Date

Address to FHA Mortgage Holder

Subject: AHP and FHA Financing

To Whom It May Concern:

The Federal Home Loan Bank of San Francisco (Bank) is providing this letter for the sole purpose of satisfying the FHA’s requirements applicable to secondary financing transactions by Government Entities as set forth in [Handbook 4000.1, FHA Single Family Housing Policy Handbook](http://portal.hud.gov/hudportal/documents/huddoc?id=40001HSGH.pdf) Section II.A.4.d.ii.(C), and Section II.A.4.d.iii.(J)(1)(c), to the extent that the Bank is required to comply, and not for any other purpose.

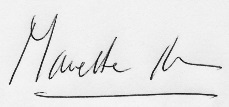
The Bank and Member Bank Name(Member) entered into an Affordable Housing Program Direct Subsidy Agreement – Homeownership Set-Aside Agreement, effective Month Day, Year (Agreement). The Bank’s Affordable Housing Program (AHP) is an acceptable source of downpayment assistance that may be used in conjunction with FHA-insured financing to satisfy the borrower’s 3.5% minimum cash investment requirement, as set forth in HUD Handbook 4155.1 Section 5.B.7.d. You are advised that the Bank has, at or before closing, incurred a legally enforceable obligation to provide the Member with funds towards an eligible homebuyer’s downpayment and/or closing costs for the purchase of an owner-occupied residence provided that the Member complies with the terms of the Agreement. On behalf of the Bank, the secondary financing will be closed in the name of the Member.

### Home Purchase Transaction Information:

FHA Case Number (First Mortgage):        
Member Information:

Name:        
Address:        
Tax ID:

Name of Borrower(s):         
Property Address:        
Amount of Secondary Financing (WISH or IDEA funds) $        
Purpose of Secondary Financing:  Downpayment  Closing Costs

Sincerely,

Marietta Núñez

**Senior Vice President**

**Community Investment Officer**