




NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin 
President

Date: November 20, 2018

Re: Multi-Family Housing Revenue Bonds, 2018 Series K, L, M, N, 2019 Series A-3, B, 2022 Series B and C, the Multi-Family Mortgage Revenue Debt Obligations (Caton Flats and MEC 125 Parcel B West), Approval of Mortgage Loans and Approval of an Amendment to 2006 Series J-1 Supplemental Resolution

I am pleased to recommend that the Members approve the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2018 Series K-1, 2018 Series K-2 (the "2018 Series K-1 Bonds" and the "2018 Series K-2 Bonds," respectively and collectively the "2018 Series K Bonds"), 2018 Series L-1, 2018 Series L-2 (the "2018 Series L-1 Bonds," and the "2018 Series L-2 Bonds," respectively and collectively the "2018 Series L Bonds"), 2018 Series M (the "2018 Series M Bonds" together with the 2018 Series K Bonds and the 2018 Series L Bonds, the "2018 Bonds"), 2019 Series A-3, 2019 Series B (the "2019 Series A-3 Bonds," "the 2019 Series B Bonds" respectively and collectively the "2019 Bonds"), 2022 Series B-1, 2022 Series B-2, 2022 Series C-1 and 2022 Series C-2 (the "2022 Series B-1 Bonds," the "2022 Series B-2 Bonds," the "2022 Series C-1 Bonds," and the "2022 Series C-2 Bonds" respectively, and collectively the "2022 Bonds" and together with the 2018 Bonds and the 2019 Bonds, the "Bonds") in an amount not expected to exceed \$1,043,190,000.

The Bonds together with the Corporation's unrestricted reserves and available funds of the Open Resolution are expected to be used to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects and other activities as described herein.

The Members are further being requested to authorize the Corporation to enter into two funding loan agreements with Citibank, N.A. ("Citibank") to receive funds from Citibank which will, in turn, be loaned by the Corporation to two borrowers – a modified version of the "back-to-back" structure – as stand-alone financing for the Caton Flats and the MEC 125 Parcel B West developments in an amount not expected to exceed \$204,600,000. In connection with the permanent financing for the Caton Flats and the MEC 125 Parcel B West developments, the

Corporation also expects to enter into forward bond purchase agreements with Citibank regarding the sale of the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds and issue the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds on or around the date the construction loans are expected to convert to permanent loans, as described herein.

The Members are also being asked to approve an amendment to the Second Amended and Restated 81st Supplemental Resolution, originally adopted on June 11, 2012 and amended on June 5, 2017, relating to the Corporation's Multi-Family Housing Revenue Bonds, 2006 Series J-1 (the "2006 Series J-1 Bonds") to allow for the refinancing of the 2006 Series J-1 Bonds and the issuance of 2018 Series N Bonds, (together with the 2006 Series J-1 Bonds, the "2006/2018 Bonds") as described herein.

Interest on the 2006 Series J-1 Bonds, 2018 Series K Bonds, 2018 Series L Bonds, 2018 Series M Bonds, 2019 Series A-3 Bonds, 2019 Series B Bonds, 2022 Series B-1 Bonds, 2022 Series B-2 Bonds (together with 2022 Series B-1 Bonds, "2022 Series B Bonds"), 2022 Series C-1 Bonds, 2022 Series C-2 Bonds (together with 2022 Series C-1 Bonds, "2022 Series C Bonds") and the Funding Loan Obligations (as defined herein) is expected to be exempt from Federal, state and local income tax, and such bonds and obligations will qualify as tax-exempt private activity bonds with a combination of an allocation of new private activity bond volume cap, an allocation of "recycled" volume cap in accordance with the Housing and Economic Recovery Act of 2008 ("HERA"), and the refunding of certain outstanding bonds or obligations of the Corporation. Interest on the 2018 Series N Bonds will not be exempt from Federal income tax, but will be exempt from state and local income tax. The anticipated interest rates, maturity dates and other relevant terms of the Bonds and the 2006/2018 Bonds are described herein.

