

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

This chapter presents the budget and program estimates for the Department of Housing and Urban Development.

In order to better address the needs of communities and cities and the nation's poorest and most vulnerable populations, the Administration is proposing a reinvention plan which will dramatically alter the way in which the Department carries out its mission. Flexibility will be increased as State and local governments decide for themselves how funds can best be allocated. The reinvention plan represents a financial restructuring that will result in the eventual consolidation of the activities of some sixty current programs into three programs by 1998. In addition, the reinvention plan calls for the transformation of the Federal Housing Administration into a government corporation.

The reinvention process will begin with the consolidation of some sixty programs into seven new programs in 1996. In 1998, these seven programs will be further consolidated so that these activities are carried out by three grant programs: Housing Certificates for Families and Individuals Performance Funds, Community Opportunity Performance Funds, and Affordable Housing Performance Funds.

Activities currently carried out by the Department and the seven new accounts to be established in 1996—along with the funding requested for each—are summarized in the table below. Budget details are contained in the remainder of this chapter under the Department's major activity headings.

PROPOSED CONSOLIDATION OF HUD ACTIVITIES AND 1996 FUNDING REQUESTS
(In thousands of dollars)

Current programs/activities	Fiscal year 1996 budget structure
Section 8 Vouchers	Housing Certificates for Families and Individuals Performance Funds \$7,665,000
Section 8 Certificates	
Section 8 Certificates for Persons with Disabilities	
Section 8 Certificates for Persons with AIDS	
Section 8 Certificates for the Homeless	
Section 8 Counseling	
Homeownership/Preservation	
Property Disposition	
Loan Management	
Section 8 Opt Outs	
Lease Adjustments	
Renewal of Expiring Section 8 Contracts	
Sec. 8 Family Unification	
Family Self Sufficiency Coordinators	
Elderly Housing Service Coordinators	
Project-Based Service Coordinators	
Flexible Subsidy Fund	Public and Indian Housing Capital Performance Funds \$4,884,000
Congregate Housing	
Public/Indian Housing Development	
Public/Indian Housing Amendments	
Indian Housing Development	
Tenant Opportunity Program (TOP)	
Urban Youth Corps	
Public/Indian Housing Modernization	
Public Housing Coordinators	
Major Reconstruction of Public Housing (MROP)	
Severely Distressed Public Housing	Public and Indian Housing Operation Performance Funds \$3,220,000
Family Investment Centers	
Public Housing Operating Subsidies	
Drug Elimination Grants	Community Opportunity Performance Funds \$4,850,000
Service Coordinators	
Community Development Grants (CDBG)	Community Opportunity Performance Funds \$4,850,000
Youthbuild	
Economic Development Initiative (EDI)	Community Opportunity Performance Funds \$4,850,000
Colonias	

Urban Development Action Grants (UDAG)
Historically Black Colleges
Work Study Program
Joint Community Development
Community Outreach
Early Childhood Development
Insular Areas
Technical Assistance
Neighborhood Development
Community Adjustment Planning

HOME	Affordable Housing Performance Funds
National Homeownership Trust Demonstration	\$3,339,000
EZ Homes	
Housing Counseling	
Section 202 Elderly Housing	
Section 811 Housing for the Disabled	
Pension Fund Partnerships	
HOPE	
Lead-Based Paint Hazard Reduction	
Homeless Assistance Grants	Homeless Assistance Performance
Shelter Plus Care	Funds
Section 8 Mod Rehab SRO	\$1,120,000
Emergency Shelter Grants	
Supportive Housing	
Innovative Program	
Housing Opportunity for Persons with AIDS	Housing Opportunities for Persons With AIDS Funds \$186,000

The major divisions of this chapter conform to the following Department activities:

Public and Indian housing programs cover three of the Department's proposed new performance programs: Housing Certificates for Families and Individuals Performance Funds, Public and Indian Housing Operation Performance Funds, and Public and Indian Housing Capital Performance Funds. Current public housing, assisted housing and Section 8 rental assistance programs will eventually be consolidated into one housing certificates program. Local and state governments, with a premium on metropolitan strategies, will administer the new housing certificates. This section also includes programs addressing the problems of severely distressed public housing and housing assistance to Native Americans.

Community planning and development covers the new consolidated performance-based Community Opportunity Performance Funds, Affordable Housing Performance Funds, and Homeless Assistance Performance Funds programs. The Community Opportunity program will provide formula grants, offering local and State governments flexible funding for the economic revitalization and renewal of distressed communities. The Affordable Housing program will consolidate activities currently included under HOME, housing for the elderly and persons with disabilities, housing counseling, and the National Homeownership fund. The program will provide grants to local and State governments under a formula with a national set-aside for Native Americans. Various grants and other assistance for the homeless would be consolidated in the proposed Homeless Assistance Performance Funds program. This heading also includes a program offering Housing Opportunities to Persons with AIDS.

Housing programs cover the planned consolidation of mortgage insurance activities of the Federal Housing Administration into two funds, single family and multifamily housing, to be carried out by a government-owned corporation. The new FHA corporation will also restructure the existing single family and multifamily programs based on market forces. HUD's reinvention of FHA will transform it into a streamlined enterprise using credit enhancement to finance expanded homeownership opportunities and the development of affordable rental housing. Other activities included under this

heading are the Office of Interstate Land Sales Registration and manufactured home inspection and monitoring programs.

Government National Mortgage Association (GNMA) covers the Department's programs to assist in the availability of mortgage credit and stabilize financing of selected types of mortgage loans through the guarantee of mortgage-backed securities. GNMA also utilizes multiple maturity securities issued through Real Estate Mortgage Investment Conduits (REMICS) in addition to its current single-class mortgage-backed securities.

Fair housing and equal opportunity includes the Fair Housing Assistance Program authorized by title VIII of the Civil Rights Act of 1968, as amended, and the Fair Housing Initiatives Program.

Policy development and research includes the policy development, economic analysis, program evaluation, and research activities of the Department.

Departmental Management includes the Department's Salaries and Expenses, the Inspector General, and the Office of Federal Housing Enterprise Oversight.

PUBLIC AND INDIAN HOUSING

Federal Funds

General and special funds:

HOUSING CERTIFICATES FOR FAMILIES AND INDIVIDUALS PERFORMANCE FUNDS

For assistance in accordance with the Housing Certificates for Families and Individuals Performance Funds program, \$7,664,875,000, to remain available until expended: Provided, That such amount shall be available only upon enactment into law of authorizing legislation. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0302-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			3,832,438
Financing:			
24.40 Unobligated balance available, end of year: Treasury balance			3,832,438
40.00 Budget authority (appropriation)			7,664,875
Relation of obligations to outlays:			
71.00 Total obligations			3,832,438
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			-3,052,087
90.00 Outlays			780,351

The Administration proposes to consolidate all rental assistance programs into one that provides Housing Certificates for Families and Individuals. Consolidated programs would include Incremental Rental Assistance, Section 8 Family Unification, Section 8 Opt-Outs, Section 8 contract renewals, and Family Self Sufficiency Coordinators.

Certificates would provide recipients with subsidies to help them afford rental housing in the private housing market. The program would provide formula allocations of certificates to local and State governments, which would be encouraged to administer certificates on a marketwide basis. Jurisdictions would be given the authority to select administering entities.

PUBLIC AND INDIAN HOUSING OPERATION PERFORMANCE FUNDS

For assistance in accordance with the Public Housing/Indian Housing Operation Performance Funds program, \$3,220,000,000, to remain available until expended: Provided, That such amount shall be available only upon enactment into law of authorizing legislation. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0303-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			3,220,000
Financing:			
40.00 Budget authority (appropriation)			3,220,000
Relation of obligations to outlays:			
71.00 Total obligations			3,220,000
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			-1,996,560
90.00 Outlays			1,223,440

The Administration proposes to consolidate operating subsidies for public housing into a single Public and Indian Housing Operation Performance Funds program. Programs to be consolidated include Operating Subsidies for Public and Indian Housing, Drug Elimination Grants, and Public Housing Service Coordinators. Operating subsidy payments are provided to assist local Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to meet certain deficits in the operations of public and Indian housing. These payments are in addition to debt service and capital funding provided by HUD. A portion of the funds will be awarded competitively to States and local governments and to private and non-profit entities who are proven performers. The funds may be used for a variety of special purposes.

PUBLIC AND INDIAN HOUSING CAPITAL PERFORMANCE FUNDS

For the Public Housing/Indian Housing Capital Performance Funds program, \$4,884,000,000, to remain available until expended; and in addition, \$287,000,000 of amounts reserved or obligated in prior years for reconstruction of obsolete public housing projects under 42 U.S.C. 1437 which were recaptured during fiscal year 1995, which shall become available only upon enactment into law of authorizing legislation, and remain available until expended. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0304-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			517,100
Financing:			
22.00 Unobligated balance transferred, net			-287,000
24.40 Unobligated balance available, end of year: Treasury balance			4,653,900
40.00 Budget authority (appropriation)			4,884,000
Relation of obligations to outlays:			
71.00 Total obligations			517,100
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			-504,401
90.00 Outlays			12,699

The Administration proposes to consolidate all current public housing capital programs into a single Public and Indian Housing Capital Performance Funds program. Consolidated programs would include Public Housing Modernization, Public and Indian Housing Development, Severely Distressed Public Housing, public and Indian housing amendments and Family Investment Centers. This program would provide Federal resources to rehabilitate and restore viable public housing in need of modernization, demolish uninhabitable and non-viable public housing projects, and construct replacement housing where feasible.

[PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS]

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), \$2,900,000,000. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0163-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Operating subsidies	2,620,304	2,900,000	
10.00 Total obligations (object class 41.0)	2,620,304	2,900,000	
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	504		
24.40 Unobligated balance available, end of year: Treasury balance			
40.00 Budget authority (appropriation)	2,620,808	2,900,000	
Relation of obligations to outlays:			
71.00 Total obligations	2,620,304	2,900,000	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	1,341,545	1,373,295	1,566,000
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-1,373,295	-1,566,000	-29,000
77.00 Adjustments in expired accounts	-4,770		
90.00 Outlays	2,583,784	2,707,295	1,537,000

Operating subsidy payments are provided to assist local Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to meet certain deficits in the operation of PHA-owned and IHA-owned low-income housing. These payments are in addition to the debt service and capital funding provided by HUD for development and modernization of low-income housing.

The operating subsidy estimates were based primarily upon the Performance Funding System (PFS) formula.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for these activities will be provided under the Public and Indian Housing Operation Performance Funds program.

[DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING]

For grants to public housing agencies for use in eliminating drug-related crime in public housing projects authorized by 42 U.S.C. 11901-11908, and for drug information clearinghouse services authorized by 42 U.S.C. 11921-11925, \$290,000,000, to remain available until expended, of which \$10,000,000 shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training). (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0197-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	44,729	544,740	
Financing:			
17.00 Recovery of prior year obligations	-861		
Unobligated balance available, start of year:			
21.40 Treasury balance	-13,853	-20,763	
21.49 Contract authority	-19,755	-233,977	
Unobligated balance available, end of year:			
24.40 Treasury balance	20,763		
24.49 Contract authority	233,977		
40.00 Budget authority (appropriation)	265,000	290,000	

Relation of obligations to outlays:			
71.00 Total obligations	44,729	544,740	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	302,896	186,427	552,350
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-186,427	-552,350	-293,350
78.00 Adjustments in unexpired accounts	-861		
90.00 Outlays	160,337	178,817	259,000

The table below shows the funding requested for drug-related and crime prevention activities for the period 1994-1995.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for these types of activities will be provided under the Public and Indian Housing Operation Performance Funds program.

Summary of Program Activity (in thousands of dollars)

	1994 actual	1995 est.	1996 est.
Funding level:			
Drug elimination grants	265,000	290,000	
Total Funding	265,000	290,000	
Outlays:			
Drug Elimination Grants:			
Annual Contributions	108		
Operating Subsidies	5,752		
Drug Elimination Grants	160,337	178,817	259,000
Total Outlays	166,187	178,817	259,000

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by subtitle J, Title III of Public Law 103-322 (including administrative costs), \$3,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund and shall be transferred to the Bureau of the Census to develop or update statistical data required by the Local Partnership Act to develop formulae necessary for the future distribution of funds appropriated under such Act.

Program and Financing (in thousands of dollars)

Identification code 86-8192-0-1-754	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Local Partnership Act			3,000
10.00 Total obligations (object class 25.1)			3,000
Financing:			
42.00 Budget authority (transferred from other accounts)			3,000
Relation of obligations to outlays:			
71.00 Total obligations			3,000
90.00 Outlays			3,000

Amounts for Public and Indian Housing's portion of the Crime Control Programs are derived from transfers from the Violent Crime Reduction Trust Fund (VCRTF) as authorized by the Crime Control and Law Enforcement Act of 1994. These funds are provided to pay for census surveys required in development of formulae needed to distribute funds to units of local governments.

[SEVERELY DISTRESSED PUBLIC HOUSING]

For the HOPE VI/urban revitalization demonstration program under the third paragraph under the head "Homeownership and Opportunity for People Everywhere grants (HOPE grants)" in the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Public Law 102-389, 106 Stat. 1571, 1579, \$500,000,000, to remain available until expended: *Provided*, That notwithstanding the first proviso of such third paragraph, the Secretary shall have discretion to approve fund-

General and special funds—Continued

[SEVERELY DISTRESSED PUBLIC HOUSING]—Continued

ing for more than fifteen applicants: *Provided further*, That notwithstanding the third proviso of such third paragraph, the Secretary may provide funds for more than 500 units for each participating city: *Provided further*, That in selecting HOPE VI implementation grants recipients in fiscal year 1995, the Secretary must first award such grants to those cities or jurisdictions which have received HOPE VI planning grants in fiscal year 1993 or fiscal year 1994: *Provided further*, That the requirement of the immediately preceding proviso shall not limit the Secretary's discretion to limit funding to amounts he deems appropriate, nor shall it prevent the Secretary from guaranteeing that all implementation grant recipients conform with the requirements of the HOPE VI/urban revitalization demonstration program: *Provided further*, That of the foregoing \$500,000,000, the Secretary may use up to \$2,500,000 for technical assistance under such urban revitalization demonstration, to be made available directly, or indirectly, under contracts or grants, as appropriate: *Provided further*, That nothing in this paragraph shall prohibit the Secretary from conforming the program standards and criteria set forth herein, with subsequent authorization legislation that may be enacted into law. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0218-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	579,248	549,446	
Financing:			
Unobligated balance available, start of year:			
21.40 Treasury balance		-22,564	
21.49 Contract authority	-300,000	-476,428	-449,546
Unobligated balance available, end of year:			
24.40 Treasury balance	22,564		
24.49 Contract authority	476,428	449,546	449,546
40.00 Budget authority (appropriation)	778,240	500,000	
Relation of obligations to outlays:			
71.00 Total obligations	579,248	549,446	
Obligated balance, start of year: Unpaid obligations:			
72.40 Treasury balance		577,827	1,107,773
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-577,827	-1,107,773	-1,087,773
90.00 Outlays	1,421	19,500	20,000

This program provided Federal resources to rehabilitate and restore severely dilapidated public housing projects, thereby expanding the supply of decent, safe, and affordable housing for low-income renters. Funds provided to this program were in addition to the substantial resources provided for the public housing modernization program and were specifically targeted to the units in most need of attention.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Public and Indian Housing Capital Performance Funds program.

Public enterprise funds:

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

Program and Financing (in thousands of dollars)

Identification code 86-4098-0-3-604	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Capital investment: Loans to public housing agencies and Indian housing authorities	47,949	50,000	50,000
10.00 Total obligations (object class 33.0)	47,949	50,000	50,000
Financing:			
17.00 Recovery of prior year obligations			
21.40 Unobligated balance available, start of year: Treasury balance	-23,459	-20,092	-20,092

24.40 Unobligated balance available, end of year: Treasury balance	20,092	20,092	20,092
31.00 Redemption of debt	54,464	57,952	61,711
39.00 Budget authority (gross)	99,046	107,952	111,711
Budget authority:			
67.15 Authority to borrow (indefinite)	25,000	50,000	50,000
68.00 Spending authority from offsetting collections	74,046	57,952	61,711
Relation of obligations to outlays:			
71.00 Total obligations	47,949	50,000	50,000
Obligated balance, start of year:			
72.10 Receivables from other government accounts			
72.40 Appropriation	1,521,753	1,414,832	1,299,209
72.90 Unpaid obligations: Fund balance	6,123	1,276	1,276
Obligated balance, end of year:			
74.10 Receivables from other government accounts			
74.40 Appropriation	-1,414,832	-1,299,209	-1,187,353
74.90 Unpaid obligations: Fund balance	-1,276	-1,276	-1,276
78.00 Adjustments in unexpired accounts			
87.00 Outlays (gross)	159,717	165,623	161,856
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.00 Federal sources	-54,464	-57,952	-61,711
88.40 Non-Federal sources	-19,582		
88.90 Total, offsetting collections	-74,046	-57,952	-61,711
89.00 Budget authority (net)	25,000	50,000	50,000
90.00 Outlays (net)	85,671	107,671	100,145

Status of Direct Loans (in thousands of dollars)

Identification code 86-4098-0-3-604	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,800,965	1,746,501	1,688,549
1251 Repayments: Repayments and prepayments	-54,464	-57,952	-61,711
1290 Outstanding, end of year	1,746,501	1,688,549	1,626,838

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4098-0-3-604	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	4,689,694	4,412,635	4,112,635
2251 Repayments and prepayments	-277,059	-300,000	-325,000
2290 Outstanding, end of year	4,412,635	4,112,635	3,787,635
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	4,412,635	4,112,635	3,787,635

The Low-Rent Public Housing Loan Fund is used to provide direct Federal loans to fund remaining Public Housing Agency (PHA) and Indian Housing Authority (IHA) construction, acquisition, and modernization activities reserved under the Annual Contributions appropriation through 1986. These loans are made from available resources of this fund and from borrowings from the Treasury. Under legislation enacted during 1986 (Public Law 99-272), the borrowings from the Treasury are forgiven at the end of each fiscal year and the loans to PHAs/IHAs are forgiven as construction, acquisition, and modernization activities are completed. Under the provisions of this legislation, \$25 million of borrowings from the Treasury were forgiven in 1994, an estimated \$50 million will be borrowed from the Treasury and forgiven in 1995, and an estimated \$50 million will be borrowed from the Treasury and forgiven in 1996. The table below shows the status of outstanding loans for the period 1994-1996. The \$68 million balance at the end of each year represents administrative loans, off-site facility loans, and preliminary loans on projects never undertaken and excess financing.

PUBLIC HOUSING AGENCIES/INDIAN HOUSING AUTHORITIES

Loans Outstanding

(In millions of dollars)

	1994 actual	1995 est.	1996 est.
Outstanding, start of year	88	68	68
Direct loan disbursements	48	50	50
Repayments	-27		
Adjustments	13		
Total loans forgiven	-54	-50	-50
Outstanding, end of year	68	68	68

Since 1987, new reservations of capital funds for construction, acquisition, and modernization activities have been provided directly from the Annual Contributions appropriation.

Operating results.—The actual and estimated net operating income for 1993, 1994, 1995, and 1996 follows:

Statement of Operations (in thousands of dollars)

Identification code 86-4098-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	123,354	119,386	53,150	53,150
0102 Expense	-171,365	-138,807	-53,150	-53,150
0109 Net income or loss (-)	-48,011	-19,421		

Balance Sheet (in thousands of dollars)

Identification code 86-4098-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	1,539,089	1,423,954	1,324,884	1,225,814
Investments in US securities:				
1106 Receivables, net	1,876,404	1,852,164	1,794,212	1,732,501
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	129,510	68,247	68,247	68,247
1602 Interest receivable		3,143	3,143	3,143
1603 Allowance for estimated uncollectible loans and interest (-)	-12,746	-12,004		
1604 Direct loans and interest receivable, net		59,385	71,390	71,390
1699 Value of assets related to direct loans		59,385	71,390	71,390
1999 Total assets	3,532,257	3,335,504	3,190,486	3,029,705
LIABILITIES:				
Federal liabilities:				
2102 Interest payable	218,194	211,652	211,652	211,652
2104 Resources payable to Treasury	1,800,965	1,746,500	1,688,549	1,626,838
Non-Federal liabilities:				
2201 Accounts payable	33	33	33	33
2207 Other	1,650	1,242		
2999 Total liabilities	2,020,842	1,959,427	1,900,234	1,838,523
NET POSITION:				
3100 Appropriated capital	3,532,257	3,335,503	3,190,486	3,029,705
3300 Cumulative results of operations		79,477	79,477	79,477
3999 Total net position	3,532,257	3,414,980	3,269,963	3,109,182
4999 Total liabilities and net position	5,553,099	5,374,407	5,170,197	4,947,705

Credit accounts:

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, \$3,000,000, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739): *Provided*, That such costs, including the costs of

modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed **[\$22,388,000]** \$36,900,000. (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0223-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	209	3,000	3,000
Financing:			
25.00 Unobligated balance expiring	791		
40.00 Budget authority (appropriation)	1,000	3,000	3,000
Relation of obligations to outlays:			
71.00 Total obligations	209	3,000	3,000
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance		209	750
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-209	-750	-750
90.00 Outlays		2,459	3,000

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0223-0-1-604	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Indian loan guarantees	1,560	22,388	36,900
2159 Total loan guarantee levels	1,560	22,388	36,900
Guaranteed loan subsidy (in percent):			
2320 Subsidy rate	13.40	13.40	8.13
Guaranteed loan subsidy budget authority:			
2330 Subsidy budget authority	209	3,000	3,000
Guaranteed loan subsidy outlays:			
2340 Subsidy outlays		2,459	2,459

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1994 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a present value basis. This program provides access to sources of private financing for Indian families and Indian housing authorities which otherwise could not acquire housing financing because of the unique legal status of Indian trust land.

INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4104-0-3-604	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Default claims		397	397
10.00 Total obligations		397	397
Financing:			
21.90 Unobligated balance available, start of year: Fund balance		-209	-3,179
24.90 Unobligated balance available, end of year: Fund balance	209	3,179	6,149
39.00 Financing authority (gross)	209	3,367	3,367
Financing authority:			
Spending authority from offsetting collections:			
68.00 Spending authority from offsetting collections, Federal sources	209	3,143	3,143
68.00 Spending authority from offsetting collections, non-Federal sources		224	224

Credit accounts—Continued

**INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT—
Continued**

Program and Financing (in thousands of dollars)—Continued

Identification code 86-4104-0-3-604	1994 actual	1995 est.	1996 est.
68.90 Spending authority from offsetting collections (total)	209	3,367	3,367
Relation of obligations to financing disbursements:			
71.00 Total obligations		397	397
Obligated balance, start of year:			
72.10 Receivables from other government accounts		-209	-750
72.40 Unpaid obligations: Treasury balance			
Obligated balance, end of year:			
74.10 Receivables from other government accounts	209	750	750
74.40 Unpaid obligations: Treasury balance			
87.00 Financing disbursements (gross)	209	938	397
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.00 Federal sources: Payments from program account	-209	-3,000	-3,000
88.25 Interest on uninvested funds		-143	-143
88.40 Non-Federal sources		-224	-224
88.90 Total, offsetting collections	-209	-3,367	-3,367
89.00 Financing authority (net)			
90.00 Financing disbursements (net)		-2,429	-2,970

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4104-0-3-604	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	7,463	22,388	36,900
2150 Total guaranteed loan commitments	7,463	22,388	36,900
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			17,954
2231 Disbursements of new guaranteed loans		18,351	33,272
2261 Adjustments: Terminations for default that result in loans receivable		-397	-397
2290 Outstanding, end of year		17,954	50,829
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year		17,954	50,829
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			397
2331 Disbursements for guaranteed loan claims		397	397
2390 Outstanding, end of year		397	794

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1994 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and not included in the budget totals.

Balance Sheet (in thousands of dollars)

Identification code 86-4104-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury		209	3,179	6,149
Investments in US securities:				
1106 Receivables, net		209	750	750

1501 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Defaulted guaranteed loans receivable, gross		397	794
1999 Total assets	418	4,326	7,693
LIABILITIES:			
2204 Non-Federal liabilities: Liabilities for loan guarantees	209	750	750
2999 Total liabilities	209	750	750
NET POSITION:			
3100 Appropriated capital	209	3,576	6,943
3999 Total net position	209	3,576	6,943
4999 Total liabilities and net position	418	4,326	7,693

COMMUNITY PLANNING AND DEVELOPMENT

Federal Funds

General and special funds:

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS

For assistance in accordance with the Community Opportunity Performance Funds program, \$4,850,000,000, to remain available until expended: Provided, That such amount shall be available only upon enactment into law of authorizing legislation. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)

Identification code 86-0305-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			4,850,000
Financing:			
40.00 Budget authority (appropriation)			4,850,000
Relation of obligations to outlays:			
71.00 Total obligations			4,850,000
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			-4,675,400
90.00 Outlays			174,600

The Administration proposes to consolidate current HUD grants for community economic development into a single Community Opportunity Performance Funds program. Consolidated programs would include Community Development Block Grants, Economic Development Initiative and recaptures from the Urban Development Action Grants (UDAG).

