



# *Annual Report 1972*

NUMBER

AR2022

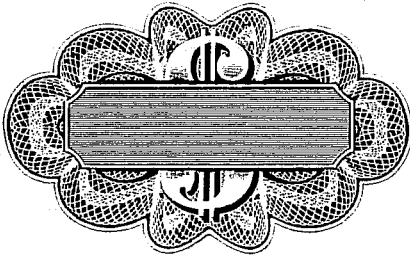
## **NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**



NUMBER

AR2022

**NEW YORK CITY  
HOUSING  
DEVELOPMENT  
CORPORATION**



**REGISTERED**

**6½%**

**GENERAL HOUSING BOND,  
SERIES A**

DATED

PRINCIPAL DUE

**MAY 1, 2022**

INTEREST PAYABLE  
**MAY 1 and NOVEMBER 1**

PRINCIPAL AND INTEREST PAYABLE  
AT THE CORPORATE TRUST OFFICE  
OF THE TRUSTEE  
**FIRST NATIONAL CITY BANK**  
IN THE BOROUGH OF MANHATTAN  
CITY AND STATE OF NEW YORK

SECURITY-COLUMBIAN BANKNOTE COMPANY

A report to  
Hon. John V. Lindsay, *Mayor*  
Hon. Abraham D. Beame, *Comptroller*  
Hon. David A. Grossman, *Director of Budget*

# *Annual Report*

*November 1, 1971 to October 31, 1972*

Submitted by  
The Chairman and Members of  
The New York City  
Housing Development Corporation

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The New York City Housing Development Corporation  
110 William Street Suite 3100 New York, New York 10038

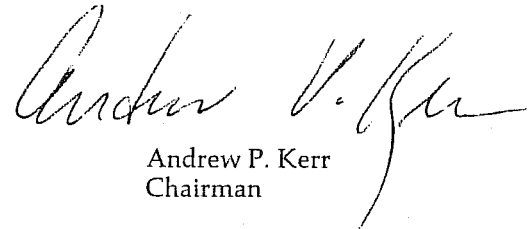
## Chairman's Report

The New York City Housing Development Corporation became fully operational in May 1972. Within three months, it had a very successful sale of \$133 million in bonds. The sale established the Corporation's standing in the financial community. Underwriters found that the bonds were a highly marketable product. Investors saw an opportunity to invest in well secured obligations providing funds to finance viable and essential housing projects. Three housing companies received the proceeds of the bond sale; they all obtained permanent financing at net interest costs below the initially projected rates. The secondary market has confirmed the favorable reaction to the Corporation's obligations.

A successful sale is always a welcome experience, but it is doubly so when it is the first sale of a new agency. The reception of our first issue was therefore very gratifying, especially in view of its size. We also have the distinction of being the only revenue bond housing finance agency in the country that is funding its mortgages with up to 50-year financing.

The Corporation has been financially independent from its inception. With the cooperation of a civic-minded financial institution, HDC received its initial funding solely from private sources and without any appropriations from the City or the State. Its continued operations will be financed by fees charged to housing companies and investment earnings.

The real beneficiaries of the bond sale are The City of New York and its citizens. And the sale has demonstrated that HDC is a viable mechanism for financing projects in the City's housing pipeline; the funds generated by the Corporation will substantially supplement the funds now available through the City's own debt-incurring capacity. More than ever before, the City is now in a position to speed the delivery of sorely needed housing to its people.



Andrew P. Kerr  
Chairman

January 23, 1973

## Members and Executive Staff

The Corporation consists of the Administrator of the Housing and Development Administration of The City of New York (who is designated by the New York City Housing Development Corporation Act as Chairman of the Corporation), the Director of the Budget of the City of New York and the Finance Administrator of The City of New York, serving ex officio, and four public members, two appointed by the Mayor and two appointed by the Governor. No fewer than four members may act for the Corporation.