The Members are being asked to authorize the use of the Corporation's unrestricted reserves or available funds of the Open Resolution, in a combined amount not to exceed \$91,210,000, to finance the rehabilitation and preservation of one Mitchell Lama development, as described herein.

The Members are further being asked to approve four or more interest rate hedging instruments, in a combined notional amount not expected to exceed \$300,000,000, to manage interest rate risk relating to the variable rate bonds of the Open Resolution, as well as the anticipated issuance in 2022 to finance a portion of certain permanent loans, as described herein.

Authorizing Resolutions will authorize the 274th through 284th Supplemental Resolutions, the Funding Loan Agreements (as defined herein) and the amendment to the 2006 Series J-1 Supplemental Resolution.

Following is a background of the Open Resolution and further amendment to the 2006 Series J-1 Supplemental Resolution, the financing of certain preservation loans, the origination and financing of certain taxable construction loans, certain interest rate hedging instruments, the proposed uses of the Bonds and the Funding Loan Obligations and a description of their structure and security.

Background and Status of the Open Resolution

Under the Open Resolution, the Corporation has issued bonds (a) to finance or acquire mortgage loans for multi-family rental and cooperative housing developments throughout New York City, (b) to refund other bond issues of the Corporation, which had financed other multi-family developments, and (c) to acquire a 100% interest in City-owned mortgages. As of July 31, 2018, there were 1,236 mortgage loans (1,073 permanent loans and 163 construction loans) held under the Open Resolution with a total outstanding principal balance of approximately \$6,948,582,180 including \$4,955,331,361 in permanent loans and \$1,993,250,819 in construction loans. These mortgage loans, together with funds in the Bond Proceeds Account and Debt Service Reserve Account, totaled \$8,846,256,590 as of July 31, 2018. There are no material monetary defaults on any of the mortgage loans other than temporary financial difficulties with respect to certain developments which are in the process of being cured. As of July 31, 2018, there were \$6,905,210,000 of Open Resolution bonds outstanding, not including bonds issued under the Federal New Issue Bond Program (NIBP) and bonds issued under the 2017 Pass-Through Resolution. Subsequent to July 31, 2018, the Corporation issued \$287,780,000 principal amount of Open Resolution bonds and redeemed \$161,955,000 principal amount of Open Resolution bonds.

Second Amendment to the Second Amended and Restated Eighty-First Supplemental Resolution Relating to the 2006 Series J-1 Bonds and the issuance of the 2018 Series N Bonds

On December 8, 2006, the Members approved the issuance of 2006 Series J-1 Bonds for the purpose of providing construction and permanent financing in an amount of \$100,000,000 for the Avalon Morningside development, a 296-unit development, located in Manhattan (the “Avalon Loan”). On June 11, 2012, the Members approved an amendment to the authorizing resolution for the Eighty-First Supplemental Resolution whereby the Members approved the direct purchase and credit enhancement of the 2006 Series J-1 Bonds and “walled-off” the 2006 Series J-1 Bonds from the rest of the Open Resolution. Accordingly, the financing functions as a conduit. The Avalon Loan does not benefit from the revenues of the Open Resolution nor does the Open Resolution benefit from the revenues of the Avalon Loan. On June 5, 2017, the Members approved a further amendment to allow for certain bond transfers and reduce the interest rate on the Avalon Loan.

The Corporation now expects to remarket the 2006 Series J-1 Bonds in an outstanding par amount of \$100,000,000 pursuant to a remarketing purchase contract and issue and sell the 2018 Series N Bonds in an amount not to exceed \$15,000,000 pursuant to a bond purchase agreement, for the purpose of financing a permanent mortgage loan (the “New Loan”) in an amount not to exceed \$115,000,000 for the Avalon Morningside development. The 2006 Series J-1 Bonds will be directly purchased by Wells Fargo Municipal Capital Strategies LLC as unrated, tax-exempt bonds. The 2018 Series N Bonds will be directly purchased by Wells Fargo Bank, N.A. as unrated, taxable bonds. The 2006/2018 Bonds will bear a fixed rate during a 10 year term rate term. The 2018 Series N Bonds will also be “walled-off” from the rest of the Open Resolution.