Community Opportunity Performance Funds would provide localities and States with flexible funding for the economic revitalization and renewal of distressed communities. The new program would provide formula grants to local and State governments, with a national set-aside for Native Americans. Jurisdictions would be permitted to use grants for a wide range of activities including assistance to community-based organizations for neighborhood revitalization activities, business loans to entrepreneurs in distressed communities, and cleanup of environmentally contaminated sites for economic or housing development. The budget proposes that a small percentage of program funds be retained for later distribution to reward those jurisdictions that are deemed high performers.

AFFORDABLE HOUSING PERFORMANCE FUNDS

For assistance in accordance with the Affordable Housing Performance Funds program, \$3,339,000,000, to remain available until expended: Provided, That such amount shall be available only upon enactment into law of authorizing legislation: Provided further, That

during fiscal year 1996, the Secretary shall sell assigned mortgage notes having an unpaid principal balance of up to \$4,000,000,000, which notes were originally insured under section 203(b) of the National Housing Act: Provided further, That of the amount appropriated herein, an amount equal to the lesser of \$175,000,000 or the excess of net proceeds above the value of holding the loans to maturity, such value established using assumptions specified in the President's fiscal year 1996 Budget adjusted for interest rates at the time of the sale, shall become available only after such sale has been completed. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0306-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			3,339,000
Financing:			
40.00 Budget authority (appropriation)			3,339,000
Relation of obligations to outlays:			
71.00 Total obligations			3,339,000
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			-3,278,898
90.00 Outlays			60,102

The Administration proposes to consolidate current grants for housing production and rehabilitation, including homeownership initiatives, into a single Affordable Housing Performance Funds program. Consolidated programs would include HOME, Housing for the Elderly and Persons with Disabilities, Housing Counseling, HOPE, and the National Homeownership Trust Demonstration program.

Affordable Housing Performance Funds would provide localities and States with flexible funding for the development of affordable housing. The Fund would provide formula grants to local and State governments, with a national set-aside for Native Americans. Jurisdictions would be permitted to use the Federal grants for a wide range of activities including housing acquisition, rehabilitation and construction of affordable housing, particularly housing for special vulnerable populations, and homeownership efforts to draw moderate-income families into housing or to help stabilize distressed communities. The budget proposes that a small percentage of program funds be retained for later distribution to reward those jurisdictions that are deemed high performers.

HOMELESS ASSISTANCE PERFORMANCE FUNDS

For assistance in accordance with the Homeless Assistance Performance Funds program, \$1,120,000,000, to remain available until expended: Provided, That such amount shall be available only upon enactment into law of authorizing legislation. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0307-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			1,120,000
Financing:			
40.00 Budget authority (appropriation)			1,120,000
Relation of obligations to outlays:			
71.00 Total obligations			1,120,000
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			-1,069,600
90.00 Outlays			50,400

The Administration proposes to create a single Homeless Assistance Performance Funds program. The program would include activities currently funded under the Homeless Assistance Grants account, including the Innovative Homeless Ini-

tiatives Demonstration, Shelter Plus Care, Emergency Shelter Grants, Supportive Housing program, and Section 8 Moderate Rehabilitation Single Room Occupancy program.

The new Homeless Assistance Performance Funds program would provide support on a formula basis to States, local governments, nonprofit organizations, and Indian tribes. Funds would support a wide range of activities that are components of an innovative approach to providing a "continuum of care" system to assist homeless persons move to permanent housing and prevent future homelessness. The budget proposes that a small percentage of program funds will be retained for later distribution to reward those jurisdictions that are deemed high performers.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For assistance in accordance with the Housing Opportunities for Persons with AIDS Fund, \$186,000,000, to remain available until expended. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)			
Identification code 86-0308-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)			186,000
Financing:			
40.00 Budget authority (appropriation)			186,000
Relation of obligations to outlays:			
71.00 Total obligations			186,000
73.00 Obligated balance transferred, net			373,000
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			-445,461
90.00 Outlays			113,539

The Administration proposes to establish a Housing Opportunities for Persons with AIDS program as a separate account in 1996. All of the balances from prior appropriations for this program would be merged with the new appropriations. The program would resemble the program which is already in existence. The purpose of the program is to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with AIDS and their families.

States and metropolitan areas receive 90 percent of the funds by formula based on the incidence of AIDS in their jurisdictions. The remaining 10 percent is awarded competitively to States and local governments and private nonprofit entities for projects of national significance and to States and local governments for projects in jurisdictions which do not qualify for a formula allocation.

[COMMUNITY DEVELOPMENT GRANTS]

[For grants to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), \$4,600,000,000, to remain available until September 30, 1997: Provided, That \$46,000,000 shall be available for grants to Indian tribes pursuant to section 106(a)(1) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), and \$44,000,000 shall be available for "special purpose grants" pursuant to section 107 of such Act: Provided further, That not to exceed 20 per centum of any grant made with funds appropriated herein (other than a grant using funds under section 107(b)(3) of such Act or funds set aside in the following provisos) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department of Housing and Urban Development: Provided further, That \$20,000,000 shall be made available from the total amount provided to carry out an early childhood development program under section

General and special funds—Continued

[COMMUNITY DEVELOPMENT GRANTS]—Continued

222 of the Housing and Urban-Rural Recovery Act of 1983, as amended (12 U.S.C. 1701z-6 note), including services for families that are homeless or at risk of becoming homeless: *Provided further*, That \$5,000,000 shall be made available from the total amount provided to carry out a neighborhood development program under section 123 of said Act (42 U.S.C. 5318 note).]

[During fiscal year 1995, new commitments to issue guarantees to carry out the purposes of section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), shall not exceed \$2,054,000,000.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0162-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Grant	4,877,319	5,224,457	100,000
00.02 Salaries and expenses	70	475	
10.00 Total obligations (object class 41.0)	4,877,389	5,224,932	100,000
Financing:			
17.00 Recovery of prior year obligations	-723	-6,000	
21.40 Unobligated balance available, start of year: Treasury balance	-524,255	-696,732	-100,000
24.40 Unobligated balance available, end of year: Treasury balance	696,732	100,000	
25.00 Unobligated balance expiring	857		
39.00 Budget authority	5,050,000	4,622,200	
Budget authority:			
40.00 Appropriation	5,075,000	4,622,200	
41.00 Transferred to other accounts	-75,000		
42.00 Transferred from other accounts	50,000		
43.00 Appropriation (total)	5,050,000	4,622,200	
Relation of obligations to outlays:			
71.00 Total obligations	4,877,389	5,224,932	100,000
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	6,724,495	7,949,629	8,838,113
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-7,949,629	-8,838,113	-4,373,905
77.00 Adjustments in expired accounts	-49		
78.00 Adjustments in unexpired accounts	-723	-6,000	
90.00 Outlays	3,651,483	4,330,448	4,564,208

Title I of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to make grants to units of general local government and States to fund local community development programs.

Funds are allocated to Indian tribes, and on an entitlement basis, to metropolitan cities and urban counties which receive their grants using the higher of two objective formulas. States and small cities are also allocated a portion of the available funds.

Funding for this program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for these types of activities will be provided under the Community Opportunity Performance Funds program.

[HOME INVESTMENT PARTNERSHIPS PROGRAM]

[For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), as amended, \$1,400,000,000, to remain available until expended.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0205-0-1-999	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	1,450,003	1,485,441	
Financing:			
17.00 Recovery of prior year obligations	-80	-2,000	
21.40 Unobligated balance available, start of year: Treasury balance	-153,364	-83,441	
24.40 Unobligated balance available, end of year: Treasury balance	83,441		
39.00 Budget authority	1,380,000	1,400,000	
Budget authority:			
40.00 Appropriation	1,275,000	1,400,000	
42.00 Transferred from other accounts	105,000		
43.00 Appropriation (total)	1,380,000	1,400,000	
Relation of obligations to outlays:			
71.00 Total obligations	1,450,003	1,485,441	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	2,364,612	3,032,323	3,303,024
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-3,032,323	-3,303,024	-2,080,571
78.00 Adjustments in unexpired accounts	-80	-2,000	
90.00 Outlays	782,212	1,212,740	1,222,453

The HOME Investment Partnerships program is authorized by the National Affordable Housing Act (P.L. 101-625). This program provided assistance to States and units of local government, through formula allocation, for the purpose of expanding the supply and affordability of housing. Eligible activities included acquisition, rehabilitation, tenant-based rental assistance, and, new construction.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for these types of activities will be provided under the Affordable Housing Performance Funds program.

URBAN DEVELOPMENT ACTION GRANTS

Program and Financing (in thousands of dollars)

Identification code 86-0170-0-1-451	1994 actual	1995 est.	1996 est.
Financing:			
17.00 Recovery of prior year obligations	-10,534	-89,464	
21.40 Unobligated balance available, start of year: Treasury balance		-10,534	
24.40 Unobligated balance available, end of year: Treasury balance	10,534		
41.00 Budget authority (transferred to other accounts)		-100,000	
Relation of obligations to outlays:			
71.00 Total obligations			
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	234,366	191,157	66,693
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-191,157	-66,693	-36,693
78.00 Adjustments in unexpired accounts	-10,534	-89,464	
90.00 Outlays	32,675	35,000	30,000

Title I of the Housing and Community Development Act of 1974, as amended, authorizes grants to distressed cities and distressed urban counties to fund economic development projects.

The program has terminated and there are no funds remaining available for obligation.

CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT AND AFFORDABLE HOUSING

Program and Financing (in thousands of dollars)

Identification code 86-0222-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	20,000		
Financing:			
40.00 Budget authority (appropriation)	20,000		
Relation of obligations to outlays:			
71.00 Total obligations	20,000		
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance		20,000	12,000
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-20,000	-12,000	-4,000
90.00 Outlays		8,000	8,000

As authorized by section 4 of the HUD Demonstration Act of 1993, this program provides funding to the National Community Development Initiative to build the capacity of community-based development corporations and housing development organizations, and to assist such corporations and organizations to carry out community development and affordable housing activities.

RENTAL REHABILITATION GRANTS

Program and Financing (in thousands of dollars)

Identification code 86-0182-0-1-451	1994 actual	1995 est.	1996 est.
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-507		
22.00 Unobligated balance transferred, net	507		
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations			
90.00 Outlays			

This program was authorized under section 17(a)(1)(A) of the United States Housing Act of 1937, as amended by section 301 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181).

The National Affordable Housing Act (P.L. 101-625) terminated the Rental Rehabilitation program effective October 1, 1991, and the program's unexpended balances were transferred to the revolving fund (liquidating programs), effective October 1, 1991.

URBAN HOMESTEADING

Program and Financing (in thousands of dollars)

Identification code 86-0171-0-1-451	1994 actual	1995 est.	1996 est.
Financing:			
17.00 Recovery of prior year obligations	-184		
25.00 Unobligated balance expiring	184		
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations			
78.00 Adjustments in unexpired accounts	-184		
90.00 Outlays		-184	

Section 810 of the Housing and Community Development Act of 1974, as amended, authorized the Secretary of HUD

to transfer one- to four-unit HUD-owned properties, without payment, to units of local government for use in an urban homesteading program. In addition, the Act authorized the Secretary of the Department of Veterans Affairs, the Secretary of Agriculture, and the Resolution Trust Corporation to transfer their unoccupied, single family properties for use in such programs.

The National Affordable Housing Act (P.L. 101-625) terminated the Urban Homesteading Program effective October 1, 1991.

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

Program and Financing (in thousands of dollars)

Identification code 86-0179-0-1-272	1994 actual	1995 est.	1996 est.
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-54		
25.00 Unobligated balance expiring (P.L. 101-507)	54		
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations			
90.00 Outlays			

Title V of the Energy Security Act of 1980 authorized the creation of the Solar Energy and Energy Conservation Bank to encourage energy conservation and the use of solar energy. It has provided funds to subsidize loans and grants for the installation of energy conservation and solar energy improvements in single and multifamily residences, and agricultural and commercial buildings.

The Solar Bank terminated operation on March 15, 1988.

EMERGENCY SHELTER GRANTS PROGRAM

Program and Financing (in thousands of dollars)

Identification code 86-0181-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	113,587	160,677	
Financing:			
17.00 Recovery of prior year obligations	-57		
21.40 Unobligated balance available, start of year: Treasury balance	-2,407	-3,877	
24.40 Unobligated balance available, end of year: Treasury balance	3,877		
40.00 Budget authority (appropriation)	115,000	156,800	
Relation of obligations to outlays:			
71.00 Total obligations	113,587	160,677	
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	65,960	116,893	167,646
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-116,893	-167,646	-44,214
78.00 Adjustments in unexpired accounts	-57		
90.00 Outlays	62,596	109,924	123,432

Title IV, subtitle B, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), authorizes the Secretary to make Emergency Shelter Grants to States, units of local government, and nonprofit organizations to provide emergency shelter and other support for the homeless. For fiscal year 1995, this assistance was funded by appropriations to the Homeless Assistance Grants account. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Homeless Assistance Performance Funds program.

General and special funds—Continued

SUPPORTIVE HOUSING PROGRAM

Program and Financing (in thousands of dollars)

Identification code 86-0188-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	134,176	370,738	
Financing:			
17.00 Recovery of prior year obligations	-1,981		
21.40 Unobligated balance available, start of year: Treasury balance	-135,333	-337,138	
24.40 Unobligated balance available, end of year: Treasury balance	337,138		
40.00 Budget authority (appropriation)	334,000	33,600	
Relation of obligations to outlays:			
71.00 Total obligations	134,176	370,738	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	388,732	418,662	675,053
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-418,662	-675,053	-554,420
78.00 Adjustments in unexpired accounts	-1,981		
90.00 Outlays	102,265	114,347	120,633

Title IV, subtitle C, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77) authorizes assistance to promote the development of supportive housing and services for deinstitutionalized homeless individuals, homeless families with children, homeless individuals with mental disabilities, and other homeless persons. Such assistance is available for the acquisition, rehabilitation, construction, or leasing of structures to be used for homeless persons as well as to pay for operating costs and supportive services.

For 1995, this type of assistance was funded by appropriations to the Homeless Assistance Grants account. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Homeless Assistance Performance Funds program.

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

Program and Financing (in thousands of dollars)

Identification code 86-0187-0-1-451	1994 actual	1995 est.	1996 est.
Financing:			
17.00 Recovery of prior year obligations	-4		
22.00 Unobligated balance transferred, net	4		
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations			
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	24,143	17,015	10,515
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-17,015	-10,515	-4,515
78.00 Adjustments in unexpired accounts	-4		
90.00 Outlays	7,124	6,500	6,000

Title IV, subtitle D, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), authorized the Supplemental Assistance for Facilities To Assist the Homeless program (SAFAH) to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs of the homeless. The authority for the SAFAH program was terminated by section 1403 of the Housing and Community Development Act of 1992.

SHELTER PLUS CARE

Program and Financing (in thousands of dollars)

Identification code 86-0204-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	239,199	198,999	
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-314,451	-198,999	
24.40 Unobligated balance available, end of year: Treasury balance	198,999		
40.00 Budget authority (appropriation)	123,747		
Relation of obligations to outlays:			
71.00 Total obligations	239,199	198,999	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	61,658	295,878	444,877
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-295,878	-444,877	-394,877
90.00 Outlays	4,980	50,000	50,000

Title IV, subtitle F, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), authorizes the Secretary to provide rental assistance to persons with disabilities. Supportive services at least equal in value to the aggregate rental assistance must also be provided by grant recipients, using other Federal, State, local and private resources. Eligible recipients include States, units of general local government and Indian tribes. Grants are awarded on a competitive basis.

For 1995, this type of assistance can be provided within the Homeless Assistance Grants account. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Homeless Assistance Performance Funds program.

INNOVATIVE HOMELESS INITIATIVES DEMONSTRATION PROGRAM

Program and Financing (in thousands of dollars)

Identification code 86-0221-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	99,950	25,050	
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance		-50	
24.40 Unobligated balance available, end of year: Treasury balance	50		
40.00 Budget authority (appropriation)	100,000	25,000	
Relation of obligations to outlays:			
71.00 Total obligations	99,950	25,050	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance		95,637	79,687
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-95,637	-79,687	-44,687
90.00 Outlays	4,313	41,000	35,000

Section 2 of the HUD Demonstration Act of 1993 authorizes assistance for projects intended to provide a continuum of care for homeless persons and for innovative programs to assist homeless persons. Eligible recipients include States, units of local government, Indian tribes and nonprofit organizations.

In 1995, demonstration activities were funded by appropriations to the Homeless Assistance Grants account. Beginning in fiscal year 1996, funding for these types of activities will be provided under the Homeless Assistance Performance Funds program.

[HOMELESS ASSISTANCE GRANTS]

[For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; the shelter plus care program (as authorized under subtitle F of title IV of such Act); and the innovative homeless initiatives demonstration program (as authorized under section 2 of the HUD Demonstration Act of 1993 (Public Law 103-120)), \$1,120,000,000, to remain available until expended.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0192-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)		904,600	
Financing:			
40.00 Budget authority (appropriation)		904,600	
Relation of obligations to outlays:			
71.00 Total obligations		904,600	
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance			859,370
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance		-859,370	-768,910
90.00 Outlays		45,230	90,460

This appropriation provided support to States, local governments, nonprofit organizations, and Indian tribes for a wide range of activities to assist homeless persons and prevent future homelessness. Beginning in fiscal year 1996, funding for these types of activities will be provided under the Homeless Assistance Performance Funds program.

[YOUTHBUILD PROGRAM]

[(INCLUDING TRANSFER OF FUNDS)]

[For youthbuild program activities authorized by subtitle D of title IV of the Crantson-Gonzalez National Affordable Housing Act, as amended, \$50,000,000, to remain available until expended. In addition, the unexpended balances from the \$28,000,000 made available for subtitle D of title IV of such Act under the head "Homeownership and opportunity for people everywhere grants (HOPE Grants)" in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994 shall be transferred to and merged with this appropriation.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0219-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	36,080	79,520	
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-40,000	-3,920	
22.00 Unobligated balance transferred, net		-25,600	
24.40 Unobligated balance available, end of year: Treasury balance	3,920		
40.00 Budget authority (appropriation)		50,000	
Relation of obligations to outlays:			
71.00 Total obligations	36,080	79,520	
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance		35,727	102,047
73.00 Obligated balance transferred, net		2,400	
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-35,727	-102,047	-77,047

90.00 Outlays	353	15,600	25,000
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This program provided resources to educate, train and provide stipends for economically disadvantaged young adults to construct and rehabilitate housing for low-income and homeless persons. The program expanded the supply of affordable housing, while at the same time, enabling high school dropouts to obtain the education and employment skills necessary to achieve self-sufficiency.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for these types of activities will be provided as part of the Administration's GI Bill for America's workers.

NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM

Program and Financing (in thousands of dollars)

Identification code 86-0220-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	10,000		
Financing:			
40.00 Budget authority (appropriation)	10,000		
Relation of obligations to outlays:			
71.00 Total obligations	10,000		
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance		8,700	1,700
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-8,700	-1,700	
90.00 Outlays	1,300	7,000	1,700

This program provided grants for community-wide programs designed to assist at-risk youth and their families. The program was terminated at the end of fiscal year 1994. Funding for such activities will be provided in the future under the Community Opportunity Performance Funds program.

Public enterprise funds:

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in thousands of dollars)

Identification code 86-4015-0-3-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Operating expenses		441	
00.02 Public facility loan expenses	34	60	50
00.03 Loan servicing and other expenses	6,015	7,500	6,000
00.04 Maintenance of acquired security and collateral	7,044	17,500	8,000
00.05 Administrative expenses	1,254	1,290	1,290
10.00 Total obligations (object class 25.2)	14,347	26,791	15,340
Financing:			
17.00 Recovery of prior year obligations	-2,242		
21.90 Unobligated balance available, start of year: Fund balance	-105,890	-91,870	-83,925
22.00 Unobligated balance transferred, net	-4,041		
24.90 Unobligated balance available, end of year: Fund balance	91,870	83,925	71,585
25.00 Unobligated balance expiring			
27.00 Capital transfer to general fund	84,041	55,000	70,000
39.00 Budget authority (gross)	78,085	73,846	73,000
Budget authority:			
68.00 Spending authority from offsetting collections	78,085	74,000	73,000
68.75 Procurement reduction pursuant to P.L. 103-327		-154	
68.90 Spending authority from offsetting collections (total)	78,085	73,846	73,000
Relation of obligations to outlays:			
71.00 Total obligations	14,347	26,791	15,340

Public enterprise funds—Continued

REVOLVING FUND (LIQUIDATING PROGRAMS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 86-4015-0-3-451	1994 actual	1995 est.	1996 est.
72.90 Obligated balance, start of year: Unpaid obligations:			
Fund balance	106,416	71,421	24,421
74.90 Obligated balance, end of year: Unpaid obligations:			
Fund balance	-71,421	-24,421	-4,754
78.00 Adjustments in unexpired accounts	-2,242		
87.00 Outlays (gross)	47,100	73,791	35,007
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	-78,085	-74,000	-73,000
89.00 Budget authority (net)		-154	
90.00 Outlays (net)	-30,985	-209	-37,993

Status of Direct Loans (in thousands of dollars)

Identification code 86-4015-0-3-451	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	504,462	449,607	398,607
1231 Disbursements: Direct loan disbursements			
1251 Repayments: Repayments and prepayments	-53,659	-51,000	-49,000
Write-offs for default:			
1263 Direct loans	-651		
1264 Other adjustments, net	-545		
1290 Outstanding, end of year	449,607	398,607	349,607

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4015-0-3-451	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	11,126	8,337	4,145
2251 Repayments and prepayments	-2,789	-4,192	-682
2290 Outstanding, end of year	8,337	4,145	3,463
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	8,337	4,145	3,463

The Revolving fund (liquidating programs) was established by the Independent Offices Appropriation Act of 1955 for the more efficient liquidation of assets acquired under a number of housing and urban development programs.

Statement of Operations (in thousands of dollars)

Identification code 86-4015-0-3-451	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	22,314	21,426	23,000	24,000
0102 Expense	-28,921	-26,158	-12,652	-2,110
0109 Net income or loss (-)	-6,607	-4,732	10,348	21,890

Balance Sheet (in thousands of dollars)

Identification code 86-4015-0-3-451	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	212,528	163,292	155,501	143,161
Non-Federal assets:				
1201 Investments in non-Federal securities, net	6	3	3	3
1206 Receivables, net	6,032	2,530	2,530	2,530
1207 Advances and prepayments				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	504,462	449,607	398,607	349,607
1602 Interest receivable		19,720	19,720	19,720
1603 Allowance for estimated uncollectible loans and interest (-)	-74,250	-121,762	-107,623	-94,393

1604 Direct loans and interest receivable, net	430,212	347,565	310,704	274,934
1606 Foreclosed property	2,219	1,335	1,335	1,335
1699 Value of assets related to direct loans	432,431	348,900	312,039	276,269
Other Federal assets:				
1801 Cash and other monetary assets		189	189	189
1803 Property, plant and equipment, net				
1901 Other assets	1,018	293	293	293
1999 Total assets	652,015	515,207	470,555	422,445
LIABILITIES:				
Non-Federal liabilities:				
2201 Accounts payable	4,983	758	757	757
2207 Other	15,609	13,430	13,430	13,430
2999 Total liabilities	20,592	14,188	14,187	14,187
NET POSITION:				
3300 Cumulative results of operations	631,423	501,019	456,368	408,258
3999 Total net position	631,423	501,019	456,368	408,258
4999 Total liabilities and net position	652,015	515,207	470,555	422,445

Credit accounts:

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS PROGRAM ACCOUNT

For the cost of guaranteed loans, \$21,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$2,000,000,000. In addition, for administrative expenses to carry out the guaranteed loan program, \$900,000, which shall be transferred to and merged with the appropriation for Salaries and Expenses. (Additional authorizing legislation required.)