Albert A. Walsh, *Chairman and Member ex officio.*

Mr. Walsh was Administrator of the Housing and Development Administration of The City of New York until his resignation November first. He had earlier been Chairman of the New York City Housing Authority and previously Deputy Commissioner of the New York State Division of Housing and Community Renewal. He is immediate past President of the National Association of Housing and Redevelopment Officials.



Andrew P. Kerr, *Chairman and Member ex officio effective November 1, 1972.*

Mr. Kerr assumed the position of Housing and Development Administrator on November 1, 1972. Formerly First Deputy Director of the Bureau of the Budget of The City of New York, Mr. Kerr is a specialist in the areas of management, budgeting, and public administration.



Richard Lewisohn, *Vice-Chairman and Member ex officio.*

Mr. Lewisohn is Administrator of the Finance Administration of The City of New York. He was formerly Administrator of the Economic Development Administration of The City of New York and President and Chairman of the Board of the Venus Pen and Pencil Corporation.



Thomas E. Dewey, Jr., *Member (term expires December 31, 1976)*.  
Mr. Dewey is a General Partner in the investment banking firm of Kuhn, Loeb & Co. He is also a trustee of Lenox Hill Hospital and the Harlem Savings Bank.



David A. Grossman, *Member ex officio*.  
Mr. Grossman is Director of the Budget of The City of New York. He was formerly Deputy Director of the City's Bureau of the Budget and has had extensive experience as a planner and director of various governmental programs on a federal, state, and local level, with an emphasis on urban renewal and city planning.



Mrs. Frederica C. Hein, *Member (term expires December 31, 1974)*.  
Mrs. Hein is an attorney and a partner of Hein, Waters, Klein and Zurkow. A member of the Board of Visitors of the Creedmoor State Hospital, she is also former President of the Queens Womens Bar Association and Vice-President of the International Federation of Women Lawyers.



Pazel G. Jackson, Jr., *Member (term expires December 31, 1975)*.  
Mr. Jackson is a Vice-President and Director of Urban Affairs of the Bowery Savings Bank of New York. He was formerly Assistant Commissioner of the New York City Department of Buildings and Chief of Design of the New York World's Fair Corporation.

J. Lee Rankin, *Member (term expires December 31, 1973).*

Mr. Rankin, an attorney, is a former Corporation Counsel of The City of New York, former Solicitor General of the United States, and former Assistant Attorney General, Office of Legal Counsel, of the United States.



Edward R. Levy, *Executive Director.*

Mr. Levy is an attorney with extensive experience in housing. He has been the First Deputy Commissioner, Department of Development of the New York City Housing and Development Administration, Assistant Commissioner of the New York State Division of Housing and Community Renewal, Assistant Director of the New York State Housing Finance Agency, and Assistant to the Chairman and Secretary of the Battery Park City Authority.



John L. Warren, *Treasurer.*

Mr. Warren is a certified public accountant. He was formerly the Director of Finance for the City of New Rochelle, New York, Accounting Executive of the County of Nassau, New York, and Comptroller of the Incorporated Village of Rockville Centre, New York.

John J. McGarrahan, *General Counsel and Secretary.*

Mr. McGarrahan, an attorney, has been an Assistant to the Mayor of The City of New York, with responsibility in the areas of housing and economic development, and previously an associate of Casey, Lane & Mittendorf, a New York law firm.

Shirley Adelson Siegel, *General Counsel and Secretary effective November 29, 1972.*

Mrs. Siegel, an attorney, has been General Counsel of the New York City Housing and Development Administration. She was formerly the Assistant New York State Attorney General in charge of the Civil Rights Bureau and has taught at the M.I.T. Graduate School of City Planning and the Columbia Law School.

## *HDC Housing Finance Program Need*

Since the enactment of New York State's Limited Profit Housing Companies Law in 1955, The City of New York has expended over one billion dollars in financing limited-profit housing projects. However, another billion dollar's worth of projects now on the drawing boards will require financing. So vast a pipeline imposed a strain on the City's capital funds, upon which there are many other claims in addition to housing. Hence, the HDC was created as a supplementary and alternative means of supplying mortgage money for housing projects.

## *Powers*

The Corporation is authorized by its enabling Act to make loans for either new construction or rehabilitation. It may make mortgage loans to housing companies for construction of new housing or rehabilitation in accordance with the provisions of Article II of the Private Housing Finance Law, or rehabilitation loans to owners of existing multiple dwellings, pursuant to Article VIII of the same law. In both cases, the purpose must be to provide housing to persons and families whose need for safe and sanitary housing is not being met in New York City by unassisted private enterprise. The maximum income of persons and families occupying such housing, the rentals or carrying charges payable, and the profit of housing companies are determined and regulated by law.

## *Authorization*

The HDC has been authorized by the New York State Legislature to sell bonds of up to \$800,000,000. Not more than \$200,000,000 of this total may be used for rehabilitation under Article VIII and not more than \$100,000,000 for financing projects jointly with conventional lending institutions.

The HDC has the option of either financing new projects in the City's housing pipeline or refinancing projects that have already received mortgage loans from the City or from conventional sources. It can initially sell either notes or bonds to finance the projects. However, projects must be permanently financed with bonds within seven years of the initial mortgage closing.

## *Security for bonds*

The primary source of funds for the payment of the debt service on the Corporation's bonds is the payments made by the mortgagors of the projects financed by the Corporation. These payments include repayments of principal and interest, mortgage origination fees, and annual service charges.

A secondary source of revenue for payment of debt service on the Corporation's bonds is investment income or earnings on the funds and accounts established under the General Bond Resolution.

Thirdly, the General Bond Resolution provides for the establishment of a General Reserve Fund not to exceed 2% of the outstanding bonds. Investment income, fees, and charges in excess of the Corporation's operating requirements will flow into the General Reserve Fund and are available to meet debt service if required.

As the ultimate security, there is the statutorily required Capital Reserve Fund. This Fund is made up of the maximum annual debt service for each issue of the Corporation's bonds and must be funded from the proceeds of each bond issue, if not provided from another source. If, for any reason, this Capital Reserve Fund should fall below its requirement, then the Chairman of the Corporation must certify that fact to the Mayor and Director of the Budget of The City of New York. If the City fails or is unable to restore the Capital Reserve Fund to the minimum requirement, then the Chairman must so certify to the State Comptroller, who must in response pay the Corporation the amount necessary to restore the Fund to its required level. The Comptroller is to make this payment out of the first monies available from the next payment of unallocated per capita

State aid to the City. (The only prior claimant to this money is the City University Construction Fund, and there is every reason to believe that State aid would be more than adequate for both purposes.) Any such payment would be a non-interest bearing loan from the City to the Corporation.

All of the foregoing are secured by a pledge of the mortgages, revenues, other monies, securities, funds and accounts of the Corporation to the bondholders.

#### *Rent covenant*

To ensure the continued financial viability of the project mortgages it finances, the Corporation is empowered to vary the rentals charged. Whenever it finds that the maximum rentals being charged are not sufficient to meet the mortgagor's necessary payments of all expenses (including fixed charges, sinking funds, reserves, and dividends), the Corporation will request the mortgagor to apply to the New York City Housing and Development Administration for permission to vary the rentals so as to secure sufficient income. If the mortgagor does not do so within thirty days, the Corporation will request HDA to take action upon its own motion to vary the rental rate. If HDA fails to do so within sixty days, the Corporation will vary the rental rate itself. However, in cases where projects benefited from any federal housing program of financial assistance, such rental increases would of course be subject to the approval of the U.S. Department of Housing and Urban Development.

#### *HDC bonds as legal investments*

Under the provisions of Section 662 of the New York City Housing Development Corporation Act, HDC bonds are made securities in which all of the following may properly and legally invest funds, including capital in their control or belonging to them: all public officers and bodies of the State of New York and all municipalities and municipal subdivisions; all insurance companies and associations and other persons carrying on an insurance business; all banks, bankers, trust companies, savings banks, and savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business; administrators, guardians, executors, other fiduciaries; and all other persons whatsoever who are now, or may hereafter be, authorized to invest in bonds or in other obligations of the State. The bonds are also securities which may be deposited with and may be received by all public officers and bodies of the state and municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized.

#### *Tax exemption*

In the opinion of Bond Counsel, the interest on HDC bonds is exempt from (i) Federal income taxes under the existing statute and the ruling issued by the Internal Revenue Service and (ii) New York State and New York City income taxes; however, for any period that any bond is held by a person referred to in Section 103 (c) (7) of the Internal Revenue Code of 1954 (a substantial user of the facilities or a related person), interest on the bonds are not exempt from Federal income taxes.



The New York City Housing Development Corporation was created by a state act effective June 17, 1971. It became fully operational in May 1972, when the City Council passed Local Law No. 34 of 1972, as required by the Act.

It was barely three months later, in August 1972, that the sale of its Series A Bonds in the principal amount of \$133,000,000 took place. The delivery of these bonds and the simultaneous closing of three mortgages financing 3028 units of housing were the highlight of the fiscal year.

The City Council's approval had followed upon lengthy deliberations on the debt service makeup provisions incorporated in the HDC Act as passed by the State Legislature. During this period, in expectation of eventual approval, plans were being carried forward for the implementation of the HDC Act. Immediately upon passage of the local law, therefore, the Corporation opened its new office at 110 William Street, employed a small staff, and commenced operations. This prompt action was made possible not only by advance planning but by its initial funding—an unsecured loan from the Morgan Guaranty Trust Company of New York at an interest rate of 4 percent. The funding was particularly welcome as the first mark of confidence by the financial community in the viability and future of the Corporation.

Before the end of May, the Members had reviewed staff reports on the feasibility of Washington Plaza Towers and adopted a resolution reserving funds in contemplation of making a mortgage loan for the project.

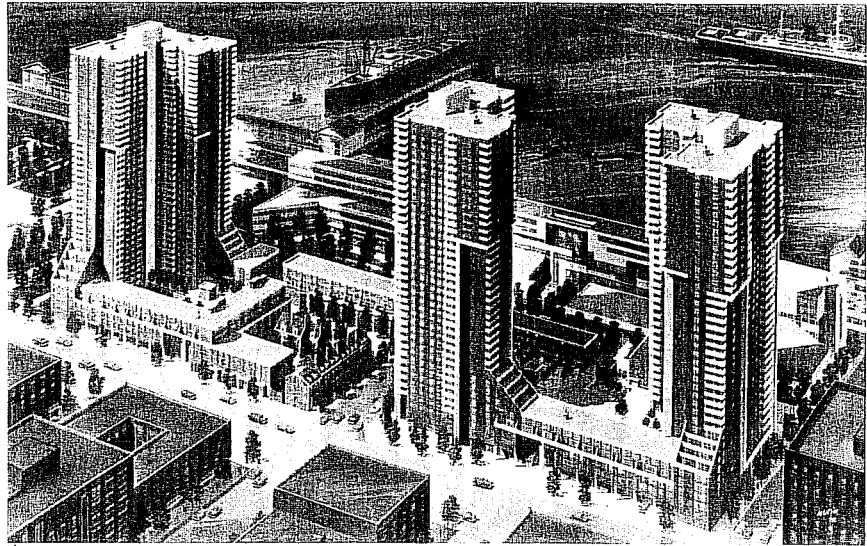
Washington Plaza Towers, a handsome and innovative rental project of 1330 dwelling units, is located on Manhattan's lower West Side, near the new World Trade Center and the financial district. It will include three 39-story towers, 39 townhouse complexes, commercial space, primary school space, and a garage.

June saw the signing into law of several amendments to the HDC Act, by which the Corporation was authorized to vary rentals on projects it has financed, and two Members appointed by the Governor were added to the Board. Another extremely important amendment increased the Corporation's bond authorization to \$800,000,000 and permitted the Corporation to use the new \$100,000,000 for participatory loans. This approach—sharing the mortgage cost of new construction or rehabilitation with conventional financing sources—is being pursued with great interest on the part of both the Corporation and the financial community. It holds promise as another means of increasing the City's housing stock and expanding the availability of financing from the private sector.

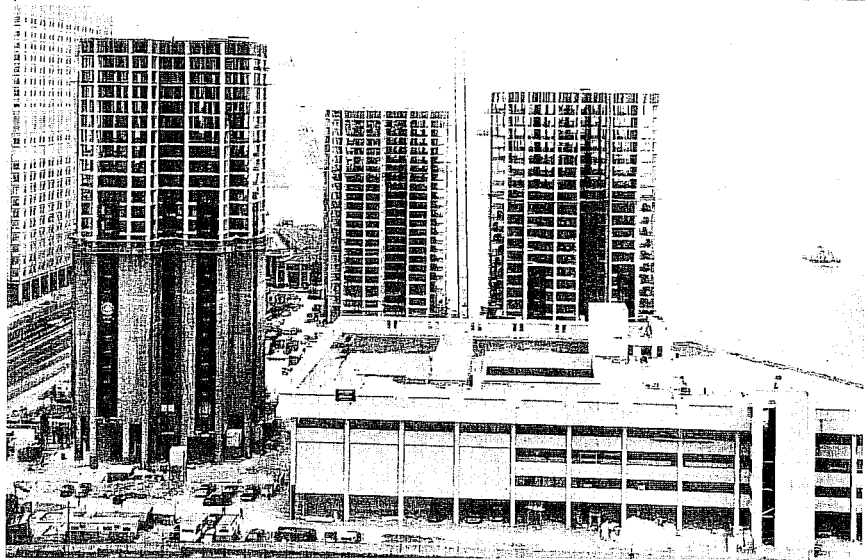
In the following month, reviews by the HDC Board of Ocean Park and Waterside, the next two projects considered for financing, were completed, and resolutions were passed reserving funds for them. Ocean Park's 598 units are located on the beach in Far Rockaway, Queens; and Waterside, one of the City's most exciting projects, will consist of 1100 apartments and 50,000 square feet of commercial space, built on a platform extending over the East River, between 25th and 28th Streets. In keeping with the City's interest in the total community approach, Waterside will also include three acres of park, plazas, and terraces for use by the public.

Still in July, the Corporation issued the preliminary documents, including the Official Statement, required in connection with its bond issue. These documents were developed with the assistance of our Financial Consultants, Roosevelt & Son Incorporated, and prepared by our Bond Counsel, Hawkins, Delafield & Wood.

*The Washington Plaza Towers Project  
(architects' rendering)*



*The Waterside Project  
(in construction)*



*The Ocean Park Apartments Project  
(completed)*



In August, all the processes leading toward a successful bond sale came to fruition. The mortgages for all three of the first HDC projects were closed in escrow. The Chairman's report on the making of loans pursuant to Article VIII of the Private Housing Finance Law was filed, as required by Local Law No. 34 of 1972. The Corporation adopted its General Housing Bond Resolution, formally establishing the covenants made by the Corporation to the holders of its bonds, and incorporating in its 100 pages the experience to date of existing state housing finance agencies.

Then, HDC executed a purchase agreement with an underwriting group headed by Goldman, Sachs and Co. and seven other managers for the sale of \$133,000,000 of Series A General Housing Bonds. The issue was made up of \$8,570,000 in serial bonds and \$124,430,000 in term bonds at a net interest cost of 6.56%. The First National City Bank was designated Trustee, Morgan Guaranty Trust Company of New York was designated Depository, and the Chase Manhattan Bank, N.A., was designated as the Paying Agent.

The closing of the bond sale was executed in September, with the delivery of the bonds. Simultaneously, the mortgages on the three projects were released from escrow, and the proceeds of the bond sale flowed into the accounts of the projects as well as into the HDC Capital Reserve Fund. At the same time the prior mortgages on the three projects and the loan to the Corporation from the Morgan Guaranty Trust Company were satisfied.

Immediately prior to these closings, an interest reduction subsidy contract was executed with HUD for the Ocean Park Project providing for federal subsidy in the amount of \$928,400 per annum.

In the last month of the fiscal year, HDC began to service its mortgages and process requisitions for mortgage advances.

The Board has reserved \$12,135,500 for HDC financing of Crown Gardens, a 238-unit cooperative project located in the Crown Heights section of Brooklyn.

## Summary of Financing

The Series A Bond proceeds were used to establish the statutorily required Capital Reserve Fund and to provide mortgage financing for Waterside, Washington Plaza and Ocean Park projects as follows:

	<i>Mortgage commitment</i>	<i>Mortgage loan commitment financed by Series A bond proceeds</i>	<i>Percentage of mortgage loan permanently financed</i>
Waterside Housing Company, Inc.	\$ 60,440,000	\$ 52,208,100	86%
Washington Plaza Towers, Inc.	63,644,680	53,421,050	84%
Ocean Park Housing Co., Inc.	<u>18,265,900</u>	<u>18,265,900</u>	100%
	<u>\$142,350,580</u>	<u>\$123,895,050</u>	
Capital Reserve Fund		<u>9,104,950</u>	
Amount of Series A Bonds		<u>\$133,000,000</u>	

*Report of Independent Accountants*

To the Members of the  
New York City Housing  
Development Corporation

We have examined the financial statements of the New York City Housing Development Corporation for the period from October 8, 1971 (inception of operations) to October 31, 1972. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statements of assets and liabilities, changes in restricted fund balance, administrative revenues and expenses and changes in fund balance available for future expenses, and sources and uses of cash present fairly the financial position of the New York City Housing Development Corporation at October 31, 1972, and the changes in restricted fund balance, administrative revenues and expenses, changes in fund balance available for future expenses, and sources and uses of cash for the period from October 8, 1971 to October 31, 1972, in conformity with generally accepted accounting principles.

*Ernst & Ernst*

New York, N.Y.  
January 10, 1973

Statement of Assets and Liabilities

October 31, 1972

Assets

Mortgage loans—Notes B and C .....		\$ 45,371,398
Receivable from mortgagors for reimbursement of expenses .....		220,048
Funds available for designated purposes—Notes D and E:		
Project Mortgage Loan Accounts .....	\$68,113,709	
Capitalized Interest Accounts .....	11,186,943	
Capital Reserve Fund .....	<u>9,193,769</u>	88,494,421
Amount transferred to Paying Agents in advance—contra .....		1,432,937
Funds held for operations:		
Cash .....	13,934	
Investments—Note B .....	<u>800,000</u>	813,934
Office equipment less allowance of \$2,423 for depreciation .....		<u>21,026</u>
		<u>\$136,353,764</u>

Liabilities

General Housing Bonds, Series A—Note F .....		\$133,000,000
Accrued interest payable—contra .....		1,432,937
Accounts payable and other accrued expenses .....		225,453
Fund balances:		
Restricted—Note B:		
Capital reserves .....		88,819
Mortgage loans .....		<u>777,000</u>
		865,819
Available for future expenses .....		<u>829,555</u>
		<u>1,695,374</u>
Commitments—Note H		
		<u>\$136,353,764</u>

See notes to financial statements.

*Statement of Administrative Revenues and Expenses and  
Changes in Fund Balance Available for Future Expenses*

For the period from October 8, 1971  
(inception of operations)  
to  
October 31, 1972

*Revenues*

Transfer from restricted fund .....	\$ 1,036,743
Interest earned on investments .....	8,606
	<u>1,045,349</u>

*Expenses*

Salaries .....	137,189
Rent .....	44,704
Interest on bank loan .....	11,166
Other administrative and operating expenses .....	22,735
	<u>215,794</u>
Fund balance available for future expenses at October 31, 1972 .....	<u>\$ 829,555</u>

See notes to financial statements.

*Statement of Changes in Restricted Fund Balance*

For the period from October 8, 1971  
(inception of operations)  
to  
October 31, 1972

*Revenues*

Amounts charged to mortgagors—Note B .....	\$ 1,432,854
Fees and charges .....	1,029,800
Earnings on investments .....	729,560
	<u>3,192,214</u>

*Expenses*

Interest on bonds—Note F .....	1,289,652
Transfer to funds available for future expenses .....	1,036,743
	<u>2,326,395</u>
Balance at October 31, 1972 .....	<u>\$ 865,819</u>

See notes to financial statements.

Statement of Sources and Uses of Cash

For the period from October 8, 1971  
(inception of operations)  
to  
October 31, 1972

Sources

Proceeds from sale of bonds	"
including accrued interest	\$133,143,285
Proceeds from investments:	
Cost to the Corporation	239,619,773
Earnings	101,535
Fees and charges	1,029,800
Bank loan	300,000
Total sources	<u>374,194,393</u>

Uses

Mortgage loans:	
Advances to mortgagors	43,938,543
Amounts charged to mortgagors for interest (transferred to Paying Agents)	1,432,936
Purchase of investments	328,062,249
Bank loan repayment	300,000
Operating expenses	207,967
Purchase of office equipment	23,449
Total uses	<u>373,965,144</u>
Cash balance at October 31, 1972	<u>\$ 229,249</u>

Cash balance at October 31, 1972 consisted of  
the following:

Held for designated purposes	\$ 215,315
Held for operations	13,934
	<u>\$ 229,249</u>

See notes to financial statements.

New York City  
Housing Development Corporation

Notes to Financial Statements

October 31, 1972

Note A—Organization

The New York City Housing Development Corporation is a corporate governmental agency, constituting a public benefit corporation of the State of New York, established under the provisions of Article XII of the Private Housing Finance Law (the Act). The Corporation and its corporate existence are to be continued at least as long as bonds, notes or other obligations of the Corporation shall be outstanding.

The Corporation was created to encourage the investment of private capital and provide safe and sanitary dwelling accommodations for families and persons whose need for housing accommodations cannot be provided by unassisted private enterprise, through provision for low interest mortgage loans.

Note B—Significant Accounting Policies

Mortgage Loans

Bond interest paid prior to the receipt of amortization payments, together with costs of bond sales and discounts are included in mortgage loans.

Restricted Funds

The Capital Reserve Restricted Fund Balance represents accrued interest included in the Capital Reserve Fund, which, when realized, will be transferred to funds available for operations or other corporate purposes, to the extent not required to maintain the Capital Reserve Fund requirement.

Mortgage Loans Restricted Fund Balances account consists of interest earned on applicable investments and interest purchased by bondholders.

Investments

Investments of the Corporation, which are normally held to maturity, are carried at cost plus accrued interest.

Note C—Mortgage Loans

The General Housing Bond Resolution requires among other things that, as to mortgage loans which are financed from the proceeds of bonds: (a) the mortgage shall create a first mortgage lien on the real property of each project; (b) the amount of the mortgage loan shall not exceed the project cost or any other limitation prescribed by law.

Note D—Capital Reserve Fund

The Capital Reserve Fund of \$9,104,950 (exclusive of accrued interest) was established as additional security for bondholders pursuant to the General Housing Bond Resolution in accordance with the requirements of the Act. The Act provides that the Corporation will maintain the Capital Reserve Fund requirement, as defined. If, for any reason, the Capital Reserve Fund should fall below its requirement, the Chairman of the Corporation must certify that fact to the Mayor and Director of the Budget of The City of New York. If the City fails to or is unable to restore the Capital Reserve Fund to the minimum requirement, then the Chairman must so certify to the State Comptroller, who must in response pay to the Corporation the amount necessary to restore the Fund to its required level. The Comptroller is to make this payment out of the first monies available from the next payment of Unallocated Per Capita State Aid to the City. (The only prior claimant to this money is the City University Construction Fund.) Any such payment would be considered a non-interest bearing loan from the City to the Corporation.