The 2006/2018 Bonds will be secured by a Mortgage Purchase Agreement (“MPA”) to be entered into by Wells Fargo Bank, N.A. (“Wells Fargo”) and the Corporation. The MPA will be for an

initial term of 10 years. If the Trustee has not received any amount due and owing under the 2006/2018 Bonds or otherwise required by the bond resolution, upon notice after an opportunity to cure any defaults, Wells Fargo shall have (i) the option to pay such amount or (ii) the obligation to purchase the note and mortgage from the Corporation resulting in the redemption of the 2006/2018 Bonds. Even if Wells Fargo fails to pay the purchase price, the note and mortgage will be assigned to Wells Fargo and the 2006/2018 Bonds will be retired under the terms of the bond resolution.

Under the terms of the bond resolution, a change in either (i) the security for the 2006/2018 Bonds, or (ii) the method of establishing the interest rate on the 2006/2018 Bonds will result in a mandatory tender of such series of 2006/2018 Bonds for purchase at par plus accrued interest.

For more information on the New Loan for the Avalon Morningside development, please see Attachment “1”.

Financing a Preservation Loan

The Members are asked to authorize unrestricted funds available to the Corporation in an amount not to exceed \$91,210,000 to finance and restructure senior and subordinate mortgage loans for the rehabilitation and preservation of one (1) development described in the chart below. The Corporation expects to use the proceeds of the 2018 Series I Bonds approved by the Members on September 26, 2018 and issued on October 11, 2018.

Development Name (Borough/Number of units)	Project Type	Loan	Expected Not to Exceed Amount
Esplanade Gardens (Manhattan/1,872)	Mitchell-Lama Preservation	Senior Loan	\$88,350,000
		Subordinate Loan	\$2,860,000
Total			\$91,210,000

The Corporation currently owns a subordinate mortgage loan for Esplanade Gardens pursuant to a purchase and sale agreement with the City of New York entered into as part of the development’s refinancing in 2005. The Corporation now expects to enter into a new or amended Purchase and Sale Agreement with the City of New York relating to a restructured subordinate mortgage loan.

For more information on the project please see Attachment “2”.

Proposed Uses for the 2018 Series K, 2018 Series L and 2019 Series B Bond Proceeds

It is anticipated that the proceeds of the 2018 Series K Bonds, the 2018 Series L Bonds, and the 2019 Series B Bonds in an amount not expected to exceed \$626,205,000, together with the Corporation’s unrestricted reserves, available funds of the Open Resolution, and funds from bank loan participations, will be used to finance mortgage loans for thirteen (13) developments as described in the chart below.

Development Name (Borough/Number of units)	Project Type	Loan	Expected Not to Exceed Amount
The Astra at Gates Avenue (Brooklyn/96)	Mixed-Middle Income (M2)	Senior Loan	\$15,265,000
		Subordinate Loan	10,035,000
1490 Southern Blvd (Bronx/115)	ELLA/Section 8	Senior Loan	35,290,000
		Subordinate Loan	6,960,000
Bedford Union Armory* (Brooklyn/415)	Mixed Income w/ ELLA affordable component	Co-Senior Loan	61,640,000
		Co-Senior Loan / Construction Participation Loan	80,300,000
		Subordinate Loan	16,500,000
Hunters Point South – North Tower* (Queens/800)	Mixed Income w/ modified Mixed-Middle (M2) affordable component	Co-Senior Loan	170,605,000
		Co-Senior Loan / Construction Participation Loan	118,345,000
Hunters Point South – South Tower* (Queens/394)	Mixed Income w/ modified Mixed-Middle (M2) affordable component	Co-Senior Loan	83,160,000
		Co-Senior Loan/ Construction Participation Loan	51,425,000
Spring Creek 4B-2 (Brooklyn/240)	ELLA	Senior Loan	36,990,000
		Subordinate Loan	16,500,000
Riverwalk 8* (Manhattan/341)	Mixed-Middle Income (M2)	Co-Senior Loan	14,620,000