Program and Financing (in thousands of dollars)

Identification code 86-0198-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.02 Guaranteed loan subsidy		23,000	21,000
00.09 Administrative expenses			900
10.00 Total obligations (object class 33.0)		23,000	21,900
Financing:			
40.00 Budget authority (appropriation)		23,000	21,900
Relation of obligations to outlays:			
71.00 Total obligations		23,000	21,900
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance			11,500
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance		-11,500	-10,500
90.00 Outlays		11,500	22,900

Guaranteed loans.—The Community Opportunity Performance Funds (COPF) program will include a loan guarantee mechanism similar in nature and use to the existing Community Development Block Grant (CDBG) guaranteed loan provision (Section 108). A commitment level of \$2 billion is proposed for the COPF guarantee program for 1996. The credit subsidy estimate for the COPF guaranteed loans is \$21 million for the estimated use of this authority in 1996.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0198-0-1-451	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	2,054,000	500,000	456,522

2159	Total guarantee loan levels	2,054,000	500,000	456,522
	Guaranteed loan subsidy (in percent):			
2329	Weighted average subsidy rate	0.00	4.60	4.60
	Guaranteed loan subsidy budget authority:			
2330	Subsidy budget authority		23,000	21,000
2339	Total subsidy budget authority		23,000	21,000
	Guaranteed loan subsidy outlays:			
2340	Subsidy outlays		11,500	22,000
2349	Total subsidy outlays		11,500	22,000
Administrative expense data:				
3510	Budget authority			900
3590	Outlays			900

COMMUNITY OPPORTUNITY PERFORMANCE FUND PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

The COPF guaranteed loan provision will enable local governments receiving COPF funds to obtain loan guarantees by pledging current and future COPF funds as security for the loan. In order to obtain the guarantee, borrowers will be required to provide additional security, such as pledges of existing grant balances and program income, liens on assets financed with the guaranteed loans funds, or the establishment of loss reserves. In all cases, HUD will structure additional security requirements to ensure that each guaranteed loan is adequately collateralized with existing assets and credit enhancements. Adopting these reforms will reduce the amount of credit subsidy required to support expected loan guarantee activity.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0198-2-1-451	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels			543,478
2159 Total guarantee loan levels			543,478
Guaranteed loan subsidy (in percent):			
2329 Weighted average subsidy rate			-2.50

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS FINANCING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4096-0-3-451	1994 actual	1995 est.	1996 est.
Financing:			
21.90 Unobligated balance available, start of year: Fund balance			-23,468
24.90 Unobligated balance available, end of year: Fund balance		23,468	46,282
68.00 Financing authority (gross): Spending authority from offsetting collections		23,468	22,814
Relation of obligations to financing disbursements:			
71.00 Total obligations			
72.10 Obligated balance, start of year: Receivables from other government accounts			-11,500
74.10 Obligated balance, end of year: Receivables from other government accounts		11,500	10,500
87.00 Financing disbursements (gross)		11,500	-1,000
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.00 Federal sources		-23,000	-21,000
88.25 Interest on uninvested funds		-468	-1,814
88.90 Total, offsetting collections		-23,468	-22,814
89.00 Financing authority (net)			
90.00 Financing disbursements (net)		-11,968	-23,814

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4096-0-3-451	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	2,054,000	2,054,000	2,000,000
2112 Uncommitted loan guarantee limitation	-1,703,480	-1,554,000	-1,543,487
2150 Total guaranteed loan commitments	350,520	500,000	456,513
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	88,605	218,570	629,570
2231 Disbursements of new guaranteed loans	139,115	425,000	750,000
2251 Repayments and prepayments	-9,150	-14,000	-30,000
2290 Outstanding, end of year	218,570	629,570	1,349,570
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	218,570	629,570	1,349,570

Guaranteed loans.—As part of the Community Opportunity Performance Funds program, the budget provides a mechanism for Federal guarantees of private loans. There is an accompanying liquidating account which shows activity for Federal Financing Bank direct loan activity, obligated prior to July 1, 1986. Also following is a status of privately financed guaranteed loan commitments made prior to 1992.

The Department will add a balance sheet to this account in the FY 1997 budget.

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4096-2-3-451	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on commitments:			
2112 Uncommitted loan guarantee limitation			543,478
2150 Total guaranteed loan commitments			543,478

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS LIQUIDATING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4097-0-3-451	1994 actual	1995 est.	1996 est.
Financing:			
39.00 Budget authority (gross)			
Budget authority:			
68.00 Spending authority from offsetting collections	-27,271	-23,000	-20,000
68.47 Portion applied to debt reduction	27,271	23,000	20,000
68.90 Spending authority from offsetting collections (total)			
Relation of obligations to outlays:			
71.00 Total obligations			
72.47 Obligated balance, start of year: Authority to borrow	151,937	151,937	151,937
74.47 Obligated balance, end of year: Authority to borrow	-151,937	-151,937	-151,937
87.00 Outlays (gross)			
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	-27,271	-23,000	-20,000
89.00 Budget authority (net)	-27,271	-23,000	-20,000
90.00 Outlays (net)	-27,271	-23,000	-20,000

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from Federal Financing Bank

Credit accounts—Continued

COMMUNITY OPPORTUNITY PERFORMANCE FUNDS LIQUIDATING ACCOUNT—Continued

direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

Status of Direct Loans (in thousands of dollars)

Identification code 86-4097-0-3-451	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	131,384	109,902	86,902
1251 Repayments: Repayments and prepayments	-21,482	-23,000	-20,000
1290 Outstanding, end of year	109,902	86,902	66,902

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4097-0-3-451	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	309,700	297,055	254,055
2231 Disbursements of new guaranteed loans	42,075	30,000	15,000
2251 Repayments and prepayments	-54,720	-73,000	-53,000
2290 Outstanding, end of year	297,055	254,055	216,055
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	297,055	254,055	216,055

Guaranteed loans.—Guaranteed loan assistance under the Community Opportunity Performance Funds program is provided to eligible communities to finance acquisition of real property, rehabilitation of publicly owned real property, and certain related expenses. In the past the Federal Financing Bank (FFB) financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 requires private financing of all loan guarantees committed after July 1, 1986. FFB will continue disbursing loans for commitments approved prior to July 1, 1986. The activity shown in the above account reflects privately financed guaranteed loans for which commitments were made prior to 1992.

HOUSING PROGRAMS

Federal Funds

General and special funds:

[ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING]

[(INCLUDING RESCISSION AND TRANSFERS OF FUNDS)]

[For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, \$11,083,000,000, to remain available until expended: *Provided*, That to be added to and merged with the foregoing amounts there shall be up to \$400,000,000 of amounts of budget authority (and contract authority) reserved or obligated in prior years for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and, except as herein provided, for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1995 or are unobligated as of September 30, 1994; and up to \$100,000,000 of transfers of unobligated balances from the Urban Development Action Grants program: *Provided further*, That of the total amount provided under this head, \$282,000,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb); and \$598,000,000 shall be for the development or acquisition cost of public housing, of which up to .67 per centum shall be available for technical assistance and inspection of public housing agencies by the Secretary: *Provided further*, That of the total amount provided under this head, \$3,700,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including

up to \$15,000,000 for the inspection of modernization units and provision of technical assistance by the Secretary and contract expertise to assist in the oversight and management of the public and Indian housing modernization program, including an annual resident survey: *Provided further*, That of the amounts provided under this head for modernization of existing public housing projects, \$25,000,000 may be used for the Tenant Opportunity Program: *Provided further*, That of the total amount provided under this head, \$2,785,582,000 shall be for rental assistance under the section 8 existing housing certificate program (42 U.S.C. 1437f) and the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)): *Provided further*, That of the total amount provided for rental assistance, a total of up to \$400,000,000 may be made available for new programs subject to enactment into law of applicable authorizing legislation: *Provided further*, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b), 8(o), and 8(e)(2) shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: *Provided further*, That of the total amount provided under this head, \$17,300,000 shall be available for fees for coordinators under section 23(h)(1) for the family self-sufficiency program (42 U.S.C. 1437u): *Provided further*, That of the total amount provided under this head, \$735,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended, and \$555,000,000 shall be for section 8 assistance for property disposition, and \$175,000,000 shall be for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intention to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Emergency Low-Income Housing Preservation Act of 1987, as amended: *Provided further*, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100-628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section: *Provided further*, That of the total amount provided under this head, \$186,000,000 shall be for housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act; \$100,000,000 shall be for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992; and \$30,000,000 shall be for service coordinators in public housing pursuant to section 9(a)(1)(B)(ii) of the United States Housing Act of 1937; and \$30,000,000 shall be for service coordinators in project-based section 8 housing, pursuant to section 8(d)(2)(F)(1) of the Act, tenant-based section 8 housing, pursuant to section 8(q) of the Act and, for service coordinators in multifamily housing assisted under the National Housing Act, pursuant to section 676 of the Housing and Community Development Act of 1992: *Provided further*, That notwithstanding the language preceding the first proviso of this paragraph, \$289,500,000 shall be used for special purpose grants in accordance with the terms and conditions specified for such grants in the committee of conference report and statement of the managers (H. Rept. 103-715) accompanying H.R. 4624, except for the grant of \$500,000 for the Earth Conservatory for the acquisition of land near Wilkes-Barre, Pennsylvania.]

[Of the total amount provided under this head, \$1,279,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959: *Provided*, That \$22,000,000 shall be for service coordinators pursuant to section 202(q) of the Housing Act of 1959 and subtitle E of title VI of the Housing and Community Development Act of 1992, other than section 676 of such Act and section 8(d)(2)(F)(i) of the Act.]

[Of the total amount provided under this head, \$387,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act; and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act.] (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)			
Identification code 86-0164-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
Assistance contracts:			
00.01 Lower income housing (section 8)	4,316,325	4,647,955	4,415,814
00.02 Public and Indian housing	3,615,377	3,893,152	2,837,969
00.03 Elderly/Disabled Grants	1,331,660	1,623,692	1,217,769
10.00 Total obligations (object class 41.0)	9,263,362	10,164,799	8,471,552
Financing:			
17.00 Recovery of prior year obligations	-2,435,736	-2,012,420	-2,000,000
Unobligated balance available, start of year:			
Treasury balance:			
21.40 Grants (available)	-2,205,166	-2,089,715	-90,296
21.40 Administrative commitments (reserved)	-17,280,624	-17,711,683	-20,818,551
21.49 Administrative commitments (reserved) ..	-73,167	-89,248	.....
22.00 Unobligated balance transferred, net	-11,037	.....	-740,621
Unobligated balance available, end of year:			
Treasury balance:			
24.40 Available	2,089,715	90,296	90,296
24.40 Reserved	17,711,683	20,818,551	13,087,620
24.49 Administrative commitments	89,248	.....	.....
Unobligated balance expiring:			
25.00 Unobligated balance expiring	19,814	.....	.....
25.00 Unobligated balance expiring	2,160,741	2,000,000	2,000,000
39.00 Budget authority	9,328,833	11,170,580	.....
Budget authority:			
Current:			
40.00 Appropriation	9,437,900	11,083,000	.....
40.35 Appropriation rescinded	-45,515	.....	.....
41.00 Transferred to other accounts	-68,552	-12,420	.....
42.00 Transferred from other accounts	5,000	100,000	.....
43.00 Appropriation (total)	9,328,833	11,170,580	.....
Permanent:			
60.00 Appropriation	28,932	15,330,754	15,943,587
60.05 Appropriation (indefinite) .....	.....	.....	.....
60.49 Portion applied to liquidate contract authority	-28,932	-15,330,754	-15,943,587
63.00 Appropriation (total) .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Total obligations	9,263,362	10,164,799	8,471,552
Obligated balance, start of year:			
72.40 Appropriation	28,831,392	22,517,436	31,247,456
72.49 Contract authority	105,005,567	103,021,778	86,031,403
73.00 Obligated balance transferred, net .....	.....	.....	18,938,637
Obligated balance, end of year:			
74.40 Appropriation	-22,517,436	-31,247,456	-37,304,989
74.49 Contract authority	-103,021,778	-86,031,403	-85,545,396
77.00 Adjustments in expired accounts	-11,154	.....	.....
78.00 Adjustments in unexpired accounts	-2,435,736	-2,012,420	-2,000,000
90.00 Outlays	15,114,217	16,412,734	19,838,663

Summary of Budget Authority and Outlays

(in thousands of dollars)

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
Budget Authority	9,328,833	11,170,580	.....
Outlays	15,114,217	16,412,734	19,838,663
Rescission proposal:			
Budget Authority .....	.....	-439,200	.....
Outlays .....	.....	-53,600	-112,700
Total:			
Budget Authority	9,328,833	10,731,380

Outlays	15,114,217	16,359,134	19,725,963
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ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Status of Contract Authority (in thousands of dollars)—Continued

	1994 actual	1995 est.	1996 est.
Total unfunded balance, start of year	105,106,916	103,203,669	85,872,915
Unfunded balances rescinded:			
Debt forgiveness	-2,160,741	-2,000,000	-2,000,000
Total, unobligated balance lapsing	286,426	.....	.....
Unfunded balances transferred for liquidation	-28,932	-15,330,754	-15,943,587
Unfunded balance, end of year	103,203,669	85,872,915	67,929,328

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Summary of Administrative Commitments—Continued

(In thousands of dollars)

Program by activities:	1994 actual	1995 est.	1996 est.
Assistance contracts:			
Lower income housing (section 8)	3,967,179	6,662,352	.....
Public and Indian housing	4,130,247	4,849,438	.....
Sec. 202/811	1,596,995	1,758,256	.....
Subtotal	9,694,179	13,270,046	.....
Administrative commitments, start of year	17,369,825	17,800,884	20,906,131
Administrative commitments transferred ¹ .....	.....	.....	1,027,621
Administrative commitments, end of year	-17,800,884	-20,906,131	-13,462,200
Total obligations	9,263,362	10,164,799	8,471,552

¹ Reflects transfer from Contract Renewals to Annual Contributions account.

The Annual Contributions for Assisted Housing account provided assistance under three major categories.

Low-income housing (section 8).—Included within the section 8 category were incremental rental assistance in the form of housing certificates and housing vouchers; Public Housing and Housing Relocation/Replacement opt-out units; Housing Opportunities for Persons with AIDS; Section 23 Conversions; and Loan Management and Property Disposition activities.

Housing for the elderly and disabled (section 801 and 811).—The Cranston-Gonzales National Affordable Housing Act authorized a grant program to make new construction assistance available to elderly and disabled persons. Both the Grant funding and the Rental Assistance—or operating subsidy—needed to aid these low-income tenants was provided under the annual contributions account.

Public and Indian housing.—New development funding was provided for both Public Housing and for Indian Housing within this account. In addition, funding was provided for Public and Indian Housing Modernization activities and Public/Indian Housing amendments and lease adjustments. Also, funding was provided for Public Housing Service Coordinators.

Funding for the Annual Contributions for Assisted Housing account will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, the funding for the assistance once provided under this program will be provided under the Housing Certificates for Families and Individuals Performance Funds program, the Affordable Housing Performance Funds program, the Public and Indian Housing Capital Performance Funds program, and the Housing Opportunities for Persons with AIDS program.

General and special funds—Continued

OTHER ASSISTED HOUSING PROGRAMS
RENTAL HOUSING ASSISTANCE
(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year [1995] 1996 by not more than \$2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts: *Provided*, That up to [\$66,000,000] \$163,000,000 of recaptured section 236 budget authority resulting from the prepayment of mortgages subsidized under section 236 of the National Housing Act (12 U.S.C. 1715z-1) shall be rescinded in fiscal year [1995] 1996. (*Departments of Veterans Affairs, and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

[HOMEOWNERSHIP ASSISTANCE]

[(INCLUDING RESCISSION OF FUNDS)]

[For payments under section 235(r) of the National Housing Act, as amended (12 U.S.C. 1715z), for incentives to mortgagors to refinance mortgages that are insured under such section 235 and for closing and other costs in connection with such refinancing, \$6,875,000, to remain available until expended; *Provided*, That up to \$50,000,000 of recaptured section 235 budget authority resulting from reducing the interest rate on such refinanced mortgages shall be reused for payments under this heading: *Provided further*, That up to \$184,000,000 of additional recaptured section 235 budget authority from refinancing section 235 mortgages shall be rescinded in fiscal year 1995.] (*Departments of Veterans Affairs, and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code: 86-0206-0-1-999	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Rent supplement	28,950	43,966	41,652
00.02 Homeownership and rental housing assistance (Sections 235 and 236)	82,520	132,875	72,000
10.00 Total obligations (object class 41.0)	111,470	176,841	113,652
Financing:			
17.00 Recovery of prior year obligations	-630,618	-372,466	-230,771
Unobligated balance available, start of year:			
Contract authority:			
21.49 Administrative commitments (reserved)	-16,034		
21.49 Contract authority (available)	-1,175,207	-1,042,833	-950,829
22.00 Unobligated balance transferred, net	20,180	9,738	9,824
Unobligated balance available, end of year:			
Contract authority:			
24.49 Administrative commitments (reserved)			
24.49 Contract authority (available)	1,042,833	950,829	817,739
25.00 Unobligated balance expiring	647,376	46,766	42,266
39.00 Budget authority		-231,125	-198,119
Budget authority:			
Current:			
40.00 Appropriation		56,875	
40.36 Unobligated balance rescinded		-288,000	-198,119
43.00 Appropriation (total)		-231,125	-198,119
Permanent:			
60.00 Appropriation	764,792	828,537	762,182
60.49 Portion applied to liquidate contract authority	-764,792	-828,537	-762,182
63.00 Appropriation (total)			
Relation of obligations to outlays:			
71.00 Total obligations	111,470	176,841	113,652
Obligated balance, start of year:			
72.40 Administrative commitment (reserved)	192,661	128,483	128,483
72.49 Contract authority	24,960,744	23,725,861	22,701,699
Obligated balance, end of year:			
74.40 Administrative commitment reserved	-128,483	-128,483	-128,483
74.49 Contract authority	-23,725,861	-22,701,699	-21,822,398

78.00	Adjustments in unexpired accounts	-630,618	-372,466	-230,771
90.00	Outlays	779,913	828,537	762,182

OTHER ASSISTED HOUSING (In thousands of dollars)

	1994 actual	1995 est.	1996 est.
Unfunded balance, start of year:			
Homeownership and rental housing assistance	24,006,213	22,759,095	21,754,935
Rent supplement	1,894,926	1,836,943	1,755,675
College housing grants	221,322	192,838	171,838
Total unfunded balance, start of year	26,122,461	24,788,876	23,682,448
New Budget Authority Sec. 523			
Recaptures Sec. 235		6,875	
Unfunded balances rescinded:		50,000	
Rental and homeownership assistance		-288,000	-198,119
Total, unfunded balances rescinded		-288,000	-198,119
Unobligated balance expiring or restored:			
Homeownership and rental housing assistance	-639,982	-23,292	-20,292
Rent supplement		-23,474	-21,974
College housing	-7,484		
Total, unobligated balance lapsing	-647,376	-46,766	-42,266
Unfunded balances transferred for liquidation	-764,792	-828,537	-762,182
Other transfers	23,976		
Prior year adjustment	54,607		
Unfunded balance, end of year:			
Homeownership and rental housing assistance	22,759,095	21,754,933	20,409,768
Rent supplement	1,836,943	1,755,675	2,119,275
College housing grants	192,838	171,838	150,838
Total unfunded balance, end of year	24,788,876	23,682,448	22,679,881

OTHER ASSISTED HOUSING

Summary of Administrative Commitments—Continued

	[In thousands of dollars]		
Program by activities:	1994 actual	1995 est.	1996 est.
Assistance contracts:			
Rent supplement	28,950	43,966	41,652
Homeownership and rental housing assistance (sections 235 and 236)	82,520	132,875	72,000
Administrative commitments, start of year	16,034	16,034	16,034
Administrative commitments, end of year	-16,034	-16,034	-16,034
Total obligations	111,470	176,841	113,652

The Other Assisted Housing Account contains the programs listed below:

Rent supplement.—Rent supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 18,000 units which have not converted to section 8.

Section 235.—The Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181) authorized a restructured section 235 program based on a 10-year interest reduction subsidy. A total of \$150 million of budget authority was provided in the Second Supplemental Appropriations Act of 1984 (Public Law 98-396) to fund the program. Recaptures of budget authority from terminations must be transferred into the Homeownership Assistance Fund account established pursuant to Public Law 98-181. Amounts deposited will be available for use to assist program beneficiaries still in need of assistance at the expiration of their present ten-year assistance contracts.

In addition, appropriations were enacted in 1995 in the amount of \$6.9 million, to fund closing costs, discount points, and incentives needed to encourage mortgagors subsidized under the Section 235 program to refinance at lower, prevailing market interest rates. The subsidy savings from refinancing these loans substantially exceed the costs involved and will produce a net savings to the Treasury over time. Up to \$184 million in budget authority may be rescinded in 1995.

Section 236.—The Housing and Urban Development Act of 1968, as amended, authorizes the section 236 Rental Housing Assistance Program which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants.

The Rental Housing Assistance Rescission allows the rescission of not more than \$2,000,000 in uncommitted balances of contract authority.

In addition, up to \$163 million in budget authority may be rescinded as a result of mortgage prepayments by section 236 project owners.

The table below reflects the consolidated outlay total for both the Annual Contributions for Assisted Housing account and the Other Assisted Housing account, for fiscal years 1994, 1995, and 1996.

SUMMARY OF OUTLAYS

(In thousands of dollars)
(Annual contributions for Assisted Housing and Other Assisted Housing)¹

	1994 actual	1995 est.	1996 est. ²
Subsidized Housing Programs, total	21,381,876	21,155,401	20,600,845
Low income housing assistance (Sec. 8)	16,576,233	15,877,757	15,128,347
Public housing	4,025,730	4,449,107	4,710,316
Rent supplement	56,293	57,793	59,293
Homeownership assistance (Sec. 235)	45,948	89,171	31,269
Rental housing assistance (Sec. 236)	659,310	660,573	650,620
College housing grants	18,362	21,000	21,000

¹ Excludes outlays for contract renewals.
² Reflects spendout from old programs.

[ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS]

[(INCLUDING TRANSFER OF FUNDS)]

[For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, \$2,536,000,000, to remain available until expended: *Provided*, That to the extent the amount in this appropriation is insufficient to fund all expiring section 8 contracts, the Secretary may transfer to and merge with this appropriation such amounts from the "Annual contributions for assisted housing" appropriation as the Secretary shall determine, and amounts earmarked in the foregoing account may be reduced accordingly, at the Secretary's discretion: *Provided further*, That the Secretary may maintain consolidated accounting data for funds disbursed at the public housing agency or Indian housing authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0194-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	5,099,793	3,395,224	
Financing:			
Unobligated balance available, start of year:			
21.40 Treasury balance	-30,266	-59,224	-1,027,621
21.49 Administrative commitments	-885,714	-1,027,621	
22.00 Unobligated balance transferred, net			1,027,621
Unobligated balance available, end of year:			
24.40 Treasury balance	59,224	1,027,621	
24.49 Administrative commitments	1,027,621		
39.00 Budget authority	5,270,658	3,336,000	
Budget authority:			
Current:			
40.00 Appropriation	4,482,106	2,536,000	
42.00 Transferred from other accounts	68,552		
43.00 Appropriation (total)	4,550,658	2,536,000	
Permanent:			
65.00 Advance appropriation (definite)	720,000	800,000	
Relation of obligations to outlays:			
71.00 Total obligations	5,099,793	3,395,224	

72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance	18,218,497	19,830,544	19,311,637
73.00	Obligated balance transferred, net			-19,311,637
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-19,830,544	-19,311,637	
90.00	Outlays	3,487,746	3,914,130	

STATUS OF ADMINISTRATIVE COMMITMENTS

Program by activities:	1994 actual	1995 est.	1996 est.
Section 8 Contract Renewals	5,252,533	3,395,224	
Net Recaptures	-10,832		
Administrative commitments, start of year	885,714	1,027,621	
Administrative commitments transferred		-1,027,621	
Administrative commitments, end of year	-1,027,621		
Total obligations	5,099,793	3,395,224	

¹ Reflects transfer from Contract Renewals account.

The Assistance for the Renewal of Expiring Section 8 Contracts account provided funding to renew existing section 8 loan management, property disposition, new construction, substantial rehabilitation, moderate rehabilitation, voucher and certificate contracts.

This account will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, the funding for this assistance will be provided under the Housing Certificates for Families and Individuals Performance Funds program.

Multifamily Debt Restructuring.—The contract renewal requirements for project-based assistance contracts (LMSA, PD and New Construction/Sub Rehab projects) have been reduced in this budget to reflect the Administration's proposal to lower or "mark-to-market" Section 8 rents to reflect comparable prevailing market rents for assisted projects.

A principal objective of the "mark-to-market" proposal is to balance market-determined rental income against project costs including: debt service, operating costs, reserve requirements and profit margin. This will permit projects to operate over the long run on a sound financial basis without the need for permanent project-based assistance. Projects will have affordable, market priced units which will be able to compete for tenants with comparable projects in the locality. Renters with certificates or vouchers (tenant based assistance), as well as non-assisted tenants, will be attracted to projects with an affordable, market-determined rent structure.

Marking down of rents will be accomplished at or near the point of Section 8 contract renewal. In order to make operations feasible under a lower total rent structure, FHA will restructure the mortgage debt of the project by paying partial claim payments against the outstanding mortgage on the property. This will lower the debt service portion of total project costs. Thus lower Section 8 rental income will service lower project costs. The amount of the debt restructuring will be determined by how much total costs the market rents can support.

A new Housing Resolution Fund, shown under a separate schedule, would make available resources to repair, secure and provide tenant services in multifamily projects, as well as property disposition assistance in connection with the sale of projects.

All contract renewal obligations will occur in the proposed "Housing Certificates for Families and Individuals Performance Fund" beginning in 1996. A two year transition period, during which renewal vouchers may be tied to projects, is also proposed to facilitate a gradual changeover to a market driven basis.

[NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION PROGRAM]

[For the National Homeownership Trust Demonstration program, as authorized by title III of the National Affordable Housing Act, as amended by section 182 of the Housing and Community Development Act of 1992, \$50,000,000, to remain available until expended.]

General and special funds—Continued

**【NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION PROGRAM】—
Continued**

(Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0301-0-1-371	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)		50,000	
Financing:			
40.00 Budget authority (appropriation)		50,000	
Relation of obligations to outlays:			
71.00 Total obligations		50,000	
72.90 Obligated balance, start of year: Unpaid obligations: Fund balance			50,000
74.90 Obligated balance, end of year: Unpaid obligations: Fund balance		-50,000	-33,000
90.00 Outlays			17,000

The National Homeownership Demonstration Program was authorized to provide resources to revolving funds established by public agencies to assist eligible first-time buyers to become homeowners. In addition, certain forms of mortgage assistance were authorized.

This account reflects an appropriation of \$50 million for the National Homeownership Demonstration in 1995. Beginning in 1996, funding for this type of activity will be provided under the Affordable Housing Performance Funds program.

【HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)】

【For the homeownership and opportunity for people everywhere (HOPE grants) program as authorized under title III of the United States Housing Act of 1937 (42 U.S.C. 1437aaa et seq.) and subtitles A, B, and C, of title IV of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), \$50,000,000, to remain available until expended, of which up to one and one-half percent may be made available for technical assistance to potential applicants, applicants and recipients of assistance under this head as authorized under subtitle E of title I of the Housing and Community Development Act of 1992.】 *(Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 86-0196-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Hope I	11,504	63,775	
00.02 Hope II	38,191	12,146	50,213
00.03 Hope III	93,537	3,864	1,000
00.04 Elderly independence	8,686	1,716	2,416
00.05 Youthbuild	2,400		
10.00 Total obligations (object class 41.0)	154,318	81,501	53,629
Financing:			
17.00 Recovery of prior year obligations	-1,634	-1,000	
Unobligated balance available, start of year:			
Treasury balance:			
21.40 Uncommitted	-423,839	-34,069	-1,000
21.40 Administratively committed	-32,965	-63,241	-52,629
22.00 Unobligated balance transferred		25,600	
Unobligated balance available, end of year:			
Treasury balance:			
24.40 Uncommitted	34,069	1,000	
24.40 Administratively committed	63,241	52,629	
39.00 Budget authority	-206,810	62,420	
Budget authority:			
40.00 Appropriation	109,190	50,000	
40.35 Appropriation rescinded	-66,000		

40.36 Unobligated balance rescinded	-250,000		
42.00 Transferred from other accounts		12,420	
43.00 Appropriation (total)	-206,810	62,420	
Relation of obligations to outlays:			
71.00 Total obligations	154,318	81,501	53,629
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	140,170	228,037	218,856
73.00 Obligated balance transferred, net		-2,400	
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-228,037	-218,856	-208,998
78.00 Adjustments in unexpired accounts	-1,634	-1,000	
90.00 Outlays	64,817	87,282	63,487

The Homeownership and Opportunity for People Everywhere Program provided homeownership opportunities which were affordable for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE 1, from FHA-insured and Government-held multi-family properties in HOPE 2 and from Government-owned or -held single family properties in HOPE 3. HOPE Grants were used for property acquisition, rehabilitation, mortgage subsidies, security measures, and technical assistance. In addition, grants have been devoted to counseling and training of residents, and other activities intended to help them become economically self-sufficient homeowners.

Funding for the HOPE program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for this type of assistance will be provided under the Affordable Housing Performance Funds program.

【CONGREGATE SERVICES】

【For contracts with payments to public housing agencies and non-profit corporations for congregate services programs, \$25,000,000, to remain available until September 30, 1995, of which \$6,267,000 shall be for entities operating such programs in accordance with the provisions of the Congregate Services Act of 1978, as amended, and the balance shall be for programs under section 802 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625).】 *(Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 86-0178-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	22,089	44,747	
Financing:			
17.00 Recovery of prior year obligations	-48		
21.40 Unobligated balance available, start of year: Treasury balance	-19,880	-19,747	
24.40 Unobligated balance available, end of year: Treasury balance	19,747		
25.00 Unobligated balance expiring	3,092		
40.00 Budget authority (appropriation)	25,000	25,000	
Relation of obligations to outlays:			
71.00 Total obligations	22,089	44,747	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	22,478	38,355	77,002
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-38,355	-77,002	-63,002
77.00 Adjustments in expired accounts	-104		
78.00 Adjustments in unexpired accounts	-48		
90.00 Outlays	6,060	6,100	14,000

Summary of Budget Authority and Outlays

[in thousands of dollars]

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
Budget Authority	25,000	25,000	
Outlays	6,060	6,100	14,000
Rescission proposal:			
Budget Authority		-37,000	

Outlays			-5,088
Total:			
Budget Authority	25,000	-12,000	
Outlays	6,060	6,100	8,912

Under the Congregate Services program, the Department contracted directly with local public housing agencies and section 202 housing for the elderly or disabled sponsors to supply support services, including meals and other services.

This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996 funding for this type of activity will be provided under the Housing Certificates for Families and Individuals Performance Funds program.

As identified in a separate section of this budget, \$37 million of the funding available for this program in fiscal year 1995 is proposed for rescission.

[HOUSING COUNSELING ASSISTANCE]

[For contracts, grants, and other assistance, other than loans, not otherwise provided for, for providing counseling and advice to tenants and homeowners—both current and prospective—with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106 of the Housing and Urban Development Act of 1968, as amended, \$50,000,000.] (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-0156-0-1-506	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	10,846	50,000	
Financing:			
25.00 Unobligated balance expiring	1,154		
40.00 Budget authority (appropriation)	12,000	50,000	
Relation of obligations to outlays:			
71.00 Total obligations	10,846	50,000	
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	7,498	12,679	49,580
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-12,679	-49,580	-11,580
77.00 Adjustments in expired accounts	-273		
90.00 Outlays	5,392	13,100	38,000

The Housing Counseling Assistance program provided comprehensive housing counseling services to eligible homeowners and tenants, including default and renter counseling. This program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Affordable Housing Performance Funds program.

SECTION 8 MODERATE REHABILITATION

SINGLE ROOM OCCUPANCY

Program and Financing (in thousands of dollars)

Identification code 86-0195-0-1-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	57,192	286,353	
Financing:			
21.40 Unobligated balance available, start of year: Treasury			
balance	-193,545	-286,353	
24.40 Unobligated balance available, end of year: Treasury			
balance	286,353		

40.00 Budget authority (appropriation)	150,000		
Relation of obligations to outlays:			
71.00 Total obligations	57,192	286,353	
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	190,619	240,029	490,144
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-240,029	-490,144	-446,728
90.00 Outlays	7,783	36,238	43,416

Section 8 assistance for single room occupancy dwellings is authorized by Title IV, subtitle E, of the Stewart B. McKinney Homeless Assistance Act, as amended by the Housing and Community Development Act of 1992. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Homeless Assistance Performance Funds program.

MANUFACTURED HOME INSPECTION AND MONITORING

Program and Financing (in thousands of dollars)

Identification code 86-5271-0-2-376	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Transfer to salaries and expenses	835	1,009	1,035
00.02 Other program costs	7,791	7,938	8,038
10.00 Total obligations (object class 25.2)	8,626	8,947	9,073
Financing:			
21.40 Unobligated balance available, start of year: Treasury			
balance	-3,523	-5,662	-7,260
24.40 Unobligated balance available, end of year: Treasury			
balance	5,662	7,260	8,731
60.25 Budget authority (appropriation) (special fund, in-			
definite)	10,766	10,544	10,544
Relation of obligations to outlays:			
71.00 Total obligations	8,626	8,947	9,073
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	1,741	1,654	1,718
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-1,654	-1,718	-1,744
90.00 Outlays	8,713	8,883	9,047

Section 620 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes enforcement of appropriate construction standards for the construction, design and performance of manufactured homes to assure their quality, durability, and safety. All manufactured homes produced since the standards took effect on June 15, 1976 must comply with Federal construction and safety standards. The States are actively encouraged to participate in the program under compliance plans approved by HUD.

A fee is charged to the manufacturers for each manufactured home produced to cover the costs of the monitoring and enforcement activities by HUD contract agents. Fees are deposited in a special fund administered by the Department, and a portion of the fee receipts are transferred to the salaries and expenses account to defray the direct administrative expenses of the program.

INTERSTATE LAND SALES

Program and Financing (in thousands of dollars)

Identification code 86-5270-0-2-376	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 25.2)	349	550	550
Financing:			
60.25 Budget authority (appropriation) (special fund, indefi-			
nite)	349	550	550

General and special funds—Continued

INTERSTATE LAND SALES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 86-5270-0-2-376	1994 actual	1995 est.	1996 est.
Relation of obligations to outlays:			
71.00 Total obligations	349	550	550
90.00 Outlays	349	550	550

The Interstate Land Sales Full Disclosure Act provides protection to the public with respect to purchases or leases of subdivision lots. Statements of record must be filed with the Secretary before subdivisions with 100 or more lots may be sold in interstate commerce, except when the subdivision is eligible for exemption.

The Secretary is authorized to charge a fee, to be paid by the developer when filing a statement of record. The fee receipts are permanently appropriated and have helped finance a portion of the direct administrative expenses incurred in program operations.

Public enterprise funds:

TITLE IV—CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for [1995] 1996 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government. (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

RENTAL HOUSING ASSISTANCE FUND

Program and Financing (in thousands of dollars)

Identification code 86-4041-0-3-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 25.2)	64,200	66,126	68,176
Financing:			
17.00 Recovery of prior year obligations	-3		
21.90 Unobligated balance available, start of year: Fund balance	-503	-506	-506
24.90 Unobligated balance available, end of year: Fund balance	506	506	506
68.00 Budget authority (gross): Spending authority from offsetting collections	64,200	66,126	68,176
Relation of obligations to outlays:			
71.00 Total obligations	64,200	66,126	68,176
72.90 Obligated balance, start of year: Unpaid obligations: Fund balance	1,320	2,525	
74.90 Obligated balance, end of year: Unpaid obligations: Fund balance	-2,525		
78.00 Adjustments in unexpired accounts	-3		
87.00 Outlays (gross)	62,992	68,651	68,176
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	-64,200	-66,126	-68,176

89.00 Budget authority (net)			
90.00 Outlays (net)	-1,208	2,525	

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in section 236 subsidized projects would be deposited.

The Housing and Community Development Amendment of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled Projects Operating Subsidy program, renamed the Flexible Subsidy Fund. Prior to that time, collections were used for paying tax and utility increases in section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected. This Budget proposes that the resources from the Rental Housing Assistance Fund continue to be transferred to the Flexible Subsidy Fund.

Statement of Operations (in thousands of dollars)

Identification code 86-4041-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	68,230	64,863	66,126	68,176
0102 Expense	-70,056	-60,330	-66,126	-68,176
0109 Net income or loss (-)	-1,826	4,533		

Balance Sheet (in thousands of dollars)

Identification code 86-4041-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	1,823	3,031	506	506
1206 Non-Federal assets: Receivables, net	2,269	6,800		
1999 Total assets	4,092	9,831	506	506
LIABILITIES:				
2101 Federal liabilities: Accounts payable	1,270	2,496		
2207 Non-Federal liabilities: Other	50	29		
2999 Total liabilities	1,320	2,525		
NET POSITION:				
3300 Cumulative results of operations	2,772	7,305	506	506
3999 Total net position	2,772	7,305	506	506
4999 Total liabilities and net position	4,092	9,830	506	506

FLEXIBLE SUBSIDY FUND

[For assistance to owners of eligible multifamily housing projects insured, or formerly insured, and under] *From the fund established by section 236(g) of the National Housing Act, as amended, [or which are otherwise eligible for assistance under section 201(c) of the Housing and Community Development Amendments of 1978, as amended (12 U.S.C. 1715z-1a), in the program of assistance for troubled multifamily housing projects under the Housing and Community Development Amendments of 1978, as amended, \$50,000,000, and]* all uncommitted balances of excess rental charges as of September 30, [1994] 1995, and any collections [and other amounts in the fund authorized under section 201(j) of the Housing and Community Development Amendments of 1978, as amended,] during fiscal year [1995, to remain available until expended: *Provided*, That assistance to an owner of a multifamily housing project assisted, but not insured, under the National Housing Act may be made if the project owner and the mortgagee have provided or agreed to provide assistance to the project in a manner as determined by the Secretary of Housing and Urban Development] 1996 shall be transferred, as authorized under such section, to the fund authorized under Section 201 (j) of the Housing and Community Development Amendments of 1978, as amended. (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriation Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-4044-0-3-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 41.0)	126,044	124,351	198,724
Financing:			
17.00 Recovery of prior year obligations	-619		
Unobligated balance available, start of year:			
21.90 Treasury balance: Uncommitted	-7,840	-77,496	
21.91 U.S. Securities: Par Value—Administratively Committed	-114,532	-124,351	-198,724
Unobligated balance available, end of year:			
24.90 Treasury balance: Uncommitted	77,496		68,176
24.91 U.S. Securities: Par Value—Administratively Committed	124,351	198,724	5,255
39.00 Budget authority (gross)	204,900	121,228	73,431
Budget authority:			
Current:			
40.00 Appropriation	135,747	50,000	
Permanent:			
68.00 Spending authority from offsetting collections	69,153	71,228	73,431
Relation of obligations to outlays:			
71.00 Total obligations	126,044	124,351	198,724
Obligated balance, start of year:			
72.10 Receivables from other government accounts	-1,270	-2,496	
72.90 Unpaid obligations: Fund balance	36,493	75,750	24,159
72.91 U.S. Securities: Par value	35,468	25,649	
Obligated balance, end of year:			
74.10 Receivables from other government accounts	2,496		
74.90 Unpaid obligations: Fund balance	-75,750	-24,159	-132,883
74.91 U.S. Securities: Par value	-25,649		
78.00 Adjustments in unexpired accounts	-619		
87.00 Outlays (gross)	97,213	199,095	90,000
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.00 Federal sources	-64,200	-66,126	-68,176
88.20 Interest on U.S. securities	-4,435	-4,568	-4,705
88.40 Non-Federal sources	-518	-534	-550
88.90 Total, offsetting collections	-69,153	-71,228	-73,431
89.00 Budget authority (net)	135,747	50,000	
90.00 Outlays (net)	28,060	127,867	16,569

Status of Direct Loans (in thousands of dollars)

Identification code 86-4044-0-3-604	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	366,584	459,114	656,117
1231 Disbursements: Direct loan disbursements	97,941	199,095	90,000
1251 Repayments: Repayments and prepayments	-1,670	-2,092	-2,705
1264 Write-offs for default: Other adjustments, net	-3,741		
1290 Outstanding, end of year	459,114	656,117	743,412

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain FHA authorities. The subsidies were intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low and moderate-income tenants. Priority was given to projects with Federal insurance-in-force and then to those with mortgages that had been assigned to the Department of Housing and Urban Development.

A portion of Flexible Subsidy capital improvement loans were used, along with incentives available in the Emergency Low-Income Housing Preservation program, to extend affordability requirements for projects eligible to prepay mortgages.

Funding for this program will be terminated at the end of fiscal year 1995. Beginning in fiscal year 1996, funding for this type of activity will be provided under the Housing Certificates for Families and Individuals Performance Funds program or carried out under the proposed Housing Resolution Fund which appears elsewhere in this appendix.

Although new activity will not be carried out in this account, the budget assumes that the account will continue to serve as a repository of excess rental charges appropriated from the Rental Housing Assistance Fund.

Summary of Administrative Commitments

[In thousands of dollars]				
Program by activities:	1994 actual	1995 est.	1996 est.	
Capital investments:				
Flexible subsidy reservations	136,531	198,724	5,255	
Administrative commitments, start of year	114,532	124,351	198,724	
Cancellation of prior year commitments	-668			
Administrative commitments, end of year	-124,351	-198,724	-5,255	
Capital investment—obligations	126,044	124,351	198,724	

Statement of Operations (in thousands of dollars)

Identification code 86-4044-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	75,490	69,779	69,136	71,056
0102 Expense	-66,411	-67,172	-117,461	-148,102
0109 Net income or loss (-)	9,079	2,607	-48,325	-77,046

Balance Sheet (in thousands of dollars)

Identification code 86-4044-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	43,062	150,749	24,259	132,883
Investments in US securities:				
1102 Treasury securities, par ..	150,000	150,000	198,724	73,431
1106 Receivables, net	1,270	2,495		
Non-Federal assets:				
1206 Receivables, net	1,575	2,014		
1207 Advances and prepayments	273			
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	366,584	459,114	656,117	743,412
1603 Allowance for estimated uncollectible loans and interest (-)	-321,188	-413,203	-590,503	-669,071
1699 Value of assets related to direct loans	45,396	45,911	65,614	74,341
1901 Other Federal assets: Other assets		28,868		
1999 Total assets	241,576	380,037	288,597	280,655
LIABILITIES:				
2201 Non-Federal liabilities: Accounts payable	241	348		
2999 Total liabilities	241	348		
NET POSITION:				
3100 Appropriated capital	39,200	174,947	224,947	224,947
3300 Cumulative results of operations	202,135	204,742	63,650	55,708
3999 Total net position	241,335	379,689	288,597	280,655
4999 Total liabilities and net position	241,576	380,037	288,597	280,655

COMMUNITY DISPOSAL OPERATIONS FUND

Program and Financing (in thousands of dollars)

Identification code 86-4040-0-3-451	1994 actual	1995 est.	1996 est.
Financing:			
21.90 Unobligated balance available, start of year: Fund balance		-22	
27.00 Capital transfer to general fund	7		

Public enterprise funds—Continued

COMMUNITY DISPOSAL OPERATIONS FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 86-4040-0-3-451	1994 actual	1995 est.	1996 est.
68.00 Budget authority (gross): Spending authority from offsetting collections	-15		
Relation of obligations to outlays:			
71.00 Total obligations			
72.10 Obligated balance, start of year: Receivables from other government accounts, start of year	-19		
87.00 Outlays (gross)	-19		
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	15		
89.00 Budget authority (net)			
90.00 Outlays (net)	-4		

Status of Direct Loans (in thousands of dollars)

Identification code 86-4040-0-3-451	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	5		
1251 Repayments: Repayments and prepayments	-5		
1290 Outstanding, end of year			

The community disposition program was established by the Atomic Energy Community Act of 1955 to dispose of federally owned properties.

Budget program.—All sales under the program have been completed. All loans have been repaid to the Department.

Operating results.—Total funds recovered and transferred to the Treasury over the life of the program reached \$88 million by the end of 1994. The mortgages were liquidated at the end of 1994 and there will be no additional activity thereafter.

Statement of Operations (in thousands of dollars)

Identification code 86-4040-0-3-451	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	1			
0102 Expense				
0109 Net income or loss (-)	1			

Balance Sheet (in thousands of dollars)

Identification code 86-4040-0-3-451	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	22			
Investments in US securities:				
1106 Receivables, net	18			
1601 Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable: Direct loans, gross	8			
1999 Total assets	48			
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	1			
2999 Total liabilities	1			
NET POSITION:				
3300 Cumulative results of operations	47			
3999 Total net position	47			

4999 Total liabilities and net position	48		
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HOMEOWNERSHIP ASSISTANCE FUND

Unavailable Collections (in thousands of dollars)

Identification code 86-4043-0-3-376	1994 actual	1995 est.	1996 est.
Balance, start of year:			
01.99 Balance, start of year	57,255	61,354	65,092
03.00 Offsetting Collections	4,099	3,738	3,824
04.00 Total: Balances and collections	61,354	65,092	68,916
07.99 Total balance, end of year	61,354	65,092	68,916

Program and Financing (in thousands of dollars)

Identification code 86-4043-0-3-376	1994 actual	1995 est.	1996 est.
Financing:			
Unobligated balance available, start of year:			
21.49 Contract authority	-50,457	-55,501	-61,501
21.90 Treasury balance	-1,505	-4,357	-4,357
U.S. Securities:			
21.91 Par value	-40,830	-42,692	-46,430
21.92 Unrealized discounts	-615		
22.00 Unobligated balance transferred, net	-9,143	-9,738	-9,824
Unobligated balance available, end of year:			
24.49 Contract authority	55,501	61,501	67,501
24.90 Treasury balance	4,357	4,357	7,357
24.91 U.S. Securities: Par value	42,692	46,430	47,254
39.00 Budget authority (gross)			
Budget authority:			
68.00 Spending authority from offsetting collections	4,099	3,738	3,824
68.45 Portion not available for obligation (limitation on obligations)	-4,099	-3,738	-3,824
68.90 Spending authority from offsetting collections (total)			
Relation of obligations to outlays:			
71.00 Total obligations			
72.10 Obligated balance, start of year: Receivables from other government accounts, start of year	-1,753	-1,656	
74.10 Obligated balance, end of year: Receivables from other government accounts, end of year	1,656		
87.00 Outlays (gross)	-97	-1,655	
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.00 Federal sources: Interest on U.S. securities	-2,845	-2,738	-2,824
88.40 Non-Federal sources	-1,254	-1,000	-1,000
88.90 Total, offsetting collections	-4,099	-3,738	-3,824
89.00 Budget authority (net)	-4,099	-3,738	-3,824
90.00 Outlays (net)	-4,196	-5,393	-3,824

The Homeownership Assistance Fund was established by the Housing and Urban-Rural Recovery Act of 1983. It provided for the receipt of recaptures of budget authority, cash, and interest earnings under the restructured section 235 program. The funds were authorized to be used, to the extent approved in Appropriation Acts, by the Secretary to provide additional section 235 assistance payments for mortgagors who are unable to assume the full payment due under the mortgage after the termination of the original 10-year assistance payments contract.

Statement of Operations (in thousands of dollars)

Identification code 86-4043-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	6,798	4,099	3,738	3,824
0102 Expense				
0109 Net income or loss (-)	6,798	4,099	3,738	3,824

Balance Sheet (in thousands of dollars)

Identification code 86-4043-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	8,918	2,701	4,357	7,357
Investments in US securities:				
1102 Treasury securities, par ..	40,830	42,692	46,430	47,254
1103 Treasury securities, unamortized discount		465		
(-)				
1106 Receivables, net	1,753	1,190		
1999 Total assets	51,501	47,048	50,787	54,611
NET POSITION:				
3300 Cumulative results of operations	51,501	47,048	50,787	54,611
3999 Total net position	51,501	47,048	50,787	54,611

NEHEMIAH HOUSING OPPORTUNITY FUND

Program and Financing (in thousands of dollars)

Identification code 86-4071-0-3-604	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 33.0)		18,877	
Financing:			
17.00 Recovery of prior year obligations	-2,325		
21.40 Unobligated balance available, start of year: Treasury balance	-16,552	-18,877	
24.40 Unobligated balance available, end of year: Treasury balance	18,877		
41.00 Budget authority (transferred to other accounts)			
Relation of obligations to outlays:			
71.00 Total obligations		18,877	
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	36,782	31,928	18,877
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-31,928	-18,877	
78.00 Adjustments in unexpired accounts	-2,325		
90.00 Outlays	2,528	31,928	18,877

The Nehemiah grants program was authorized by the Housing and Community Development Act of 1987 to provide loans to eligible families to assist in the purchase of new or substantially rehabilitated units. This schedule reflects the liquidation of remaining reserved obligated balances.

Credit accounts:

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

During fiscal year [1995] 1996, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of [\$100,000,000,000] \$110,000,000,000.

During fiscal year [1995] 1996, obligations to make direct loans to carry out the purposes of Section 204(g) of the National Housing Act, as amended, shall not exceed [\$180,000,000] \$200,000,000: Provided, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under Section 203 of such Act.

For administrative expenses necessary to carry out the guaranteed and direct loan program, [\$308,846,000] \$341,595,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed [\$302,056,000] \$334,483,000 shall be transferred to the appropriation for salaries and expenses; and of which not to exceed [\$6,790,000] \$7,112,000 shall be transferred to the appropriation for the Office of Inspector General. (Departments

of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriation Act, 1995.)

Unavailable Collections (in thousands of dollars)

Identification code 86-0183-0-1-371	1994 actual	1995 est.	1996 est.
Receipts:			
02.01 FHA Mutual Mortgage Insurance Guaranteed Loan, negative subsidies	262,810	308,846	525,595
04.00 Total: Balances and collections	262,810	308,846	525,595
Appropriation:			
05.01 FHA mutual mortgage insurance program account	-262,810	-308,846	-341,595
07.99 Total balance, end of year			184,000

Program and Financing (in thousands of dollars)

Identification code 86-0183-0-1-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.09 Administrative expenses	262,810	308,846	341,595
10.00 Total obligations (object class 25.2)	262,810	308,846	341,595
Financing:			
40.25 Budget authority (appropriation) (special fund, indefinite)	262,810	308,846	341,595
Relation of obligations to outlays:			
71.00 Total obligations	262,810	308,846	341,595
90.00 Outlays	262,810	308,846	341,595

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0183-0-1-371	1994 actual	1995 est.	1996 est.
Direct loan levels supportable by subsidy budget authority:			
1159 Total direct loan levels		180,000	200,000
Direct loan subsidy (in percent):			
1329 Weighted average subsidy rate	0.00	0.00	0.00
Direct loan subsidy budget authority:			
1339 Total subsidy budget authority			
Guaranteed loan levels supportable by subsidy budget authority:			
2150 MMI Fund, Section 203(b)	89,143,140	81,815,961	83,861,360
2150 Other products			11,354,378
2150 Standby commitment authority		18,184,039	14,784,262
2150 Actual portion of loans guaranteed			(104,322,811)
2159 Guaranteed loan levels supportable by subsidy budget authority	89,143,140	100,000,000	110,000,000
Guaranteed loan subsidy (in percent):			
2320 MMI Fund, Section 203(b)	-2.79	-1.95	-2.77
2320 Other products	0.00	0.00	-2.77
2329 Weighted average subsidy rate	-2.79	-1.95	-2.77
Guaranteed loan subsidy budget authority:			
2330 MMI Section 203(b) negative subsidy	-2,518,066	-1,298,039	-1,468,391
2330 Other products, negative subsidy			-156,829
2339 Guaranteed loan subsidy budget authority	-2,518,066	-1,298,039	-1,625,220
Guaranteed loan subsidy outlays:			
2340 MMI Section 203(b) negative subsidy	-2,518,066	-1,298,039	-1,468,391
2340 Other products			-156,829
2349 Guaranteed loan subsidy outlays	-2,518,066	-1,298,039	-1,466,257

Reorganization of FHA.—HUD proposes to dramatically reinvent FHA as a wholly-owned government corporation that would use public-private partnerships and market mechanisms to achieve public purposes. The potential savings and efficiencies of a new FHA corporation are significant. Modernization of both the single family and multifamily operations and new origination partnerships will reduce the number of staff required while at the same time increasing the number of Americans assisted. The new corporation will also "mark-to-market" the multifamily insurance portfolio of Section 8 assisted properties, reflecting on its books the true

Credit accounts—Continued**FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT—
Continued**

(INCLUDING TRANSFERS OF FUNDS)—Continued

value of the portfolio. Reducing the debt permits significant rent reductions and generates Section 8 savings.

FHA Business Plan.—FHA is currently developing a business plan to identify its markets, relationships with participants in the housing market, partnership opportunities, and potential product mix. The business plan will also define the resource requirements necessary to support FHA's new entity, including the size of its work-force, systems needs, and contracting requirements. This document will be completed by April 1995. Therefore, budget numbers related to the MMI and GI funds are preliminary, computed prior to completing the business plan. HUD will review and revise these figures after completion of the planning process.

Single Family Product Mix.—Increasingly, the single family program will rely on third party partners to deliver a portion of its product. These partnerships could involve risk sharing, reinsurance, pool insurance, and other forms of credit enhancement. However, essential current products and delivery systems will be retained to ensure that all markets are served. FHA's mix of single family products within the MMI Fund will become increasingly diverse over the next five years. It is estimated that about 12 percent of FHA's business in 1996 will involve "non-traditional" products, while risk sharing and other non-traditional products will make up 50 percent of its volume by 2000.

Staffing Impact.—Streamlining and reliance on risk sharing and other credit enhancement vehicles will reduce FTE requirements. Initially, some freed-up staff will be redeployed to address critical needs. Given the changes in product mix and planned redeployments, significant staff reductions in 1996 are not anticipated.

Claims and Acquisitions.—Generally, the new corporation will seek to transfer responsibility for servicing and disposition of assets to partners. As a result, it is expected that future default claims, assignment of defaulted mortgages, and property acquisitions will decrease as the new corporation makes increasing use of partnerships. A higher proportion of claims are also estimated to be recovered under the new partnership arrangements.

Credit Subsidy and Administrative Expenses.—As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and thereafter, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. Total insurance commitments are estimated at \$95.2 billion in 1996. The total credit limitation proposed of \$110 billion includes \$14.8 billion in standby authority in case the demand for insurance exceeds the estimated level. Because the net present value of future income for the 1996 book of business is expected to exceed the net present value of expenses, no credit subsidy appropriation is required. Negative subsidies are recorded in the MMI guaranteed loan financing and receipt accounts. The appropriation requested, \$341.6 million, is to be transferred to the consolidated Salaries and Expenses and Office of Inspector General accounts.

**FHA—MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING
ACCOUNT**

Program and Financing (in thousands of dollars)

Identification code 86-4242-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Direct loans		180,000	200,000
00.02 Interest paid to Treasury		4,644	13,932
10.00 Total obligations		184,644	213,932
Financing:			
39.00 Financing authority (gross)		184,644	213,932
Financing authority:			
67.15 Authority to borrow (indefinite)		177,995	191,882
68.00 Spending authority from offsetting collections		6,649	22,050
Relation of obligations to financing disbursements:			
71.00 Total obligations		184,644	213,932
87.00 Financing disbursements (gross)		184,644	213,932
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
Non-Federal sources:			
88.40 Repayments of principal		-1,054	-3,750
88.40 Other collections from non-Federal sources		-5,595	-18,300
88.90 Total, offsetting collections		-6,649	-22,050
89.00 Financing authority (net)		177,995	191,882
90.00 Financing disbursements (net)		177,995	191,882

The \$200 million in FY 1996 direct loan limitation in the MMI Fund would permit the Department to use Purchase Money Mortgages (PMMs) to help finance the sale of acquired single family properties. HUD would extend credit for these single-family homes to community nonprofit organizations or local government entities who would be expected to sell the properties to low- and medium-income buyers. The use of PMMs provides a tool for State and local nonprofit organizations to use in revitalizing communities, and creates enhanced homeownership opportunities for low- and moderate-income families.

Status of Direct Loans (in thousands of dollars)

Identification code 86-4242-0-3-371	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans		180,000	200,000
1150 Total direct loan obligations		180,000	200,000
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			178,946
1231 Disbursements: Direct loan disbursements		180,000	200,000
1251 Repayments: Repayments and prepayments		-1,054	-3,752
1290 Outstanding, end of year		178,946	375,194

Balance Sheet (in thousands of dollars)

Identification code 86-4242-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1401 Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross			178,946	375,194
1999 Total assets			178,946	375,194
LIABILITIES:				

2999 Total liabilities

FHA—MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4587-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Default claims and other	438,310	1,796,814	2,635,082
00.04 Working capital fund reimbursements			19,000
00.05 Payment of negative subsidy to receipt account	262,810	308,846	525,595
00.06 Payment of negative subsidy to liquidating account	2,255,256	989,193	1,099,625
00.07 Subsidy reestimate paid to liquidating account		1,352,577	
00.08 Interest payments to Treasury	17,763	39,712	78,345
00.09 Payment to liquidating account for asset sale			1,946,000
10.00 Total obligations	2,974,139	4,487,142	6,303,647
Financing:			
21.90 Unobligated balance available, start of year: Fund balance	-701,562	-1,128,003	-82,999
24.90 Unobligated balance available, end of year: Fund balance	1,128,003	82,999	52,756
39.00 Financing authority (gross)	3,400,580	3,442,138	6,273,404
Financing authority:			
67.15 Authority to borrow (indefinite)	286,038	510,000	381,000
68.00 Spending authority from offsetting collections	3,114,542	2,932,138	5,892,404
Relation of obligations to financing disbursements:			
71.00 Total obligations	2,974,139	4,487,142	6,303,647
72.10 Obligated balance, start of year: Receivables, in excess of unpaid obligations, start of year	-5,440	-60,657	-60,657
74.10 Obligated balance, end of year: Receivables in excess of unpaid obligations, end of year	60,657	60,657	60,657
87.00 Financing disbursements (gross)	3,029,356	4,487,142	6,303,647
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.25 Interest on uninvested funds	-52,170		
Non-Federal sources:			
88.40 Fees and premiums	-1,917,695	-2,173,302	-2,394,420
88.40 Premium prior year adjustment	-1,028,990		
88.40 Recovery on defaulted notes	-115,687	-758,836	-1,367,984
88.40 Gross proceeds from asset sales			-2,130,000
88.90 Total, offsetting collections	-3,114,542	-2,932,138	-5,892,404
89.00 Financing authority (net)	286,038	510,000	381,000
90.00 Financing disbursements (net)	-85,186	1,555,004	411,243

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4587-0-3-371	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	119,564,645	100,000,000	110,000,000
2112 Uncommitted loan guarantee limitation	-30,421,505	-18,184,039	-14,784,263
2150 Total guaranteed loan commitments	89,143,140	81,815,961	95,215,737
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	94,330,868	184,189,690	234,091,660
2231 Disbursements of new guaranteed loans	91,813,074	59,194,972	62,824,827
2251 Repayments and prepayments	-1,565,616	-7,622,120	-5,265,287
Adjustments:			
2261 Terminations for default that result in loans receivable	-124,961	-417,143	-594,384
2262 Terminations for default that result in acquisition of property	-261,335	-1,214,013	-1,783,615
2263 Terminations for default that result in claim payments	-2,340	-39,726	-65,515
2264 Other adjustments, net			
2290 Outstanding, end of year	184,189,690	234,091,660	289,207,686

Memorandum:
2299 Guaranteed amount of guaranteed loans outstanding, end of year 184,189,690 234,091,660 284,996,059

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	27,315	152,242	561,925
2331 Disbursements for guaranteed loan claims	124,961	417,143	594,384
2351 Repayments of loans receivable	-34	-7,460	-67,534
2390 Outstanding, end of year	152,242	561,925	1,088,775

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

Balance Sheet (in thousands of dollars)

Identification code 86-4587-0-3-371	1993 actual	1994 actual ¹	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	696,122	1,067,346	22,342	11,099
Investments in US securities:				
1106 Receivables, net				
1107 Advances and prepayments	10,202	97,443	97,443	97,443
Non-Federal assets: Receivables, net				
1206 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:	35,303	32,792	32,792	32,792
1501 Defaulted guaranteed loans receivable, gross	27,315	152,242	561,925	1,088,775
1504 Foreclosed property		100,788	270,045	432,442
1599 Net value of assets related to defaulted guaranteed loan	27,315	253,030	831,970	1,521,217
1901 Other Federal assets: Other assets	30,019			
1999 Total assets	798,961	1,450,611	984,547	1,662,551
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	10			
2102 Interest payable		17,763	17,763	17,763
2103 Debt		286,038	796,038	1,361,038
Non-Federal liabilities:				
2201 Accounts payable	10	19	19	19
2207 Unearned revenue and advances	2,574,288	4,404,966	5,000,563	5,538,395
2999 Total liabilities	2,574,308	4,708,786	5,814,383	6,917,215
NET POSITION:				
3300 Cumulative results of operations	-1,775,338	-3,258,175	-4,829,837	-5,254,664
3999 Total net position	-1,775,338	-3,258,175	-4,829,837	-5,254,664
4999 Total liabilities and net position	798,970	1,450,611	984,546	1,662,551

¹Preliminary results pending final audit.

Object Classification (in thousands of dollars)

Identification code 86-4587-0-3-371	1994 actual	1995 est.	1996 est.
Other services:			
25.2 Payment of negative subsidy to receipt account	262,810	308,846	525,595
25.2 Payment of negative subsidy to liquidating account	2,255,256	2,341,770	3,045,625
25.2 Other services	33,195	30,630	49,630
32.0 Land and structures	277,814	1,309,315	1,944,553
33.0 Investments and loans	124,961	417,143	594,384
42.0 Insurance claims and indemnities	2,340	39,726	65,515
43.0 Interest and dividends	17,763	39,712	78,345
99.9 Total obligations	2,974,139	4,487,142	6,303,647

Credit accounts—Continued

FHA—MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS

Program and Financing (in thousands of dollars)

Identification code 86-4070-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
Operating expenses:			
00.03 Other operating costs	66,256	69,070	69,070
00.04 Working Capital Fund reimbursements			24,000
00.05 Participation payments	1,828	1,900	1,900
00.91 Total operating expenses	68,084	70,970	94,970
Capital investment:			
01.02 Assignment of defaulted mortgages	832,704	666,118	477,112
01.03 Acquisition of real properties	3,073,089	2,148,084	1,515,615
01.05 Acquisition of other assets	33,532	33,532	33,532
01.07 Capitalized property expenses	434,122	348,181	250,417
01.08 Loss on defaulted guaranteed loans	3,162	2,469	1,786
01.09 Preforeclosure claims	21,045	60,141	48,612
01.91 Total capital investment	4,397,654	3,258,525	2,327,074
10.00 Total obligations	4,465,738	3,329,495	2,422,044
Financing:			
17.00 Recovery of prior year obligations	-5,587		
Unobligated balance available, start of year:			
21.90 Treasury balance	100,201	415,957	630,904
U.S. Securities:			
21.91 Par value	-5,194,580	-5,726,317	-8,516,317
21.92 Unrealized discounts	39,279	35,758	45,965
Unobligated balance available, end of year:			
24.90 Treasury balance	-415,957	-630,904	314,571
U.S. Securities:			
24.91 Par value	5,726,317	8,516,317	10,916,317
24.92 Unrealized discounts	-35,758	-45,965	-45,965
31.00 Redemption of debt	650		
39.00 Budget authority (gross)	4,680,303	5,894,341	5,767,519
Budget authority:			
Current:			
40.75 Procurement reduction pursuant to P.L. 103-327		-669	
Permanent:			
68.00 Spending authority from offsetting collections	4,680,303	5,895,010	5,767,519
Relation of obligations to outlays:			
71.00 Total obligations	4,465,738	3,329,495	2,422,044
72.90 Obligated balance, start of year: Unpaid obligations:			
Fund balance	632,959	660,538	660,538
74.90 Obligated balance, end of year: Unpaid obligations:			
Fund balance	-660,538	-660,538	-660,538
78.00 Adjustments in unexpired accounts	-5,587		
87.00 Outlays (gross)	4,432,572	3,329,495	2,422,044
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.20 Interest on U.S. securities	-411,589	-554,785	-704,737
Non-Federal sources:			
88.40 Fees and premiums	-164,884	-156,469	-151,918
88.40 Rebate of unearned prepaid premiums collected	1,236,834	137,362	70,836
88.40 Proceeds from sale of real property	-2,636,344	-2,144,447	-1,555,434
88.40 Proceeds from sale of mortgage notes	-13,352	-355,000	-1,946,000
88.40 Cost of mortgage note sales		13,500	13,500
88.40 Repayment of mortgage notes and sales contracts	-179,582	-196,515	-186,103
88.40 Interest and operating income	-21,231	-21,797	-21,769
88.40 Recoveries on defaulted mortgages	-173,294	-175,721	-86,901
88.40 Other interest, dividends and revenues	-595	-595	-595
88.40 Prior year adjustment	32,763		
88.40 Payment from financing account	-2,255,256	-2,341,770	-1,099,625
88.40 Miscellaneous collections		-5,000	-5,000
88.40 Other income	-93,773	-93,773	-93,773
88.90 Total, offsetting collections	-4,680,303	-5,895,010	-5,767,519
89.00 Budget authority (net)		-669	
90.00 Outlays (net)	-247,731	-2,565,515	-3,345,475

Status of Direct Loans (in thousands of dollars)

Identification code 86-4070-0-3-371	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	20,731	17,224	12,840
1251 Repayments: Repayments and prepayments	-2,269	-2,850	-838
1264 Write-offs for default: Other adjustments, net	-1,238	-1,534	-451
1290 Outstanding, end of year	17,224	12,840	11,551

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4070-0-3-371	1994 actual ¹	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	191,155,783	118,688,458	113,712,156
2251 Repayments and prepayments	-68,537,325	-2,099,490	-1,300,012
Adjustments:			
2261 Terminations for default that result in loans receivable	-832,704	-666,118	-477,112
2262 Terminations for default that result in acquisition of property	-3,073,089	-2,148,084	-1,515,615
2263 Terminations for default that result in claim payments	-24,207	-62,610	-50,398
2290 Outstanding, end of year	118,688,458	113,712,156	110,369,019
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	118,688,458	113,712,156	110,369,019
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	3,269,961	3,642,385	3,365,933
2331 Disbursements for guaranteed loan claims	832,704	666,118	477,112
2351 Repayments of loans receivable	-307,769	-791,829	-2,329,814
2361 Write-offs of loans receivable	-152,511	-150,741	-1,146,923
2390 Outstanding, end of year	3,642,385	3,365,933	366,308

¹ Unaudited preliminary results.

The Federal Housing Administration (FHA) Fund currently consists of four separate insurance funds. Prior to 1992, all budget transactions for the four funds were reflected in a single consolidated budget account (86-4070). Beginning in 1992, the transactions of the Fund appear in six separate accounts. (However, financial data for each individual insurance fund are continuing to be maintained for control and reporting purposes.)

In order to present more clearly the operations of the various funds, FHA's budget transactions were separated into two major business segments. The basic single-family insurance programs in the Mutual Mortgage Insurance Fund and the multifamily Cooperative Management Housing insurance funds (MMI/CMHI) form one segment. The basic multifamily and other specialized insurance programs in the General Insurance and Special Risk Insurance funds (GI/SRI) form the other.

The Federal Credit Reform Act of 1990 creates a structure of three accounts for existing credit programs. For each of the FHA business segments (MMI/CMHI and GI/SRI) there is a liquidating account, which records the revenues and costs associated with loan insurance committed prior to October 1, 1991; a financing account which records the revenues and costs associated with commitments to insure loans made after September 30, 1991; and, a program account which records the transactions associated with the program subsidy costs, if any, and the costs of administering the program.

This liquidating account records, for this program, all cash flows to and from the Government resulting from MMI/CMHI loan guarantees committed prior to fiscal year 1992. This account is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loan guarantees that resulted from commitments in any year)

is recorded in corresponding program (86-0183) and financing (86-4587 and 86-4242) accounts.

The detailed program activity in the "Program Highlights" table shown below reflects only the activity in the MMI/CMHI liquidating and financing accounts. The detailed GI/SRI program activity can be found with the GI/SRI liquidating account (86-4072).

PROGRAM HIGHLIGHTS

[In millions of dollars]

	1994 actual ¹	1995 est.	1996 est.
Insurance initiation:			
Mortgage insurance applications (units)	1,228,108	1,083,128	1,229,777
Mortgage insurance written:			
Units	1,259,875	784,698	826,661
Amount	91,813	59,195	62,824
Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Mortgage insurance	302,878	347,804	399,576
Properties acquired (units): ²			
Homes	49,606	52,981	50,247
Property sales during year (units):			
Homes	57,427	54,993	50,406
Property on hand, end of year (units):			
Homes	25,120	23,108	22,949
Defaulted mortgage assignments during year (units):			
Homes	15,392	16,804	16,340
Purchase money mortgages during year:			
Units		4,500	5,000
Amount		180,000	200,000
Assigned mortgages on hand, end of year (units):			
Homes	74,907	71,712	53,052
Inventory of property and assigned mortgages on hand, end of year (units):			
Homes	100,027	94,820	76,001
Claims with no acquisition (units): ³			
Homes	1,815	6,599	6,889
Multifamily	0	0	0
Total claims with no acquisition	1,815	6,599	6,889

¹ Unaudited preliminary results.

² Includes direct acquisition from mortgagee and foreclosure of HUD-held mortgage notes.

³ Includes coinsurance claims and preforeclosure claims.

Insurance reserves from operations at the end of 1994 are estimated to be in a surplus position for the Mutual mortgage insurance and Cooperative management housing insurance funds. The status of estimated insurance reserves from operations (retained income or deficit) through 1996 for the MMI/CMHI account follows:

STATUS OF INSURANCE RESERVES FROM OPERATIONS

[In millions of dollars]

	1994 est. ¹	1995 est.	1996 est.
Insurance fund:			
Mutual mortgage/CMHI:			
Liquidating account ²	6,083	8,737	9,877
Financing account ²	-3,258	-4,830	-5,255
Total MMI/CMHI	2,825	3,907	4,622

¹ Preliminary results pending final audit.

² Reflects impact from transfer of negative subsidy from the Financing account to the Liquidating account.

Financial condition.—The following tables reflect the revenues and financial condition of the MMI/CMHI funds based on Generally Accepted Accounting Principles (GAAP).

Statement of Operations (in thousands of dollars)

Identification code	1993 actual	1994 actual ¹	1995 est.	1996 est.
0101 Revenue	5,572,765	4,530,691	3,680,185	2,404,618

0102 Expense	-4,509,898	-1,392,130	-1,024,615	-1,261,967
0109 Net income or loss (-)	1,062,867	3,138,561	2,655,570	1,142,651

¹ Estimated result on GAAP basis pending final audit.

Balance Sheet (in thousands of dollars)

Identification code	1993 actual	1994 actual ¹	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	497,379	244,582	32,401	39,438
Investments in US securities:				
1102 Treasury securities, par ..	5,194,580	5,726,317	8,516,317	10,916,317
1103 Treasury securities, unamortized net discount/premium	-39,279	-45,965	-45,965	-45,965
1106 Receivables, net	109,106	97,406	97,406	97,406
1107 Advances and prepayments	45,289			
Non-Federal assets:				
1206 Receivables, net	156,613	171,779	171,779	171,779
1207 Advances and prepayments	5,992	6,985	6,985	6,985
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	20,371	17,224	12,840	11,551
1603 Allowance for estimated uncollectible loans and interest (-)	-3,886	-3,286	-2,450	-2,204
1604 Direct loans and interest receivable, net	16,485	13,938	10,390	9,347
1699 Value of assets related to direct loans	16,485	13,938	10,390	9,347
1701 Defaulted guaranteed loans, gross	3,270,321	3,642,386	3,365,933	1,895,200
1703 Allowance for estimated uncollectible loans and interest (-)	-815,276	-685,595	-633,559	-356,728
1704 Defaulted guaranteed loans and interest receivable, net	2,455,045	2,956,791	2,732,374	1,538,472
1706 Foreclosed property	1,250,288	1,102,343	1,159,113	840,740
1799 Value of assets related to loan guarantees	3,705,333	4,059,134	3,891,487	2,379,212
1901 Other Federal assets: Other assets	17	60	13,192	26,324
1999 Total assets	9,691,515	10,274,236	12,693,992	13,600,843
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	79	13,868	13,868	13,868
2102 Interest payable	4			
2104 Resources payable to Treasury	16			
Non-Federal liabilities:				
2201 Accounts payable	716,205	578,084	578,084	578,084
2202 Interest payable				
2203 Debt	1,008	359	359	359
2206 Pension and other actuarial liabilities	2,170,600	2,176,600	2,176,600	2,176,600
2207 Unearned revenue and advances	3,940,648	1,403,440	1,169,533	935,627
2999 Total liabilities	6,828,560	4,172,351	3,938,444	3,704,538
NET POSITION:				
3100 Appropriated capital	18,809	18,809	18,809	18,809
3300 Cumulative results of operations ²	2,844,147	6,083,076	8,736,747	9,877,497
3999 Total net position	2,862,956	6,101,885	8,755,556	9,896,306
4999 Total liabilities and net position	9,691,516	10,274,236	12,694,000	13,600,844

¹ Preliminary results pending final audit.

² Includes negative subsidy disbursements from the Financing account.

