasons Waived: The Part 811 regulations cited above prohibited refunding and required that excess reserve balances be used for project purposes. The issuer has requested HUD permission to release excess reserve balances from the 1979 Trust Indenture to help pay transaction costs of a McKinney Act Section 8 bond refunding. Issuance of 1994 refunding bonds of \$6,755,000 at a yield of 6.10% under Section 103 of the Tax Code will generate Section 8 savings.

Regulation: 24 CFR Sections 811.106(d) and 811.107(d) of 1977 Regulations.

Project/Activity: Akron (Ohio) Metropolitan HA refunding of bonds which financed an uninsured Section 8 assisted project, Mayflower Manor, HUD Project Number OH12–0003–002.

Nature of Requirement: The Regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicholas P. Retsinas, Assistant Secretary for Housing—FHA Commissioner.

Dated Granted: September 30, 1994. Reasons Waived: The Part 811 regulations cited above prohibited refunding and required that excess reserve balances be used for project purposes. The issuer has requested HUD permission to release excess reserve balances from the 1980 Trust Indenture to help pay transaction costs of a McKinney Act Section 8 bond refunding. Issuance of 1994 refunding bonds of \$6,005,000 at a yield of 6.54% under Section 103 of the Tax Code will generate Section 8 savings.

Regulation: 24 CFR Sections 811.107(a)(2), 811.107(b), 811.108(a)(1), 811,108(a)(3), 811.114(b)(3), 811.114(d), 811.115(b).

Project/Activity: Washoe Housing Finance Corporation refunding of bonds which financed a Section 8 assisted project, the Golden II Apartments (FHA No. 125– 135094).

Nature of Requirement: The Regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing—Federal Housing Commissioner.

Dated Granted: July 21, 1994.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refundings bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR Section 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on July 6, 1994. Refunding bonds have been priced to an average yield of 6.8%. The tax-exempt refunding bond issue of \$2,355,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 9.75% at the call date with tax-exempt bonds yielding 6.8%. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, from 10% to 7.05%, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

Regulation: 24 CFR Sections 811.114(d), 811.115(b), 811.117.

Project/Activity: The Housing Finance Corporation of Irvington, New Jersey refunding of bonds which financed a Section 8 assisted project, Berkeley Terrace Apartments (FHA No. 031–35238).

Nature of Requirement: The Regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Dated Granted: August 18, 1994.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions under Section 103 of the Tax Code. This refunding proposal was approved by HUD on February 8, 1994. Refunding bonds have been priced to an average yield of 6.38%. The tax-exempt refunding bond issue of \$4,570,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax