RESCINDED

BC - 21

BANKING ISSUANCE

BC 1970-21 has been replaced by OCC 1999-49 .

Type:	Banking Circular	Subject:	Purchase of Shares in the Common Stock

TO THE PRESIDENTS OF ALL NATIONAL BANKS

NATIONAL BANKS MAY PURCHASE SHARES IN THE COMMON STOCK OF NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS AND LIMITED PARTNERSHIP INTERESTS IN THE NATIONAL HOUSING PARTNERSHIP.

The Housing and Urban Development Act of 1968 (P.L. 90-448), approved by the President on August 1, 1968, amended the National Banking Laws (R.S. 5136, 12 U.S.C. 24) so as to permit a bank to (1) purchase for its own account shares of stock issued by a corporation authorized to be created pursuant to Title IX of the Housing and Urban Development Act of 1968, and (2) make investments in a partnership, limited partnership, or joint venture formed pursuant to Section 907(a) or 907(c) of the Act.

Title IX was enacted to encourage maximum participation by private investors in programs and projects to provide low and moderate income housing, and for this purpose, it authorized the creation of private corporations for profit, partnerships, limited partnerships, and joint ventures.

National Corporation for Housing Partnerships has been organized pursuant to this authority and will shortly solicit subscriptions for investment units to consist of stock in the corporation and limited partnership interests in the National Housing Partnership of which the corporation will be the sole general partner. These subscriptions, in a minimum amount of $100,000 but not more than approximately $2.5 million, will be solicited from business corporations, labor organizations, financial institutions, domiciled in the United States and having substantial assets, whose primary interest in subscribing is promoting the construction of low and moderate income housing rather than return on the investment.

National banks are authorized under the provisions of paragraph Seven of 12 U.S.C. 24 to purchase investment units consisting of stock in National Corporation for Housing Partnerships and limited partnership interests in the National Housing Partnership.

William B. Camp
Comptroller of the Currency.