		Co-Senior Loan / Construction Participation Loan	80,300,000
Van Dyke III (Brooklyn/180)	ELLA	Senior Loan	52,500,000
		Subordinate Loan	\$12,870,000
Victory Plaza (Manhattan/136)	ELLA	Senior Loan	36,860,000
		Subordinate Loan	8,230,000
WSFSSH at 108 th Street (Manhattan/199)	ELLA	Senior Loan	49,540,000
		Subordinate Loan	12,920,000
West 135 th Street*** (Manhattan/198)	LAMP/Section 8	Subordinate Loan	13,030,000
Caton Flats** (Brooklyn/255)	Mixed-Middle Income (M2)	Subordinate Loan	16,500,000
MEC 125 Parcel B West** (Manhattan/404)	Mixed Income w/ modified Mixed-Middle (M2) affordable component	Subordinate Loan	16,500,000
TOTAL SENIOR LOAN AMOUNT:			\$556,470,000
TOTAL CO-SENIOR PARTICIPATION LOAN:			\$330,370,000
TOTAL SUBORDINATE LOAN AMOUNT:			\$130,045,000
TOTAL LOAN AMOUNT:			\$1,016,885,000

* Each of these developments will be financed in conjunction with a bank loan during construction, as further described below under this section. The loan amounts presented in this table are contingent on each project's tax-exempt qualifying costs. The portions of each loan financed with bond proceeds and the bank participation may change but the total not to exceed loan amount for each project will not.

** The senior loan for these developments will be financed in conjunction with a Funding Loan Agreement and the 2022 Bonds as further described below under the section "Funding Loan Agreements and the 2022 Bonds."

*** The senior loan for this LAMP/Section 8 development has an existing senior mortgage loan in the Open Resolution.

The subordinate loans (other than the subordinate loan for West 135th Street) are expected to have an interest rate equal to the Applicable Federal Rate as recently published by the Internal Revenue Service ("AFR"), with set lower monthly payments, to be advanced during construction and to remain in the projects as permanent loans.

The Corporation intends to fund the short-term portion of certain senior mortgage loans with its

unrestricted reserves or with proceeds from long term tax-exempt bonds. When the borrower makes a mandatory prepayment upon the project's completion, such prepayment will be available for either taxable or tax-exempt re-lending by the Corporation to other affordable housing projects. Any future lending from such prepayments will be presented to the Members for approval, with the exception of the permanent financing of the Co-Senior Construction Participation Loans described herein which would be authorized pursuant to this request.

The Corporation intends to sell a 100% participation in four (4) co-senior mortgage loans to a bank upon origination (each, a "Co-Senior Construction Participation Loan"). The Co-Senior Construction Participation Loans will be structured as draw-down to reduce the negative arbitrage that would otherwise be incurred under the conventional fully-funded Open Resolution bond structure. Upon construction completion and conversion to a permanent loan, the Corporation will re-purchase all or a portion of the respective bank's participation interest by refinancing the applicable Co-Senior Construction Participation Loan into a permanent loan using a combination of the Corporation's unrestricted reserves and available funds of the Open Resolution, including funds made available from prepayments as described above, in a combined amount not to exceed \$330,370,000. Each permanent loan will then be pledged to the Open Resolution.

The 2018 Series L Bonds are expected to be issued exclusively for the Hunters Point South – North Tower and Hunters Point South – South Tower developments as described under "Structure of the Bonds and the Funding Loan Obligations" below. The Corporation expects to enter into one or more hedging instruments, as further described below under the heading "Proposed Interest Rate Hedge", to manage the interest rate risk related to the conversion of the 2018 Series L Bonds into variable rate bonds upon the permanent conversion of each loan anticipated in 2022.

Due to the limited availability of new private activity bond volume cap, certain developments may receive a portion of required financing proceeds through the issuance of 2019 Series B Bonds in 2019.

In addition, due to the limited availability of new private activity bond volume cap, certain of the projects have a bifurcated structure that enables those projects to satisfy Federal low-income housing tax credit requirements with a smaller allocation of new private activity bond volume cap from the Corporation. These projects will also be financed using loans funded from allocations of recycled bonds or funds from taxable bank loan participations.