Note E—Funds Held For Designated Purposes

At October 31, 1972, funds held for designated purposes consisted of the following:

Project	Cash	Certificates of Deposit	United States Government Securities	Bank Repurchase Agreements	Total
Mortgage Loan Accounts Capitalized Interest					
Accounts	\$185,408	\$56,598,616	\$10,329,685	\$1,000,000	\$68,113,709
Capital Reserve Fund	16,932	7,495,602	3,674,409		11,186,943
	12,975		9,180,794		9,193,769
	<u>\$215,315</u>	<u>\$64,094,218</u>	<u>\$23,184,888</u>	<u>\$1,000,000</u>	<u>\$88,494,421</u>

Note F—General Housing Bonds, Series A

Pursuant to the Act, the Corporation adopted its General Housing Bond Resolution on August 10, 1972 authorizing its issuance of bonds. The 1972 General Housing Bonds, Series A are dated September 1, 1972, bear interest of 3.75% to 6.50% and mature in varying annual installments on May 1 from 1973 to 2022. The Bonds maturing on and after November 1, 1978 are subject to mandatory sinking fund redemptions at 100% and optional redemptions at prices ranging from 103% at November 1, 1987 to 100% at November 1, 2000 and thereafter. See Tables A and B for details of bonds, and debt service requirements.

The Corporation is authorized to issue bonds and notes for its housing program in an aggregate principal amount not to exceed \$800,000,000, exclusive of refunding bonds or notes.

CONTINUED



New York City  
Housing Development Corporation

Note G—Consultants' Fees

Accounts payable include fees of \$50,000 to Roosevelt & Son Incorporated as financial consultant.

Notes to Financial Statements CONTINUED

The Bonds are general obligations of the Corporation. Substantially all of the assets of the Corporation are pledged as collateral for the payment of principal and interest on its bonds. The bonds and other obligations of the Corporation are not debts of either the State of New York or of The City of New York and neither the State nor the City are liable thereon.

The difference of \$143,202 between amounts charged to mortgagors and interest on bonds, represents interest purchased by bondholders.

Note H—Commitments

The Corporation was committed as of October 31, 1972, to mortgage loans of \$96,979,000 for projects financed by its Series A Bonds. Subsequently the Corporation made an additional commitment (subject to its selling related bonds) of \$51,418,000 for the Linden Plaza Project.

The Corporation has indicated an intent to commit \$12,135,500 for Crown Gardens, a cooperative project located in Brooklyn.

The Corporation is committed for an annual office rental of \$49,000, plus escalation, through April 29, 1976.

Table A—Bond Indebtedness

	Issued During the Period Ended October 31, 1972	Balance October 31, 1972
3.75% to 6.50%—General Housing Bonds, 1972 Series A, maturing in varying annual installments on May 1 from 1973 to 2022	<u>\$133,000,000</u>	<u>\$133,000,000</u>

Table B—Debt Service Requirements

Year ending October 31:	Amortization of Principal	Interest Expense	Total Debt Service Requirements
1973	\$ 65,000	\$ 5,731,418	\$ 5,796,418
1974	70,000	8,594,690	8,664,690
1975	70,000	8,591,715	8,661,715
1976	500,000	8,588,390	9,088,390
1977	535,000	8,562,390	9,097,390
Five years ending October 31:			
1982	3,125,000	42,328,055	45,453,055
1987	4,205,000	41,258,845	45,463,845
1992	5,710,000	39,744,575	45,454,575
1997	7,830,000	37,630,450	45,460,450
2002	10,730,000	34,731,775	45,461,775
2007	14,690,000	30,762,550	45,452,550
2012	20,120,000	25,327,575	45,447,575
2017	27,580,000	17,878,250	45,458,250
2022	37,770,000	7,673,575	45,443,575
	<u>\$133,000,000</u>	<u>\$317,404,253</u>	<u>\$450,404,253</u>

*New York City Housing Development Corporation*  
110 William Street Suite 3100 New York, New York 10038