Credit accounts—Continued

FHA—MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS—Continued

Object Classification (in thousands of dollars)				
Identification code 86-4070-0-3-371				
	1994 actual	1995 est.	1996 est.	
25.2 Other services	66,256	69,070	93,070	
32.0 Land and structures	3,507,211	2,496,265	1,766,032	
33.0 Investments and loans	866,236	699,650	510,644	
42.0 Insurance claims and indemnities	24,207	62,610	50,398	
44.0 Refunds	1,828	1,900	1,900	
99.9 Total obligations	4,465,738	3,329,495	2,422,044	

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), \$188,395,000, to remain available until September 30, [1996] 1997, of which up to [\$132,903,000] \$188,395,000 is to be derived from the FHA—general and special risk, negative subsidies receipt account: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal any part of which is to be guaranteed of not to exceed [\$20,885,072,000] \$17,400,000,000 *Provided further*, That of the foregoing amount provided to subsidize program costs, not more than \$47,098,750 may be obligated by January 1, 1995, not more than \$94,197,500 may be obligated by April 1, 1995, not more than \$160,135,750 may be obligated by July 1, 1995 *Provided further*, That during fiscal year 1996, the Secretary shall sell assigned mortgage notes having an unpaid principal balance of up to \$2,600,000,000, which notes were originally insured under said sections 238 and 519: *Provided further*, That of the amount appropriated herein, an amount equal to the lesser of \$52,000,000 or the excess of net proceeds above the value of holding the loans to maturity, such value established using assumptions specified in the President's fiscal year 1996 Budget adjusted for interest rates at the time of the sale, shall become available only after such sale has been completed.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238(a), and 519(d) of the National Housing Act, shall not exceed [\$220,000,000] \$120,000,000, of which not to exceed [\$200,000,000] \$100,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed \$20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, \$197,470,000, of which \$193,299,000 shall be transferred to the appropriation for salaries and expenses; and of which \$4,171,000 shall be transferred to the appropriation for the Office of Inspector General. (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriation Act, 1995.*)

Unavailable Collections (in thousands of dollars)

Identification code 86-0200-0-1-371				
	1994 actual	1995 est.	1996 est.	
Balance, start of year:				
01.99 Balance, subsidy downward reestimate, start of year	242,070	1,011,720	1,092,289	
Receipts:				
02.01 Negative Subsidies	595,048	198,988	244,272	
02.02 Downward reestimates of subsidies	174,602			
02.99 Total receipts	769,650	198,988	244,272	
04.00 Total: Balances and collections	1,011,720	1,210,708	1,336,561	
Appropriation:				
05.01 General and special risk program account		-118,419	-193,688	
07.99 Total balance, end of year	1,011,720	1,092,289	1,142,873	

Program and Financing (in thousands of dollars)

Identification code 86-0200-0-1-371				
	1994 actual	1995 est.	1996 est.	
Program by activities:				
00.02 Guaranteed loan subsidy	155,451	188,395	188,395	
00.09 Administrative expenses	192,252	197,470	197,470	
10.00 Total obligations	347,703	385,865	385,865	
Financing:				
39.00 Budget authority	347,703	385,865	385,865	
Budget authority:				
40.00 Appropriation	347,703	267,446	192,177	
40.25 Appropriation (special fund, indefinite)		118,419	193,688	
43.00 Appropriation (total)	347,703	385,865	385,865	
Relation of obligations to outlays:				
71.00 Total obligations	347,703	385,865	385,865	
72.40 Obligated balance, start of year: Unpaid obligations:				
Treasury balance	8,413	58,714	42,911	
74.40 Obligated balance, end of year: Unpaid obligations:				
Treasury balance	-58,714	-42,911	-35,616	
90.00 Outlays	297,402	401,668	393,160	

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0200-0-1-371				
	1994 actual	1995 est.	1996 est.	
Direct loan levels supportable by subsidy budget authority:				
1150 Single-family PMMs		20,000	20,000	
1150 Multifamily bridge loans		200,000	100,000	
1159 Total direct loan levels		220,000	120,000	
Guaranteed loan levels supportable by subsidy budget authority:				
2150 Multifamily development			431,165	
2150 Refinance of FHA-insured mortgages			300,000	
2150 Risk sharing programs	252,906	461,305	811,875	
2150 Nursing homes and Hospitals	1,166,600	1,900,000	1,745,000	
2150 Other multifamily, positive	2,298,448	1,838,668	922,700	
2150 Other multifamily, negative	254,738	1,100,000	300,000	
2150 Single family, negative	7,145,089	9,104,734	8,031,676	
2150 Single family, prior year adjustment	2,114,270			
2150 Title I guarantees	806,494	1,289,200	1,397,000	
2150 Standby commitment authority		5,191,165	3,460,584	
2150 Actual portion of loans guaranteed	(13,981,800)	(20,715,535)	(17,069,313)	
2159 Total loan guarantee levels	14,038,545	20,885,072	17,400,000	
Guaranteed loan subsidy (in percent):				
2320 Multifamily development	0.00	0.00	11.76	
2320 Refinance of FHA-insured mortgages	0.00	0.00	7.04	
2320 Risk sharing programs	5.78	5.45	3.97	
2320 Nursing homes and hospitals	-2.88	-2.23	-2.56	
2320 Other multifamily, positive	6.13	8.88	5.73	
2320 Other multifamily, negative	-1.64	-1.71	-1.96	
2320 Single family, negative	-1.27	-1.28	-1.34	
2320 Title I	-1.40	-2.10	-2.02	
Guaranteed loan subsidy budget authority:				
2330 Multifamily development			50,704	
2330 Refinance of FHA-insured projects			21,105	
2330 Risk sharing programs	14,621	25,163	32,256	
2330 Other multifamily, positive	140,830	163,232	84,330	
2330 Single family				
2330 Title I				
2339 Total subsidy budget authority	155,451	188,395	188,395	
Guaranteed loan subsidy outlays:				
2340 Multifamily development			38,029	
2340 Refinance of FHA-insured projects			15,829	
2340 Risk sharing		33,493	30,482	
2340 Other, multifamily, positive	114,394	170,705	111,349	
2340 Single family, positive	9,276			
2340 Title I				
2340 Outlay adjustment	-18,520			
2349 Total subsidy outlays	105,150	204,198	195,689	

Multifamily Product Mix.—Significant changes related to delivery of multifamily insurance and the use of credit sub-

sidy are envisioned. FHA will increasingly rely on third party partners to deliver products and will explore a range of partnership types. The business plan for the new FHA corporation will set forth the product mix and partnership types over the next five years, as well as credit subsidy needs. The plan will be completed in April 1995.

In general, it is expected that most of FHA's traditional multifamily business will be completed by the end of 1996. From 1997 forward, FHA's retail component will be limited to new product design, nursing homes and hospitals, and refinancing of projects with FHA-insured loans. Preliminary projections of product mix are shown below:

FHA Multifamily Product Mix

	(Units)				
	1996 est.	1997 est.	1998 est.	1999 est.	2000 est.
Traditional products	12,700				
Partnerships/Risk Sharing	25,675	43,960	52,901	60,975	68,100
New Product Design	10,000	16,490	14,591	11,575	8,822
FHA-Insured Refinancing	33,500	24,032	16,716	12,716	10,886
Nursing Homes and Hospitals	18,000	18,000	18,000	18,000	18,000
Total MF Units	99,275	102,482	102,208	103,266	105,808

Subsidy Costs and Administrative Expenses.—As required by the Federal Credit Reform Act of 1990, this account records, for the single family, multifamily and Title I insurance programs of FHA's General and Special Risk Insurance Funds, the subsidy costs associated with the loan guarantees committed or direct loans obligated in 1992 and thereafter (including modifications of loan guarantees or direct loans that resulted from obligations or commitments in any year), as well as administrative expenses of these programs. The subsidy amounts are estimated on a present value basis; the administrative expenses are accounted for on a cash basis.

Object Classification (in thousands of dollars)

Identification code 86-0200-0-1-371	1994 actual	1995 est.	1996 est.
25.2 Other services	192,252	197,470	197,470
41.0 Grants, subsidies, and contributions	155,451	188,395	188,395
99.9 Total obligations	347,703	385,865	385,865

FHA—GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4077-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
Capital investment, claims and other:			
00.01 Default claims and other	79,859	379,474	634,757
00.02 Default claims, new programs			7,773
00.03 Working Capital Fund reimbursements			4,000
00.04 Payment of negative subsidy to receipt account	119,048	193,688	192,272
00.05 Interest paid to Treasury	1,296	37,746	34,780
00.06 Downward subsidy reestimate paid to receipt account	174,602		
00.08 Asset sale negative subsidy payment to receipt account		5,300	52,000
00.09 Asset sale payment to liquidating account		1,658,200	2,279,600
00.10 Cost of mortgage note sales		71,700	36,300
00.11 Indirect modification payment to receipt account	476,000		
10.00 Total obligations	850,805	2,346,108	3,241,482
Financing:			
21.90 Unobligated balance available, start of year: Fund balance	-260,693	-271,734	-505,125
24.90 Unobligated balance available, end of year: Fund balance	271,734	505,125	700,330
39.00 Financing authority (gross)	861,846	2,579,499	3,436,687
Financing authority:			
67.15 Authority to borrow (indefinite)	496,867		

68.00	Spending authority from offsetting collections	364,979	2,612,620	3,451,906
68.47	Portion applied to debt reduction		-33,121	-15,219
68.90	Spending authority from offsetting collections (total)	364,979	2,579,499	3,436,687
Relation of obligations to financing disbursements:				
71.00	Total obligations	850,805	2,346,108	3,241,482
Obligated balance, start of year:				
72.10	Receivables from program account, start of year	-45,765	-58,714	-42,911
72.40	Unpaid obligations: Treasury balance	30,150	7,705	
Obligated balance, end of year:				
74.10	Receivables from program account, end of year	58,714	42,911	35,617
74.40	Unpaid obligations: Treasury balance	-7,705		-8,409
87.00	Financing disbursements (gross)	886,199	2,338,010	3,225,779
Adjustments to financing authority and financing disbursements:				
Offsetting collections from:				
88.00	Payments from program account	-155,451	-188,395	-188,395
88.25	Interest on uninvested funds	-13,343	-41,065	-51,738
Non-Federal sources:				
88.40	Fees and premiums	-182,781	-383,387	-453,168
88.40	Recoveries on defaulted mortgages	-13,404	-250,173	-367,031
88.40	New program premiums and recoveries			-10,374
88.40	Proceeds from sale of mortgage notes	-1,699,600		-2,331,200
88.40	Repayment of principal and interest from liquidating account		-50,000	-50,000
88.90	Total, offsetting collections	-364,979	-2,612,620	-3,451,906
89.00	Financing authority (net)	496,867	-33,121	-15,219
90.00	Financing disbursements (net)	521,220	-274,610	-226,127

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4077-0-3-371	1994 actual ¹	1995 est.	1996 est.	
Position with respect to appropriations act limitation on commitments:				
Limitation on guaranteed loans made by private lenders:				
2111	Limitation on guaranteed loans made by private lenders	18,436,205	20,885,072	17,400,000
2111	Prior-year adjustment	2,114,270		
2112	Uncommitted loan guarantee limitation	-6,511,929	-5,191,165	-3,057,300
2150	Total guaranteed loan commitments	14,038,546	15,693,907	14,342,700
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	14,754,605	26,227,561	38,459,773
2231	Disbursements of new guaranteed loans	11,857,317	14,172,984	12,307,416
2251	Repayments and prepayments	-310,503	-1,609,629	-521,789
Adjustments:				
2261	Terminations for default that result in loans receivable	-34,927	-227,070	-399,283
2262	Terminations for default that result in acquisition of property	-38,799	-103,207	-191,534
2263	Terminations for default that result in claim payments	-132	-866	-3,383
2264	Other adjustments, net			-5,077
2290	Outstanding, end of year	26,227,561	38,459,773	49,646,123
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	26,227,561	38,459,773	49,143,723
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	6,608	38,194	132,335
2331	Disbursements for guaranteed loan claims	34,927	227,070	399,283
2351	Repayments of loans receivable	-522	-132,929	-121,326
2361	Write-offs of loans receivable	-2,819		
2390	Outstanding, end of year	38,194	132,335	410,292

¹ Preliminary results pending final audit.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in FY 1992 and thereafter (including modifications of loan guarantees that resulted from commitments in any year) for

Credit accounts—Continued**FHA—GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT—Continued**

FHA's General and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in thousands of dollars)

Identification code 86-4077-0-3-371	1993 actual	1994 actual ¹	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	260,693	220,726	420,553	725,362
Investments in US securities:				
Receivables, net:				
1106 Receivables, net	45,765	61,125	61,125	61,125
1106 Receivables, net	476,000	463,746	463,746	448,527
1206 Non-Federal assets: Receivables, net	5,678	2,446	2,446	2,446
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross	6,608	38,194	132,335	410,292
1504 Foreclosed property	4,059	16,168	51,770	110,917
1505 Allowance for uncollectible loans	-5,097	-21,265	-73,679	-224,107
1599 Net value of assets related to defaulted guaranteed loan	5,570	33,097	110,426	297,102
1901 Other Federal assets: Other assets				
1999 Total assets	317,706	793,394	1,058,296	1,534,562
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	30,149	4,468	4,468	4,468
2102 Interest payable		1,296	1,296	1,296
2103 Debt		496,867	463,746	448,527
Non-Federal liabilities:				
Accounts payable:				
2201 Accounts payable	1	1,641	1,641	1,641
2201 Other		74	74	74
2207 Unearned revenue and advances	14,856	18,705	18,705	
2999 Total liabilities	45,006	523,051	489,930	456,006
NET POSITION:				
3100 Appropriated subsidy capital	158,743	20,544	15,251	16,667
3300 Cumulative results of operations	113,957	249,799	553,115	1,061,889
3999 Total net position	272,700	270,343	568,366	1,078,556
4999 Total liabilities and net position	317,706	793,394	1,058,296	1,534,562

¹ Preliminary results pending final audit.

Object Classification (in thousands of dollars)

Identification code 86-4077-0-3-371	1994 actual	1995 est.	1996 est.
25.2 Other services	4,041	48,330	52,330
Land and structures:			
32.0 Downward subsidy reestimate	174,602		
32.0 Payment of negative subsidy	119,048	248,988	244,272
32.0 Indirect modification payment	476,000		
Investments and loans:			
33.0 Investments and loans	75,818	352,844	630,500
33.0 Reimbursement to liquidating account for mortgage note sales		1,658,200	2,279,600
43.0 Interest and dividends	1,296	37,746	34,780
99.9 Total obligations	850,805	2,346,108	3,241,482

GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT**Program and Financing (in thousands of dollars)**

Identification code 86-4105-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Direct Loans		220,000	120,000
00.02 Interest paid to Treasury		5,676	13,000
10.00 Total obligations		225,676	133,000
Financing:			
39.00 Financing authority (gross)		225,676	133,000
Financing authority:			
67.15 Authority to borrow (indefinite)		217,550	112,000
68.00 Spending authority from offsetting collections		8,126	21,000
Relation of obligations to financing disbursements:			
71.00 Total obligations		225,676	133,000
87.00 Financing disbursements (gross)		225,676	133,000
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
Non-Federal sources:			
88.40 Repayment of principal		-1,288	-3,000
88.40 Interest received on loans		-6,838	-18,000
88.90 Total, offsetting collections		-8,126	-21,000
89.00 Financing authority (net)		217,550	112,000
90.00 Financing disbursements (net)		217,550	112,000

Status of Direct Loans (in thousands of dollars)

Identification code 86-4105-0-3-371	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans		220,000	120,000
1150 Total direct loan obligations		220,000	120,000
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			218,712
1231 Disbursements: Direct loan disbursements		220,000	120,000
1251 Repayments: Repayments and prepayments		-1,288	-3,000
1290 Outstanding, end of year		218,712	335,712

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in FY 1992 and thereafter (including loan modifications) for FHA's General and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals.

This schedule includes two direct loan programs. One provides bridge loan financing to facilitate the disposition of multifamily housing owned by the Department to non-profit organizations who agree to preserve it as affordable rental or cooperative housing. The second is a single-family direct loan program for purchase money mortgages, as discussed in the preceding section for the Mutual Mortgage Insurance Fund.

Balance Sheet (in thousands of dollars)

Identification code 86-4105-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1401 Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross			218,712	335,712
1999 Total assets			218,712	335,712
LIABILITIES:				
2999 Total liabilities				

NET POSITION:

3300	Cumulative results of operations	1,162	6,162
3999	Total net position	1,162	6,162

Object Classification (in thousands of dollars)

Identification code 86-4105-0-3-371	1994 actual	1995 est.	1996 est.
33.0	Investments and loans	220,000	120,000
43.0	Interest and dividends	5,676	13,000
99.9	Total obligations	225,676	133,000

FHA—GENERAL AND SPECIAL RISK INSURANCE FUNDS

Program and Financing (in thousands of dollars)

Identification code 86-4072-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
Operating expenses:			
00.03	Interest on debentures	28,772	28,772
00.04	Other operating costs	61,014	44,357
00.04	Working capital fund reimbursements		8,000
00.05	Repayment to financing account	50,000	50,000
00.91	Total operating expenses	89,786	123,129
Capital investment: Claims and other:			
01.01	Acquisition of defaulted Title I notes	41,108	57,210
01.02	Assignment of defaulted mortgages	274,488	668,843
01.03	Acquisition of real properties	409,249	321,173
01.06	Assignment of current mortgages	1,801	35,000
01.07	Capitalized property expenses	270,545	222,808
01.08	Loss on defaulted guaranteed loans	19,116	25,728
01.09	Interest subsidy on auctioned mortgages	472	871
01.10	Tax advances on held mortgages	89,979	89,979
01.91	Total capital investment	1,106,758	1,421,612
10.00	Total obligations	1,196,544	1,544,741
Financing:			
17.00	Recovery of prior year obligations	-124,167	
Unobligated balance available, start of year:			
21.40	Treasury balance	-588,302	-1,039,993
21.91	U.S. Securities: Par value	-19,426	-15,236
Unobligated balance available, end of year:			
24.40	Treasury balance	1,039,993	2,386,780
24.91	U.S. Securities: Par value	15,236	14,950
31.00	Redemption of debt	250,150	93,200
39.00	Budget authority (gross)	1,770,028	2,984,442
Budget authority:			
Current:			
40.75	Procurement reduction pursuant to P.L. 103-327		-638
Permanent:			
60.05	Appropriation (indefinite)		
64.00	Proceeds of loan asset sales with recourse		537,600
67.15	Authority to borrow (indefinite)	149,761	93,200
68.00	Spending authority from offsetting collections	1,620,267	2,792,180
Relation of obligations to outlays:			
71.00	Total obligations	1,196,544	1,544,741
72.90	Obligated balance, start of year: Unpaid obligations: Fund balance	613,916	408,091
74.90	Obligated balance, end of year: Unpaid obligations: Fund balance	-408,091	-408,091
78.00	Adjustments in unexpired accounts	-124,167	
87.00	Outlays (gross)	1,278,202	1,544,741
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
Non-Federal sources:			
88.40	Fees and premiums	-262,061	-287,280
88.40	Rebates of insurance premiums	4,997	8,000
88.40	Multifamily foreclosure sales		-128,340
88.40	Proceeds from sale of real property	-357,058	-266,366

88.40	Proceeds from sale of mortgage notes	-141,145	-1,558,500	-1,760,000
88.40	Repayment of mortgage notes and sales contracts	-6,243	-5,131	-5,096
88.40	Interest and operating income	-240,517	-215,430	-174,358
88.40	Recoveries on defaulted mortgages	-459,565	-255,052	-153,792
88.40	Recoveries on defaulted Title I mortgages	-23,161	-23,161	-21,059
88.40	Other interest, dividends and revenue	-71,419	-52,250	-33,318
88.40	Prior year adjustment			
88.40	Miscellaneous collections	-64,095	-64,095	-64,095
88.90	Total, offsetting collections	-1,620,267	-2,792,180	-2,870,193
89.00	Budget authority (net)	149,761	192,262	605,700
90.00	Outlays (net)	-342,065	-1,247,439	-1,610,280

Status of Direct Loans (in thousands of dollars)

Identification code 86-4072-0-3-371	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	121,050	111,886
1251	Repayments: Repayments and prepayments	-6,244	-3,078
1264	Write-offs for default: Other adjustments, net	-2,920	-2,053
1290	Outstanding, end of year	111,886	106,755

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4072-0-3-371	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	63,130,562	52,754,369
2251	Repayments and prepayments	-9,631,747	-775,405
Adjustments:			
2261	Terminations for default that result in loans receivable	-317,397	-761,053
2262	Terminations for default that result in acquisition of property	-409,249	-321,173
2263	Terminations for default that result in claim payments	-17,800	-25,728
2290	Outstanding, end of year	52,754,369	50,871,010
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	52,754,369	50,871,010
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year	7,791,961	6,821,744
2331	Disbursements for guaranteed loan claims	317,397	951,324
2351	Repayments of loans receivable	-1,112,680	-2,893,470
2361	Write-offs of loans receivable ¹	-174,934	-122,002
2390	Outstanding, end of year	6,821,744	4,757,596

¹Includes foreclosures of HUD-held mortgage notes.

The *General insurance fund* provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, rental housing and nonprofit hospitals.

The *Special risk insurance fund* provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance. In addition, the fund provides insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed. Also provided is insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

Budget program.—As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed and direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loan guarantees that resulted from obligations, direct loans or commitments in any year and direct loans) is re-

Credit accounts—Continued**FHA—GENERAL AND SPECIAL RISK INSURANCE FUNDS—Continued**

corded in corresponding program (86-0200) and financing (86-4077 and 86-4105) accounts.

The detailed program activities in the "Program Highlights" table shown below reflect the consolidated activity of the GI/SRI accounts.

PROGRAM HIGHLIGHTS

[In millions of dollars]

	1994 actual ¹	1995 est.	1996 est.
Insurance initiation:			
Mortgage insurance applications (units)	223,048	327,987	289,707
Mortgage insurance written:			
Units	201,823	263,139	246,042
Amount	\$11,051	\$12,996	\$10,190
Title I property improvement loans insured:			
Notes	72,148	86,500	97,000
Amount	\$806	\$1,177	\$1,397
Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Mortgage insurance	73,911	83,620	92,182
Title I property improvement loan insurance	5,070	5,710	5,995
Total outstanding balance of insurance in force, end of year	78,981	89,330	98,177
Property acquired during year (units): ²			
Homes	7,987	7,214	6,867
Multifamily	4,747	2,564	4,569
Total property acquired during year (units)	12,734	9,778	11,436
Property sales during year (units):			
Homes	8,213	6,433	5,799
Multifamily	13,767	8,860	10,336
Total property sales during year (units)	21,980	15,293	16,135
Property on hand, end of year (units):			
Homes	3,902	4,683	5,751
Multifamily	23,104	16,808	11,041
Total property on hand (units)	27,006	21,491	16,792
Defaulted mortgage assignments during year (units):			
Homes	1,466	1,381	1,253
Multifamily	9,799	26,800	25,050
Total mortgage assignments during year (units)	11,265	28,181	26,303
Claims on current mortgages during year (units):			
Homes	241	4,516	4,245
Multifamily			
Total claims on current mortgages during year (units)	241	4,516	4,245
Purchase Money Mortgages during year:			
Units		1,333	1,333
Amount		120,000	120,000
Assigned mortgages on hand, end of year (units):			
Homes	29,633	34,365	39,197
Multifamily	300,040	195,019	67,074
Total assigned mortgages on hand, end of year (units)	329,673	229,384	106,271
Inventory of property and assigned mortgages on hand, end of year (units):			
Homes	33,535	39,048	44,948
Multifamily	323,144	211,827	78,115
Total inventory of property and assigned mortgages on hand, end of year (units)	356,679	250,875	123,063
Claims with no acquisition (units): ³			
Homes	120	330	559
Multifamily	1,410	697	465
Total claims with no acquisition	1,530	1,027	1,024

Defaulted title I property acquisition:

	7,602	7,700	8,000
Number			
Amount	\$61	\$72	\$79

¹ Unaudited preliminary results.² Includes direct acquisition from mortgage and foreclosure of HUD-held mortgage notes.³ Includes coinsurance claims.

Insurance reserves from operations at the end of 1994 are estimated to be in a deficit status of about \$22 billion for the GI and SRI funds. The status of estimated insurance reserves from operations (retained income or deficit) through 1996 is as follows:

STATUS OF INSURANCE RESERVES FROM OPERATIONS

[In millions of dollars]

	1994 actual ¹	1995 est.	1996 est.
Insurance fund:			
General and special risk insurance:			
Liquidating account	-22,291	-21,975	-21,113
Financing account	250	553	1,062
Total GI/SRI ²	-22,041	-21,422	-20,051

¹ Preliminary results pending final audit.² Excludes GI/SRI Program account resources payable to the Financing account.**Statement of Operations (in thousands of dollars)**

Identification code	1993 actual ¹	1994 actual ¹	1995 est.	1996 est.
86-4072-0-3-371				
0101 Revenue	886,440	452,948	377,641	348,508
0102 Expense	-857,774	-230,865	-62,197	513,793
0109 Net income or loss (-)	28,666	222,083	315,444	862,301

¹ Preliminary results pending final audit.**Balance Sheet (in thousands of dollars)**

Identification code	1993 actual ¹	1994 actual ¹	1995 est.	1996 est.
86-4072-0-3-371				
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	333,098	578,964	1,895,772	4,065,956
Investments in US securities:				
1102 Treasury securities, par ..	19,426	15,236	14,950	14,664
1103 Treasury securities, unamortized premium	142	-203	-203	-203
1106 Receivables, net	6,309	3,528	3,528	3,528
1107 Advances and prepayments	20,000	20,000	20,000	20,000
Non-Federal assets:				
1206 Receivables, net	115,542	140,348	140,348	140,348
1207 Advances and prepayments	78,133	547,332	547,332	547,332
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross		111,886	106,755	101,659
1603 Allowance for estimated uncollectible loans and interest (-)		-24,208	-24,208	-24,208
1604 Direct loans and interest receivable, net		87,678	82,547	77,451
1699 Value of assets related to direct loans		87,678	82,547	77,451
1701 Defaulted guaranteed loans, gross	7,791,961	6,821,744	4,527,106	1,514,883
1703 Allowance for estimated uncollectible loans and interest (-)	-4,618,410	-4,025,599	-2,671,504	-893,952
1704 Defaulted guaranteed loans and interest receivable, net	12,694,204	11,184,580	7,422,408	2,483,724
1706 Foreclosed property	307,357	287,607	258,156	190,227
1799 Value of assets related to loan guarantees	3,480,908	3,083,752	2,113,758	811,158
1901 Other Federal assets: Other assets	4	4	-15,412	-15,412
1999 Total assets	4,053,562	4,476,639	4,802,620	5,664,822

LIABILITIES:					
Federal liabilities:					
2101	Accounts payable	141,929	560,615	560,615	560,615
2102	Interest payable	25,048	7,115	7,115	7,115
2104	Resources payable to Treasury				
		67,639	62,238	62,238	62,238
Non-Federal liabilities:					
2201	Accounts payable	263,620	129,547	129,547	129,547
2202	Interest payable	44,338	18,235	28,772	28,772
2203	Debt	212,163	111,774	111,774	111,674
2206	Pension and other actuarial liabilities	12,351,200	10,701,700	10,701,700	10,701,700
2207	Unearned revenue and advances	398,348	418,322	418,322	418,322
2999	Total liabilities	13,504,285	12,009,546	12,020,083	12,019,983
NET POSITION:					
3100	Appropriated capital	7,286,557	7,286,557	7,286,557	7,286,557
3300	Cumulative results of operations	-24,208,736	-22,290,919	-21,975,476	-21,113,173
3600	Other	7,471,455	7,471,455	7,471,455	7,471,455
3999	Total net position	-9,450,724	-7,532,907	-7,217,464	-6,355,161
4999	Total liabilities and net position	4,053,561	4,476,639	4,802,619	5,664,822

¹ Preliminary results pending final audit.

