

**APPROVED BY COMMITTEE**

7/31/2014 4:41pm

**§ 1000.316** How is the Formula Current Assisted Stock (FCAS) Component developed?  
The Formula Current Assisted Stock component consists of two elements. They are:

- (a) Operating subsidy. ...
- (b) Modernization allocation. ...

**[new subsection:]**

(c) Conversion. Conversion of FCAS units from homeownership (Mutual Help or Turnkey III) to low-rent or from low-rent to a home ownership program.

(1) If units were converted before October 1, 1997, as evidenced by an amended ACC, then those units will be counted for formula funding and eligibility purposes as the type of unit to which they were converted.

(2) If units were converted after October 1, 1997, the following applies:

(a) Funding type. Units that converted after October 1, 1997 will be funded as the type of unit specified on the original ACC.

(b) Continued FCAS eligibility. Whether or not it is the first conversion, a unit converted after October 1, 1997, will be considered as the type converted to when determining continuing FCAS eligibility. A unit that is converted to low-rent will be treated as a low-rent unit for purposes of determining continuing FCAS eligibility. A unit that is converted to homeownership will be treated as a homeownership unit for purposes of determining continuing FCAS eligibility.

(3) The Indian Tribe, TDHE, or IHA shall report conversions on the Formula Response Form.