



No.: **1999-30**  
Date: **May 20, 1999**

FEDERAL HOUSING FINANCE BOARD

Approval of Federal Home Loan Bank of San Francisco Request to Lease Its Current Space

WHEREAS, section 12(a) of the Federal Home Loan Bank Act (Bank Act), 12 U.S.C. § 1432(a), provides that “except with the prior approval of the Board, no bank building shall be ... leased by such bank under any lease (to house such bank) which has a term of more than ten years ...”; and

WHEREAS, on March 26, 1999, the Board of Directors of the Federal Home Loan Bank of San Francisco (Bank) approved the sale of the Bank’s headquarters building at 600 California Street, San Francisco, California, to Despa Deutsche Sparkassen-Immobilien-Anlage-Gesellschaft MBH (Despa), and also authorized the Bank to enter into a corresponding leaseback of the Bank’s current space with Despa (Lease); and

WHEREAS, the Lease is for a firm term of 10 years, with one option to renew for an additional 5 years, exercisable solely by the Bank; and

WHEREAS, the Bank has analyzed various alternatives and determined that the Lease is the most cost-effective alternative to provide for its office needs; and

WHEREAS, the Bank has submitted a request to the Federal Housing Finance Board (Finance Board) for approval of the Lease pursuant to section 12(a); and

WHEREAS, the Office of Policy, Research and Analysis (OPRA) has reviewed the proposal and has recommended that it be approved; and

WHEREAS, the Finance Board has reviewed the request and the OPRA analysis and found that approval of the Lease would be consistent with the Bank Act and would not raise safety or soundness concerns.

NOW, THEREFORE, IT IS RESOLVED that the Bank’s Lease is hereby approved.

By the Board of Directors of the  
Federal Housing Finance Board

*/s/ Bruce A. Morrison*

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Bruce A. Morrison, Chairman