Object Classification (in thousands of dollars)

Identification code 86-4072-0-3-371				
		1994 actual	1995 est.	1996 est.
25.2	Other services	61,014	44,357	173,357
32.0	Land and structures	409,249	321,173	221,426
33.0	Investments and loans	407,376	851,032	643,589
41.0	Grants, subsidies, and contributions	472	871	1,438
42.0	Insurance claims and indemnities	289,661	248,536	141,331
43.0	Interest and dividends	28,772	28,772	28,772
44.0	Indirect modification repayment to financing account		50,000	50,000
99.9	Total obligations	1,196,544	1,544,741	1,259,913

FHA—GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT

(HOUSING RESOLUTION FUND)

(Legislative proposal, subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification code 86-4072-4-3-371				
		1994 actual	1995 est.	1996 est.
Program by activities:				
00.01	Partial claim payments: restructuring			643,000
00.02	Rehabilitation, security, and other expenses			250,000
Operating expenses:				
00.03	Section 8 multifamily property disposition activities			763,200
00.04	Program reforms			-1,656,200
10.00	Total obligations			
Financing:				
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Total obligations			
90.00	Outlays			

This account summarizes the impact on the General and Special Risk Insurance Funds Liquidating Account of transactions associated with the proposed Housing Resolution Fund. This account includes partial claim payments associated with the multifamily debt restructuring proposal. These payments will allow Section 8 rents to be lowered to comparable market rents "marked-to-market" without jeopardizing the financial viability of affected projects. The account also includes expenditures for necessary repair, rehabilitation, crime and anti-drug costs. Also included are Sec. 8 Property Disposition costs associated with the rehabilitation and sale of acquired properties. Finally, the account reflects reductions

in costs which otherwise would be incurred by the GI/SRI Liquidating Account without the investment of these resources.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

Program and Financing (in thousands of dollars)

Identification code 86-4115-0-3-371				
		1994 actual	1995 est.	1996 est.
Program by activities:				
Capital investment:				
00.01	Housing for the elderly or handicapped loans	646	20,101	
00.02	Maintenance security and collateral	1,179	3,500	3,500
00.91	Total capital investment	1,825	23,601	3,500
Operating expenses:				
01.01	Interest on borrowings	689,174	633,704	571,653
01.02	Other expenses	9	200	200
01.91	Total operating expenses	689,183	633,904	571,853
10.00	Total obligations	691,008	657,505	575,353
Financing:				
17.00	Recovery of prior year obligations	-3,355		
Unobligated balance available, start of year:				
21.47	Authority to borrow	-25,197	-20,104	
21.90	Fund balance	-8,154	-27,594	-140,794
Unobligated balance available, end of year:				
24.47	Authority to borrow	20,104		
24.90	Fund balance	27,594	140,794	315,725
32.47	Balance of authority to borrow withdrawn	513,042		
39.00	Budget authority (gross)	1,215,042	750,601	750,282
Budget authority:				
60.05	Appropriation (indefinite)	989,934	770,000	804,830
60.47	Portion applied to debt reduction	-475,000	-770,000	-804,830
63.00	Appropriation (total)	514,934		
68.00	Spending authority from offsetting collections	700,108	750,601	750,282
Relation of obligations to outlays:				
71.00	Total obligations	691,008	657,505	575,353
Obligated balance, start of year:				
72.47	Authority to borrow	12,845		
72.90	Unpaid obligations: Fund balance	423,283	448,768	319,714
Obligated balance, end of year:				
74.47	Authority to borrow			
74.90	Unpaid obligations: Fund balance	-448,768	-319,714	-258,674
78.00	Adjustments in unexpired accounts	-3,355		
87.00	Outlays (gross)	675,013	786,559	636,393
Adjustments to gross budget authority and outlays:				
88.40	Offsetting collections from: Non-Federal sources	-700,108	-750,601	-750,282
89.00	Budget authority (net)	514,934		
90.00	Outlays (net)	-25,095	35,958	-113,891

Status of Direct Loans (in thousands of dollars)

Identification code 86-4115-0-3-371				
		1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	8,497,196	8,461,582	8,604,876
1231	Disbursements: Direct loan disbursements	15,372	204,217	
1251	Repayments: Repayments and prepayments	-50,756	-60,923	-62,816
1264	Write-offs for default: Other adjustments, net	-230		
1290	Outstanding, end of year	8,461,582	8,604,876	8,542,060

Note.—Amounts for direct loan obligations reflect reservations of section 202 funds. Loan obligations shown under the program and financing schedule reflect loans that have reached the initial closing stage of processing.

The Housing for the Elderly or Handicapped Fund was established pursuant to section 202 of the Housing Act of 1959, as amended. The fund provides direct loans to nonprofit organizations building and managing housing projects for lower income persons who are elderly or disabled.

Projects must include an assured range of necessary services for the occupants of such projects. In addition, the section 8 lower income housing assistance payments program has

Credit accounts—Continued

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND—Continued

been used in conjunction with the section 202 program. Applications under the two programs have been processed simultaneously.

The data included in these schedules represent direct loan activities funded under the Housing for the Elderly or Handicapped Loan Fund. Further, activities in support of the needs of the elderly and disabled have been carried out under a grant program funded in the 1991 Appropriations Act (P.L. 101-507) and authorized in the National Affordable Housing Act (P.L. 101-625).

After April 1, 1992, all projects for which there were administrative reservations converted to the capital advance assistance program.

The program and financing schedule for this account summarizes the Federal government's obligations for this loan program. The amounts reflected in the following summary of administrative commitments reflect outstanding section 202 fund reservations, whereas, the obligations portion of the program and financing schedule reflects commitments which have reached the initial loan closing stage of processing.

SUMMARY OF ADMINISTRATIVE COMMITMENTS

[In thousands of dollars]

Program by activities:	1994 actual	1995 est.	1996 est.
Capital investment:			
Administrative commitments, start of year	25,157	20,101	
Recovery of prior year obligations	-4,410		
Administrative commitments, end of year	-20,101		
Subtotal, capital investment-loan obligations	646	20,101	
Other expenses (Fee inspection)	9		
Capital investment:			
Loan obligations	646	20,101	
Maintenance security and collateral	1,179	3,500	3,500
Total capital investment	1,825	23,601	3,500

Financing.—Repayments and interest income from loans continue to be available to pay for commitments of the fund.

Statement of Operations (in thousands of dollars)

Identification code 86-4115-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	712,680	708,962	704,798	687,467
0102 Expense	-729,285	-690,219	-745,716	-575,353
0109 Net income or loss (-)	-16,605	18,743	-40,918	112,114

Balance Sheet (in thousands of dollars)

Identification code 86-4115-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	431,436	496,566	460,508	574,399
Investments in US securities:				
1106 Receivables, net	5	-817		
1206 Non-Federal assets: Receivables, net	88,867	242,123		
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	8,497,196	8,461,582	8,604,876	8,542,060
1603 Allowance for estimated uncollectible loans and interest (-)	-21,248	-21,151	-21,512	-21,355
1699 Value of assets related to direct loans	8,475,948	8,440,431	8,583,364	8,520,705
1999 Total assets	8,996,256	9,178,303	9,043,872	9,095,104

LIABILITIES:				
Federal liabilities:				
2102 Interest payable	326,524	334,711	307,771	277,635
2104 Resources payable to Treasury	896	174,711	174,711	174,711
Non-Federal liabilities:				
2201 Accounts payable	31			
2207 Other	8,958,974	8,484,149	7,713,830	6,909,000
2999 Total liabilities	9,286,425	8,993,571	8,196,312	7,361,346
NET POSITION:				
3100 Appropriated capital	-76,652	455,693	455,693	455,693
3300 Cumulative results of operations	-212,976	-270,936	391,865	1,278,064
3999 Total net position	-289,628	184,757	847,558	1,733,757
4999 Total liabilities and net position	8,996,797	9,178,328	9,043,870	9,095,103

Object Classification (in thousands of dollars)

Identification code 86-4115-0-3-371	1994 actual	1995 est.	1996 est.
22.0 Transportation of things	9	200	200
32.0 Land and structures	1,179	3,500	3,500
33.0 Investments and loans	646	20,101	
43.0 Interest and dividends	689,174	633,704	571,653
99.9 Total obligations	691,008	657,505	575,353

NONPROFIT SPONSOR ASSISTANCE

Program and Financing (in thousands of dollars)

Identification code 86-4042-0-3-604	1994 actual	1995 est.	1996 est.
Financing:			
17.00 Recovery of prior year obligations	19		
21.90 Unobligated balance available, start of year: Fund balance	-3,588	-3,691	-4,091
24.90 Unobligated balance available, end of year: Fund balance	3,691	4,091	4,491
68.00 Budget authority (gross): Spending authority from offsetting collections	122	400	400
Relation of obligations to outlays:			
71.00 Total obligations			
72.90 Obligated balance, start of year: Unpaid obligations: Fund balance	2,768	2,787	2,787
74.90 Obligated balance, end of year: Unpaid obligations: Fund balance	-2,787	-2,787	-2,787
78.00 Adjustments in unexpired accounts	19		
87.00 Outlays (gross)			
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	-122	-400	-400
89.00 Budget authority (net)			
90.00 Outlays (net)	-122	-400	-400

Status of Direct Loans (in thousands of dollars)

Identification code 86-4042-0-3-604	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,538	1,416	1,016
1231 Disbursements: Direct loan disbursements			
1251 Repayments: Repayments and prepayments	-122	-400	-400
1290 Outstanding, end of year	1,416	1,016	616

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account is shown on a cash basis.

The Nonprofit Sponsor Assistance fund provided interest-free loans to nonprofit organizations to plan housing projects to be financed under the section 202 housing for the elderly

or disabled program. The Department will add a statement of operations schedule in the Fiscal Year 1997 budget.

Balance Sheet (in thousands of dollars)

Identification code 86-4042-0-3-604	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	6,356	6,859	7,259	7,659
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	1,538	1,416	1,016	616
1603 Allowance for estimated uncollectible loans and interest (-)	-607	-1,416	-1,016	-616
1699 Value of assets related to direct loans	931			
1999 Total assets	7,287	6,859	7,259	7,659
NET POSITION:				
3100 Appropriated capital				
3300 Cumulative results of operations	7,112	6,859	7,259	7,659
3999 Total net position	7,112	6,859	7,259	7,659
4999 Total liabilities and net position	7,112	6,859	7,259	7,659

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

Federal Funds

Public enterprise funds:

LOANS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION

The Treasury is authorized to make up to \$2.25 billion of loans to the Federal National Mortgage Association. Such loans were made in the first few months of the Association's existence as a private corporation while it arranged lines of credit with commercial banks. No loans have been made since that time and the loan authority will be used only in emergency situations.

MANAGEMENT AND LIQUIDATING FUNCTIONS FUND

Program and Financing (in thousands of dollars)

Identification code 86-4016-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.03 Administrative expense	5	5	3
10.00 Total obligations (object class 25.2)	5	5	3
Financing:			
Unobligated balance available, start of year:			
21.90 Treasury balance	-409	-245	-116
21.91 U.S. Securities: Par value	-28,436	-16,036	-15,042
Unobligated balance available, end of year:			
24.90 Treasury balance	245	116	101
24.91 U.S. Securities: Par value	16,036	15,042	12,709
27.00 Capital transfer to general fund	13,600	1,973	2,969
68.00 Budget authority (gross): Spending authority from offsetting collections	1,041	855	624
Relation of obligations to outlays:			
71.00 Total obligations	5	5	3
72.10 Obligated balance, start of year: Receivables from other government accounts, start of year	-309	-199	-113
74.10 Obligated balance, end of year: Receivables from other government accounts, end of year	199	113	98
87.00 Outlays (gross)	-105	-81	-12

Adjustments to gross budget authority and outlays:			
88.00 Offsetting collections from: Federal sources	-1,041	-855	-624
89.00 Budget authority (net)			
90.00 Outlays (net)	-1,146	-936	-636

Budget program.—The remaining \$15 million portfolio in the Management and Liquidating Functions Fund consists primarily of FHA debentures acquired when GNMA-held FHA insured mortgages defaulted. Debenture interest income is transferred to the Treasury.

Operating results.—Net income of \$850 thousand and \$621 thousand is expected in 1995 and 1996 respectively.

Statement of Operations (in thousands of dollars)

Identification code 86-4016-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	3,564	1,041	855	624
0102 Expense	-116	-5	-5	-3
0109 Net income or loss (-)	3,448	1,036	850	621

Balance Sheet (in thousands of dollars)

Identification code 86-4016-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	116	46	3	3
Investments in US securities:				
1102 Treasury securities, par ..	8,500		50	50
1104 Agency securities, par	19,936	16,036	14,992	12,659
1106 Receivables, net	337	227	140	125
1999 Total assets	28,889	16,309	15,185	12,837
LIABILITIES:				
2201 Non-Federal liabilities: Accounts payable	28	28	27	27
2999 Total liabilities	28	28	27	27
NET POSITION:				
3300 Cumulative results of operations	28,845	16,281	15,158	12,810
3999 Total net position	28,845	16,281	15,158	12,810
4999 Total liabilities and net position	28,873	16,309	15,185	12,837

Credit accounts:

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDES TRANSFER OF FUNDS)

During fiscal year [1995] 1996, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed [\$142,000,000,000] \$110,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, [\$8,824,000] \$9,101,000, to be derived from the GNMA—guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed [\$8,824,000] \$9,101,000 shall be transferred to the appropriation for salaries and expenses. (Departments of Veterans Affairs, and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0186-0-1-371	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 25.2)	8,038	8,824	9,101
Financing:			
40.25 Budget authority (appropriation) (special fund, indefinite)	8,038	8,824	9,101

Credit accounts—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT—Continued

(INCLUDES TRANSFER OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 86-0186-0-1-371	1994 actual	1995 est.	1996 est.
Relation of obligations to outlays:			
71.00 Total obligations	8,038	8,824	9,101
90.00 Outlays	8,038	8,824	9,101

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 86-0186-0-1-371	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	185,000,000	142,000,000	110,000,000
2159 Total guarantee loan levels	185,000,000	142,000,000	110,000,000
Guaranteed loan subsidy budget authority:			
2339 Total subsidy budget authority	-8,038	-8,824	-9,101
Guaranteed loan subsidy outlays:			
2349 Total subsidy outlays	-8,038	-8,824	-9,101

As required by the Federal Credit Reform Act of 1990, this account records the administrative expenses of this program. The administrative expenses are estimated on a cash basis.

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4240-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Payment to receipt account for administration	8,038	8,824	9,101
10.00 Total obligations (object class 25.2)	8,038	8,824	9,101
Financing:			
21.90 Unobligated balance available, start of year: Fund balance	-44,688	-77,979	-110,427
24.90 Unobligated balance available, end of year: Fund balance	77,979	110,427	136,311
68.00 Financing authority (gross): Spending authority from offsetting collections	41,329	41,272	34,985
Relation of obligations to financing disbursements:			
71.00 Total obligations	8,038	8,824	9,101
72.10 Obligated balance, start of year: Receivables from other government accounts, start of year	-2,214	-4,335	-4,432
74.10 Obligated balance, end of year: Receivables from other government accounts, end of year	4,335	4,432	3,898
87.00 Financing disbursements (gross)	10,159	8,921	8,567
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.25 Interest on uninvested funds	-4,327	-2,624	-2,225
88.40 Non-Federal sources: Commitment and other fees	-37,002	-38,648	-32,760
88.90 Total, offsetting collections	-41,329	-41,272	-34,985
89.00 Financing authority (net)			
90.00 Financing disbursements (net)	-31,170	-32,351	-26,417

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4240-0-3-371	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	185,000,000	142,000,000	110,000,000
2150 Total guaranteed loan commitments	185,000,000	142,000,000	110,000,000

The Housing and Urban Development Act of 1968 authorized the Government National Mortgage Association (GNMA) to guarantee the timely payment of principal and interest on privately issued securities that are backed by pools of FHA, VA and FmHA mortgages. The GNMA guarantee gives lenders access to the capital markets for funds to originate new loans. New FHA and VA loans are currently pooled into GNMA securities.

Financing.—GNMA Issuers are assessed commitment, guarantee and other fees to cover costs incurred by GNMA and to fund a reserve against possible future payments under the guarantee.

Operating results.—Fee collections, interest, and other income are expected to exceed expenses by \$32 million and \$26 million in 1995 and 1996 respectively. These amounts will be retained to cover future year expenses and as a reserve against losses that may be incurred on guarantees.

Balance Sheet (in thousands of dollars)

Identification code 86-4240-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	42,474	73,644	79,536	85,898
1206 Non-Federal assets: Receivables, net	2,214	4,335	4,432	3,898
1999 Total assets	44,688	77,979	83,968	89,796
NET POSITION:				
3300 Cumulative results of operations	44,688	77,979	83,968	89,796
3999 Total net position	44,688	77,979	83,968	89,796

Note.—GNMA guarantees the timely payment of principal and interest installments on securities which are backed by FHA-insured, FmHA-insured, and VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations duplicating FHA, FmHA, and VA guarantees.

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 86-4238-0-3-371	1994 actual	1995 est.	1996 est.
Program by activities:			
Operating expenses:			
00.02 Functional services	16,455	17,278	18,142
00.03 Default expenses	-2,055	7,917	7,838
00.04 Servicing expenses	13,396	15,864	15,718
00.05 Other expenses	16,500	20,997	22,047
00.06 REMIC expenses	1,678	1,600	1,500
00.91 Total operating expenses	45,974	63,656	65,245
Capital investment:			
01.01 Advances of guaranty payments	595,621	646,643	687,437
01.02 Real estate owned properties	32,276	31,953	31,634
01.03 Mortgages	476	76	75
01.91 Total capital investment	628,373	678,672	719,146
10.00 Total obligations	674,347	742,328	784,391
Financing:			
Unobligated balance available, start of year:			
21.90 Treasury balance	-52,164	-91,298	-94,200
U.S. Securities:			
Par value:			
21.91 Par value	-3,222,128	-3,714,425	-4,144,935
21.91 Par value (REMICs)			-47,400

21.92	Unrealized discounts	7,864	9,892	.....
	Unobligated balance available, end of year:			
24.90	Treasury balance	91,298	94,200	101,944
	U.S. Securities:			
	Par value:			
24.91	Par value	3,714,425	4,144,935	4,611,854
24.91	Par value (REMICs) .....	.....	47,400	47,400
24.92	Unrealized discounts	-9,892	.....	.....
39.00	Budget authority (gross)	1,203,750	1,233,032	1,259,054
	Budget authority:			
	Spending authority from offsetting collections:			
68.00	Spending authority from offsetting collections	1,198,698	1,184,032	1,170,954
68.00	Spending authority from offsetting collections (REMICs)	5,052	49,000	88,100
68.90	Spending authority from offsetting collections (total)	1,203,750	1,233,032	1,259,054
	Relation of obligations to outlays:			
71.00	Total obligations	674,347	742,328	784,391
72.10	Obligated balance, start of year: Receivables from other government accounts, start of year	-47,690	-65,227	-64,177
74.10	Obligated balance, end of year: Receivables from other government accounts, end of year	65,227	64,177	70,024
87.00	Outlays (gross)	691,884	741,278	790,238
	Adjustments to gross budget authority and outlays:			
	Offsetting collections from:			
88.20	Interest on U.S. securities	-164,510	-229,846	-287,432
	Non-Federal sources:			
88.40	Guarantee fees	-275,138	-294,794	-304,756
88.40	Repayments of guaranteed payments	-682,915	-568,332	-508,300
88.40	Commitment and other fees	-15,928	-78,986	-99,195
88.40	Servicing income	-8,418	-8,450	-8,366
88.40	Receipts from sale of REO properties and mobile home units	-18,975	-15,139	-13,894
88.40	Interest income mortgages	-1,595	-1,579	-1,563
88.40	Repayments on mortgages	-28,382	-28,098	-27,817
88.40	Sale of servicing rights	-7,889	-7,808	-7,731
88.90	Total, offsetting collections	-1,203,750	-1,233,032	-1,259,054
89.00	Budget authority (net) .....	.....	.....	.....
90.00	Outlays (net)	-511,866	-491,754	-468,816

Status of Direct Loans (in thousands of dollars)

Identification code 86-4238-0-3-371	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	477,468	348,985	356,824
1232 Disbursements: Purchase of loans assets from the public	596,097	646,719	687,513
1252 Repayments: Proceeds from loan asset sales to the public or discounted	-724,580	-638,880	-559,333
1290 Outstanding, end of year	348,985	356,824	485,004

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4238-0-3-371	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	415,290,516	444,990,195	473,497,686
2231 Disbursements of new guaranteed loans	140,411,220	94,439,889	81,575,322
2251 Repayments and prepayments	-110,711,541	-65,932,398	-69,871,478
2290 Outstanding, end of year	444,990,195	473,497,686	485,201,530
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year ¹	444,990,195	473,497,686	485,201,530

¹Ultimate liability for GNMA mortgage backed securities rests with other U.S. agencies. Total Federal contingent liability should not be double counted.

The Housing and Urban Development Act of 1968 authorized the Government National Mortgage Association (GNMA) to guarantee the timely payment of principal and interest on privately issued securities that are backed by pools of FHA, VA and FmHA mortgages. The GNMA guarantee gives lenders access to the capital markets for funds to originate

new loans. New FHA and VA loans are currently pooled into GNMA securities.

Budget Program.—Program activity is summarized below:

Mortgage-backed Securities

(In thousands of dollars)

	1994 actual	1995 est.	1996 est.
Commitment Limitation	185,000,000	142,000,000	110,000,000
Commitments Issued	151,585,286	142,000,000	110,000,000
Guarantees Issued	140,411,220	94,439,889	81,575,322
Securities Outstanding	444,990,195	473,497,686	485,201,530

Financing.—GNMA Issuers are assessed commitment, guarantee and other fees to cover costs incurred by GNMA and to fund a reserve against possible future payments under the guarantee.

Operating results.—Fee collections, interest, and other income are expected to exceed expenses by \$539 million and \$644 million in 1995 and 1996, respectively. These amounts will be retained to cover future year expenses and as a reserve against losses that may be incurred on guarantees.

Statement of Operations (in thousands of dollars)

Identification code 86-4238-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
Revenue:				
0101 Revenue	399,024	437,470	553,464	620,944
0101 Revenue (REMICs) .....	.....	5,052	49,000	88,100
Expense:				
0102 Expense	70,071	17,682	-62,058	-63,746
0102 Expense (REMICs) .....	.....	-1,678	-1,600	-1,500
Net income or loss (-):				
0109 Net income or loss (-)	469,095	455,152	491,406	557,198
0109 Net income or loss (-) (REMICs) .....	.....	3,374	47,400	86,600
0199 Total income or loss	469,095	458,526	538,806	643,798

Balance Sheet (in thousands of dollars)

Identification code 86-4238-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	4,474	26,071	28,157	30,409
Investments in US securities:				
Treasury securities, par:				
1102 Treasury securities, par	3,221,228	3,713,323	4,143,833	4,533,719
1102 Treasury securities, par (REMICs) .....	.....	.....	47,400	134,000
1103 Treasury securities, unamortized discount (-)	43,076	33,259	.....	.....
1104 Agency securities, par	900	1,102	1,102	1,102
1106 Receivables, net	37,601	44,551	54,958	66,469
1206 Non-Federal assets: Receivables, net	15,430	25,843	27,557	28,386
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	477,468	348,985	356,824	485,004
1603 Allowance for estimated uncollectible loans and interest (-)	-193,084	-172,062	-267,034	-507,438
1699 Value of assets related to direct loans	284,384	176,923	89,790	-22,434
1801 Other Federal assets: Cash and other monetary assets	6,913	7,145	12,693	19,743
Total assets:				
1999 Total assets	3,614,006	4,028,217	4,358,090	4,657,394
1999 Total assets (REMICs) .....	.....	.....	47,400	134,000
LIABILITIES:				
Non-Federal liabilities:				
2201 Accounts payable	66,455	44,833	20,467	25,402
2207 Other	588,000	540,801	563,700	563,700

Credit accounts—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT—Continued

Balance Sheet (in thousands of dollars)—Continued

Identification code 86-4238-0-3-371	1993 actual	1994 actual	1995 est.	1996 est.
2999 Total liabilities	654,455	585,634	584,167	589,102
NET POSITION:				
3300 Cumulative results of operations	2,541,331	3,442,583	4,129,922	4,510,892
3999 Total net position	2,541,331	3,442,583	4,129,922	4,510,892
4999 Total liabilities and net position	3,195,786	4,028,217	4,714,089	5,099,994

Note.—GNMA guarantees the timely payment of principal and interest installments on securities which are backed by FHA-insured, FmHA-insured, and VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations duplicating FHA, FmHA, and VA guarantees.

Object Classification (in thousands of dollars)

Identification code 86-4238-0-3-371	1994 actual	1995 est.	1996 est.
25.2 Other services	45,974	70,056	65,245
33.0 Investments and loans	628,373	672,272	719,146
99.9 Total obligations	674,347	742,328	784,391

POLICY DEVELOPMENT AND RESEARCH

Federal Funds

General and special funds:

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$42,000,000, to remain available until September 30, [1996] 1997. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0108-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Direct program	39,234	42,127	42,100
01.01 Reimbursable program			
10.00 Total obligations	39,234	42,127	42,100
Financing:			
17.00 Recovery of prior year obligations		-100	-100
21.40 Unobligated balance available, start of year: Treasury balance	-3,105	-308	
24.40 Unobligated balance available, end of year: Treasury balance	308		
25.00 Unobligated balance expiring	63		
39.00 Budget authority	36,500	41,719	42,000
Budget authority:			
40.00 Appropriation	35,000	42,000	42,000
40.75 Procurement reduction pursuant to P.L. 103-327		-281	
42.00 Transferred from other accounts	1,500		
43.00 Appropriation (total)	36,500	41,719	42,000
Relation of obligations to outlays:			
71.00 Total obligations	39,234	42,127	42,100
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	13,821	24,609	30,236
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-24,609	-30,236	-31,936
77.00 Adjustments in expired accounts	-307		
78.00 Adjustments in unexpired accounts		-100	-100
90.00 Outlays	28,139	36,400	40,300

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to the HUD mission. These functions are carried out internally and through contracts with industry, nonprofit research organizations, and educational institutions, and through agreements with State and local governments and other Federal agencies.

In 1996, the research program will focus on activities to support the reinvention of HUD, including examination of issues such as transformation of public housing and design of standards for performance-based funds. National housing surveys and research to reduce the cost of housing will continue in 1996.

Object Classification (in thousands of dollars)

Identification code 86-0108-0-1-451	1994 actual	1995 est.	1996 est.
25.2 Other services	33,281	36,127	34,100
41.0 Grants, subsidies, and contributions	5,953	6,000	8,000
99.0 Subtotal, direct obligations	39,234	42,127	42,100
99.9 Total obligations	39,234	42,127	42,100

FAIR HOUSING AND EQUAL OPPORTUNITY

Federal Funds

General and special funds:

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, [\$33,375,000] \$45,000,000, to remain available until September 30, [1996] 1997: Provided, That [\$26,000,000] \$30,000,000 shall be available to carry out activities pursuant to section 561 of the Housing and Community Development Act of 1987. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0144-0-1-751	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Fair housing assistance	6,979	8,522	15,000
00.02 Fair housing initiatives	27,886	29,204	30,000
10.00 Total obligations (object class 41.0)	34,865	37,726	45,000
Financing:			
17.00 Recovery of prior year obligations	-1		
21.40 Unobligated balance available, start of year: Treasury balance	-14,216	-4,351	
24.40 Unobligated balance available, end of year: Treasury balance	4,351		
25.00 Unobligated balance expiring	1		
40.00 Budget authority (appropriation)	25,000	33,375	45,000
Relation of obligations to outlays:			
71.00 Total obligations	34,865	37,726	45,000
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	12,453	37,265	46,444
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-37,265	-46,444	-69,958
77.00 Adjustments in expired accounts	489		
78.00 Adjustments in unexpired accounts	-1		
90.00 Outlays	10,541	28,547	21,486

The Budget proposes an appropriation of \$45 million in 1996 for Fair Housing Activities to aid in eliminating housing discrimination. Of the amount requested, \$15 million is for the Fair Housing Assistance program and \$30 million is for the Fair Housing Initiatives program.

The Fair Housing Assistance program, authorized by title VIII of the Civil Rights Act of 1968 as amended, provides funding to State and local agencies to assure prompt and effective processing of title VIII (Civil Rights Act of 1968) complaints.

The Fair Housing Initiatives program, authorized by the Housing and Community Development Act of 1987 as amended by the Housing and Community Development Act of 1992, provides support to public and private organizations for the purpose of eliminating or preventing discrimination in housing and for enhancing fair housing opportunities.

MANAGEMENT AND ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and nonadministrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$7,000 for official reception and representation expenses, **[\$955,398,000]**, **\$1,017,262,000**, of which **[\$495,355,000]** **\$527,782,000** shall be provided from the various funds of the Federal Housing Administration, **[and \$8,824,000]** **\$9,101,000** shall be provided from funds of the Government National Mortgage Association, and **\$900,000** shall be provided from the Community Opportunity Performance Funds Program account. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0143-0-1-999	1994 actual	1995 est.	1996 est.
Program by activities:			
Direct program:			
00.01 Housing, mortgage credit, regulatory and energy conservation	139,601	141,201	150,562
00.02 Community planning and development programs	70,887	68,377	71,990
00.03 Equal opportunity and research programs	65,487	69,404	73,985
00.04 Departmental management, legal and audit services	141,476	106,976	114,036
00.05 Field direction and administration	44,381	64,640	68,906
00.91 Total direct program	461,832	450,598	479,479
01.01 Reimbursable program	444,872	504,179	537,783
10.00 Total obligations	906,704	954,777	1,017,262
Financing:			
25.00 Unobligated balance expiring	2,221		
39.00 Budget authority (gross)	908,925	954,777	1,017,262
Budget authority:			
Current:			
40.00 Appropriation	464,053	451,219	479,479
40.75 Procurement reduction pursuant to P.L. 103-327		-621	
43.00 Appropriation (total)	464,053	450,598	479,479
Permanent:			
68.00 Spending authority from offsetting collections	444,872	504,179	537,783
Relation of obligations to outlays:			
71.00 Total obligations	906,704	954,777	1,017,262
Obligated balance, start of year:			
72.10 Receivables from other government accounts			
72.40 Unpaid obligations: Treasury balance	84,771	84,071	103,638
73.00 Obligated balance transferred, net	11		
Obligated balance, end of year:			
74.10 Receivables from other government accounts			
74.40 Unpaid obligations: Treasury balance	-84,071	-103,638	-110,992
77.00 Adjustments in expired accounts	7,298		
87.00 Outlays (gross)	914,713	935,210	1,009,908
Adjustments to gross budget authority and outlays:			
88.00 Offsetting collections from: Federal sources	-444,872	-504,179	-537,783

89.00 Budget authority (net)	464,053	450,598	479,479
90.00 Outlays (net)	469,842	431,031	472,125

This appropriation finances all salaries and related costs associated with administering the programs of the Department of Housing and Urban Development, including: housing and mortgage credit programs; community planning and development programs; equal opportunity, research, regulatory and insurance programs; departmental management, legal services; and field direction and administration.

Object Classification (in thousands of dollars)

Identification code 86-0143-0-1-999	1994 actual	1995 est.	1996 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	271,076	259,554	274,901
11.3 Other than full-time permanent	4,877	4,670	4,946
11.5 Other personnel compensation	3,804	3,642	3,858
11.9 Total personnel compensation	279,757	267,866	283,705
12.1 Civilian personnel benefits	55,261	52,912	56,041
13.0 Benefits for former personnel	731	699	741
21.0 Travel and transportation of persons	6,062	7,843	7,493
22.0 Transportation of things	197	761	836
23.1 Rental payments to GSA	38,411	33,001	39,186
23.3 Communications, utilities, and miscellaneous charges	12,398	11,605	12,648
24.0 Printing and reproduction	2,749	2,881	3,165
25.1 Advisory and assistance services	3,117	3,506	3,759
25.2 Other services	58,291	64,934	66,864
26.0 Supplies and materials	2,710	2,549	2,799
31.0 Equipment	1,558	1,834	2,014
42.0 Insurance claims and indemnities	590	207	228
99.0 Subtotal, direct obligations	461,832	450,598	479,479
99.0 Reimbursable obligations	444,872	504,179	537,783
99.9 Total obligations	906,704	954,777	1,017,262

Personnel Summary

Identification code 86-0143-0-1-999	1994 actual	1995 est.	1996 est.
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	6,122	5,626	5,620
1005 Full-time equivalent of overtime and holiday hours	58	30	30
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	6,051	6,292	6,089

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, **[\$47,388,000]** **\$48,251,000**, of which **[\$10,961,000]** **\$11,283,000** shall be transferred from the various funds of the Federal Housing Administration. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 86-0189-0-1-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Direct program	35,728	36,395	36,968
01.01 Reimbursable program	10,946	10,961	11,283
10.00 Total obligations	46,674	47,356	48,251
Financing:			
25.00 Unobligated balance expiring	387		
39.00 Budget authority (gross)	47,061	47,356	48,251
Budget authority:			
Current:			
40.00 Appropriation	36,115	36,427	36,968

General and special funds—Continued

OFFICE OF INSPECTOR GENERAL—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 86-0189-0-1-451	1994 actual	1995 est.	1996 est.
40.75 Procurement reduction pursuant to P.L. 103-327		-32	
43.00 Appropriation (total)	36,115	36,395	36,968
68.00 Permanent: Spending authority from offsetting collections	10,946	10,961	11,283
Relation of obligations to outlays:			
71.00 Total obligations	46,674	47,356	48,251
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	6,968	10,885	12,288
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-10,885	-12,288	-12,288
77.00 Adjustments in expired accounts	-227		
87.00 Outlays (gross)	42,530	45,953	48,251
Adjustments to gross budget authority and outlays:			
88.00 Offsetting collections from: Federal sources	-10,946	-10,961	-11,283
89.00 Budget authority (net)	36,115	36,395	36,968
90.00 Outlays (net)	31,584	34,992	36,968

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste and mismanagement. The audit function provides internal audit, contract audit, and inspection services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of agency operations. Inspection services provide detailed technical evaluations of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

Object Classification (in thousands of dollars)

Identification code 86-0189-0-1-451	1994 actual	1995 est.	1996 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	20,008	20,409	19,952
11.3 Other than full-time permanent	36	36	35
11.5 Other personnel compensation	537	548	536
11.9 Total personnel compensation	20,581	20,993	20,523
12.1 Civilian personnel benefits	4,148	4,231	4,137
13.0 Benefits for former personnel	357	364	356
21.0 Travel and transportation of persons	2,532	2,608	2,686
22.0 Transportation of things	11	11	11
23.1 Rental payments to GSA	3,009	3,100	3,194
23.3 Communications, utilities, and miscellaneous charges	38	38	38
24.0 Printing and reproduction	23	24	25
25.2 Other services	4,289	4,257	5,206
26.0 Supplies and materials	151	162	167
31.0 Equipment	589	607	625
99.0 Subtotal, direct obligations	35,728	36,395	36,968
99.0 Reimbursable obligations	10,946	10,961	11,283
99.9 Total obligations	46,674	47,356	48,251

Personnel Summary

Identification code 86-0189-0-1-451	1994 actual	1995 est.	1996 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	396	408	387

Reimbursable:	2001	2002	2003
Total compensable workyears: Full-time equivalent employment	118	122	115

NEW COMMUNITY ASSISTANCE GRANTS

Program and Financing (in thousands of dollars)

Identification code 86-0149-0-1-451	1994 actual	1995 est.	1996 est.
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-23		
24.40 Unobligated balance available, end of year: Treasury balance			
25.00 Unobligated balance expiring	23		
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations			
90.00 Outlays			

New community assistance grants were authorized by the Housing and Urban Development Act of 1970, as amended. *Budget program.*—Grants were distributed to new community developers under section 718 to supplement public facility projects in existing new communities. Public Law 96-7, dated April 9, 1979, rescinded all budget authority not administratively committed.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, [\$15,451,000] \$14,895,000, to remain available until expended, from the Federal Housing Enterprise Oversight Fund: *Provided*, That such amounts shall be collected by the Director as authorized by section 1316 (a) and (b) of such Act, and deposited in the Fund under section 1316(f). (*Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.*)

Program and Financing (in thousands of dollars)

Identification code 86-5272-0-2-371	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations	6,486	15,451	14,895
Financing:			
17.00 Recovery of prior year obligations		1,303	
21.40 Unobligated balance available, start of year: Treasury balance	-874	-5,088	-3,785
24.40 Unobligated balance available, end of year: Treasury balance	5,088	3,785	3,785
40.20 Budget authority (appropriation) (special fund, definite)	10,700	15,451	14,895
Relation of obligations to outlays:			
71.00 Total obligations	6,486	15,451	14,895
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	1,961	3,611	4,914
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-3,611	-4,914	-4,914
78.00 Adjustments in unexpired accounts		1,303	
90.00 Outlays	4,836	15,451	14,895

This appropriation funds the Office of Federal Housing Enterprise Oversight (OFHEO), which was established in 1992 to regulate the financial safety and soundness of the two housing Government Sponsored Enterprises (GSEs)—the Federal National Mortgage Association and the Federal Home

Loan Mortgage Corporation. The Office was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992, which also instituted a three-part capital standard for the GSEs, and gave the regulator enhanced authority to enforce those standards. The Department of Housing and Urban Development itself will monitor the GSEs' compliance with affordable housing goals that were also contained in the Act.

Object Classification (in thousands of dollars)

Identification code 86-5272-0-2-371	1994 actual	1995 est.	1996 est.
Personnel compensation:			
11.1 Full-time permanent	816	2,113	2,300
11.3 Other than full-time permanent	1,342	3,475	3,782
11.5 Other personnel compensation	58	150	163
11.9 Total personnel compensation	2,216	5,738	6,245
12.1 Civilian personnel benefits	474	1,561	1,699
21.0 Travel and transportation of persons	76	232	375
22.0 Transportation of things	20	100	105
23.1 Rental payments to GSA	623	799	1,095
23.3 Communications, utilities, and miscellaneous charges	267	343	469
24.0 Printing and reproduction	6	157	104
25.2 Other services	2,473	5,480	4,422
26.0 Supplies and materials	112	158	245
31.0 Equipment	219	883	136
99.9 Total obligations	6,486	15,451	14,895

Personnel Summary

Identification code 86-5272-0-2-371	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment	25	65	69

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 86-4586-0-4-451	1994 actual	1995 est.	1996 est.
Program by activities:			
00.03 Operating expenses: Data processing services	136,735	139,902	150,630
01.01 Capital investment: Data processing services	1,800	1,800	1,800
10.00 Total obligations	138,535	141,702	152,430
Financing:			
17.00 Recovery of prior year obligations	-8,399		
21.90 Unobligated balance available, start of year: Fund balance	-7,011	-35,949	-35,949
24.90 Unobligated balance available, end of year: Fund balance	35,949	35,949	35,949
68.00 Budget authority (gross): Spending authority from offsetting collections	159,074	141,702	152,430
Relation of obligations to outlays:			
71.00 Total obligations	138,535	141,702	152,430
Obligated balance, start of year:			
72.10 Receivables from other government accounts		-10,050	-10,050
72.90 Unpaid obligations: Fund balance	7,824		
Obligated balance, end of year:			
74.10 Receivables from other government accounts	10,050	10,050	10,050
74.90 Unpaid obligations: Fund balance			
78.00 Adjustments in unexpired accounts	-8,399		
87.00 Outlays (gross)	148,010	141,702	152,430
Adjustments to gross budget authority and outlays:			
88.00 Offsetting collections from: Federal sources	-159,074	-141,702	-152,430
89.00 Budget authority (net)			
90.00 Outlays (net)	-11,064		

The Working Capital Fund, authorized by the Department of Housing and Urban Development Act of 1965, finances information technology and office automation initiatives which

can be performed more efficiently on a centralized basis. The fund is financed from fees charged for services performed.

Object Classification (in thousands of dollars)

Identification code 86-4586-0-4-451	1994 actual	1995 est.	1996 est.
Personnel compensation:			
11.1 Full-time permanent	16,614	17,510	16,476
11.3 Other than full-time permanent	641	676	636
11.5 Other personnel compensation	144	151	142
11.9 Total personnel compensation	17,399	18,337	17,254
12.1 Civilian personnel benefits	3,552	4,704	4,426
21.0 Travel and transportation of persons	411	332	310
22.0 Transportation of things	32	17	15
23.3 Communications, utilities, and miscellaneous charges	24,724	23,533	21,990
24.0 Printing and reproduction	116	116	108
25.2 Other services	83,317	78,749	93,461
26.0 Supplies and materials	3,396	3,150	2,942
31.0 Equipment	5,588	12,764	11,924
99.9 Total obligations	138,535	141,702	152,430

Personnel Summary

Identification code 86-4586-0-4-451	1994 actual	1995 est.	1996 est.
5001 Total compensable workyears: Full-time equivalent employment	359	370	350

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code 86-8093-0-7-451	1994 actual	1995 est.	1996 est.
Financing:			
21.90 Unobligated balance available, start of year: Fund balance	-4	-4	-4
24.90 Unobligated balance available, end of year: Fund balance	4	4	4

Relation of obligations to outlays:

71.00 Total obligations			
90.00 Outlays			

This fund is the repository of gifts and bequests that the Secretary of Housing and Urban Development is authorized to accept and use for the purposes of aiding the work of the Department. Section 7(k)(1) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(k)(1), authorizes the installment of a fund amount for the above purpose.

ADMINISTRATIVE PROVISIONS

All remaining obligated and unobligated balances in the Renewal of Expiring Section 8 Contracts account on September 30, 1995 shall immediately thereafter be transferred to and merged with the obligated and unobligated balances, respectively, of the Annual Contributions for Assisted Housing account.

[None of the funds provided under this title to the Department of Housing and Urban Development, which are obligated to State or local governments or to housing finance agencies or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.]

[Of the budgetary resources available to the Department of Housing and Urban Development during fiscal year 1995, \$3,538,000 are permanently canceled. The Secretary of Housing and Urban Development shall allocate the amount of budgetary resources canceled among the Department's accounts available for procurement and procurement-related expenses. Amounts available for procurement and procurement-related expenses in each such account shall be reduced by the amount allocated to such account. For the purpose of this

Intragovernmental funds—Continued

ADMINISTRATIVE PROVISIONS—Continued

paragraph, the definition of “procurement” includes all stages of the process of acquiring property or services, beginning with the process of determining a need for a product or service and ending with contract completion and closeout as specified in 41 U.S.C. 403(2).]

[Of the \$150,000,000 earmarked in Public Law 102–139 for special purpose grants (105 Stat. 736, 745), \$1,000,000 made available to the Pennsylvania Housing Finance Agency to complete renovation and revitalization of the Saquoit Silk Mills in Scranton into low-income elderly apartments shall instead be made available for such low-income elderly apartments on the site of the existing Lackawanna Junior College in Lackawanna County, Pennsylvania.]

[Notwithstanding any provision of law or regulation thereunder, the requirement that an amendment to an urban development action grant agreement must be integrally related to the approved project is hereby waived for project numbers B87AA360540 and B87AA360521.]

[None of the funds made available in this Act may be used in violation of section 214 of the Housing and Community Development Act of 1980 or of any applicable Federal law or regulation of the United States.]

[Subparagraph (A) of the first sentence of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by striking clause (ii) and all that follows through “May 12, 1992,” and inserting the following:

“(ii) 75 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size;

except that the applicable dollar amount limitation in effect for any area under this subparagraph may not be less than the greater of the dollar amount limitation in effect under this section for the area on the date of enactment of the Housing Choice and Community Investment Act of 1994 or 38 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size;”.]

[Notwithstanding subsection 306(g)(3) of the National Housing Act, as amended, fees charged for the guaranty of, or commitment to guaranty, multiclass securities backed by a trust or pool of securities or notes guaranteed by the Government National Mortgage Association prior to February 1, 1993, and other related fees, shall be charged in an amount the Association deems appropriate.]

[Beginning fiscal year 1995, the Government National Mortgage Association shall permit Ginnie Mae II mortgage-backed securities to be eligible as collateral for multiclass securities that such Association guarantees, in accordance with the Notice published at 59 Fed. Reg. 27290 (May 26, 1994) and successor Notices.]

Section 8(c)(2)(A) of the United States Housing Act of 1937 is amended by inserting at the end the following: “However, where the maximum monthly rent, for a unit in a new construction, substantial rehabilitation, or moderate rehabilitation project, to be adjusted using an annual adjustment factor exceeds the fair market rental for an existing dwelling unit in the market area, the Secretary shall adjust the rent only to the extent that the owner demonstrates that the adjusted rent would not exceed the rent for an unassisted unit of similar quality, type, and age in the same market area, as determined by the Secretary. The immediately foregoing sentence shall be effective [only] during fiscal year [1995] 1996.”.

The immediately foregoing amendment shall apply to all contracts for new construction, substantial rehabilitation, and moderate rehabilitation projects under which rents are adjusted under section 8(c)(2)(A) of such Act by applying an annual adjustment factor.

Section 8(c)(2)(A) of the United States Housing Act of 1937, as amended by the immediately foregoing amendment to such section, is further amended by inserting at the end the following: “For any unit occupied by the same family at the time of the last annual rental adjustment, where the assistance contract provides for the adjustment of the maximum monthly rent by applying an annual adjustment factor and where the rent for a unit is otherwise eligible for an adjustment based on the full amount of the factor, 0.01 shall be subtracted from the amount of the factor, except that the factor

shall not be reduced to less than 1.0. The immediately foregoing sentence shall be effective [only] during fiscal year [1995] 1996.”.

The immediately foregoing shall hereafter apply to all contracts that are subject to section 8(c)(2)(A) of such Act and that provide for rent adjustments using an annual adjustment factor.

The United States Housing Act of 1937 is amended in each of sections 6(c)(4)(A)(ii) and 8(d)(1)(A)(ii), by striking “and (V)” and inserting in lieu thereof the following: “(V) assisting families that include one or more adult members who are employed; and (VI)”; and in sections 6(c)(4)(A)(ii) and 8(d)(1)(A)(ii), by inserting after the final semicolon in each the following: “subclause (V) shall be effective [only] during fiscal year [1995] 1996.”.

[Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by adding at the end the following new subsection:

“(aa) REFINANCING INCENTIVE.—

“(1) IN GENERAL.—The Secretary may pay all or a part of the up front costs of refinancing for each project that—

“(A) is constructed, substantially rehabilitated, or moderately rehabilitated under this section;

“(B) is subject to an assistance contract under this section; and

“(C) was subject to a mortgage that has been refinanced under section 223(a)(7) or section 223(f) of the National Housing Act to lower the periodic debt service payments of the owner.

“(2) SHARE FROM REDUCED ASSISTANCE PAYMENTS.—The Secretary may pay the up front cost of refinancing only—

“(A) to the extent that funds accrue to the Secretary from the reduced assistance payments that results from the refinancing; and

“(B) after the application of amounts in accordance with section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988.”.]

[Section 223(a)(7) of the National Housing Act (42 U.S.C. 1751n(a)(7)) is amended in subparagraph (B), by striking “and” at the end; and by inserting, before “: Provided further” in said paragraph, the following: “; and (D) any multifamily mortgage that is refinanced under this paragraph shall be documented through amendments to the existing insurance contract and shall not be structured through the provisions of a new insurance contract”.]

[The amendments of the two immediately preceding paragraphs shall be effective only during fiscal year 1995.]

[Section 601 of title VI of S. 2281 (103d Cong., 2d Sess), as reported to the Senate on July 13 (legislative day, July 11), 1994 (S. Rep. 103–307), is hereby incorporated into this Act, and such section 601 is deemed enacted into law upon enactment of this Act: *Provided*, That the provisions of such section 601 shall be effective only during fiscal year 1995.]

[Title VIII of S. 2281 (103d Cong., 2d Sess), as reported to the Senate on July 13 (legislative day, July 11), 1994 (S. Rep. 103–307), is hereby incorporated into this Act, and such title VIII is deemed enacted into law upon enactment of this Act.]

[Notwithstanding any other provision of law, the New York City Housing Authority is authorized to use not more than \$12,420,000, from development reservation number NY36P005324 for 100 public housing units previously awarded from funds appropriated under Public Law 101–507 (Nov. 5, 1990), for the purpose of completing a homeownership program involving not more than 463 dwelling units located in Bronx County, in the City of New York, in accordance with a certain submission dated November 16, 1993 made in response to a Notice of Funding Availability issued at 58 Fed. Reg. 41127. The Secretary of Housing and Urban Development shall thereafter add a similar number of existing non-Federal public housing units, designated by the Authority, to the agency’s inventory of federally-assisted public housing developments and said units shall, for all purposes other than the repayment of any debt associated with their development or rehabilitation, be considered as if initially developed under title I of the Housing Act of 1937.] *Notwithstanding section 8(q) of the United States Housing Act of 1937, those portions of the fees for the costs incurred in administering units assisted in the certificate and housing voucher programs under sections 8(b), 8(o), and 8(e)(2) shall be set at no higher than 7 percent. (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995.)*