The Consolidated Appropriations Act, 2018, also known as the Omnibus Spending Bill, made changes to the Federal low-income housing tax credit requirements, known as income averaging, that could potentially change the allocation of volume cap in the future by allowing certain units to be made available to households earning above 60% of Area Median Income ("AMI"), which is currently \$62,580 for a family of four, provided there are sufficient units made available to households earning below 60% of AMI. None of the projects being financed with the 2018 Bonds will incorporate income averaging.

For more information on the individual projects, please see Attachments "3-15".

Proposed Uses for the 2018 Series M Bond Proceeds

It is anticipated that the 2018 Series M Bonds will be issued as a convertible option bond (“COB”) to preserve tax-exempt “recycled” volume cap in excess of the amounts currently needed by the Corporation.

The Members are asked to authorize a not-to-exceed amount of \$50,000,000 for the 2018 Series M Bonds. If issued, the proceeds of the 2018 Series M Bonds are expected to provide construction and permanent financing for the new construction or acquisition and rehabilitation of certain developments, all of which are listed on Attachment “16” and which will reserve a minimum of 20% of the units for households earning no more than 50% of AMI or 25% of the units for households earning no more than 60% of the AMI. The mortgage loans for these developments are expected to close in 2019 at which point the 2018 Series M Bonds will be refunded or remarketed to match the terms of the applicable mortgage loans.

Most of the developments listed will not be funded from the 2018 Series M Bond proceeds but all will be eligible for such financing.

Proposed Uses for the 2019 Series A-3 Bond Proceeds

At the Members’ meeting on September 26, 2018, the Members authorized the Corporation to sell 2019 Series A-1 Bonds, in one or more series or sub-series, on a forward basis to refund a portion of the Corporation’s Multi-Family Housing Revenue Bonds, 2009 Series C-1, 2009 Series F, 2009 Series J, 2009 Series K and 2009 Series M (the “2009 Bonds”). The Corporation has subsequently issued 2019 Series A-1 Bonds and 2019 Series A-2 Bonds on October 11, 2018 for a total of \$110,000,000 for delivery in 2019.

It is anticipated that the proceeds of the 2019 Series A-3 Bonds in an amount not to exceed \$162,385,000, will be used to (a) refund the remaining \$112,385,000 of the 2009 Bonds to generate interest rate savings in the Open Resolution, and (b) to finance and/or reimburse the Corporation for previously financing, from its unrestricted reserves, certain existing subordinate loans. The issuance of the 2019 Series A-3 Bonds will allow for replenishment of the Corporation’s reserves, which can then be re-lent to new developments in furtherance of the Corporation’s commitment to the Mayor’s Housing New York plan.

Funding Loan Agreements and the 2022 Bonds

It is anticipated that the proceeds of the Funding Loan Agreements (defined below) will be used to finance the construction phase mortgage loans, and that the 2022 Bonds, together with other available funds of the Open Resolution, will be used to finance the permanent phase mortgage loans, for two developments in an amount not expected to exceed \$204,600,000 as described in the chart below:

Expected Financing Source	Development Name (Borough/Number of units)	Project Type	Expected Not to Exceed Amount
Funding Loan / 2022 B Bonds	Caton Flats (Brooklyn/255)	Mixed-Middle Income (M2)	\$67,100,000
Funding Loan / 2022 C Bonds	MEC 125 Parcel B West (Manhattan/ 404)	Mixed Income w/ modified Mixed-Middle (M2) affordable component	\$137,500,000
Total			\$204,600,000

The Corporation expects to (a) enter into a loan agreement with Citibank to finance the construction of a development to be named Caton Flats, as described below, (“Caton Flats Funding Loan Agreement”) and issue one or more Multi-Family Mortgage Revenue Debt Obligations in an amount not expected to exceed \$67,100,000 (“Caton Flats Funding Loan Obligations”); and (b) enter into a loan agreement with Citibank to finance the construction of a development to be named MEC 125 Parcel B West, as described below, (“MEC Funding Loan Agreement”, together with Caton Flats Funding Loan, the “Funding Loan Agreements”) in an amount not expected to exceed \$137,500,000 providing both tax-exempt and taxable construction financing, and issue one or more Multi-Family Mortgage Revenue Debt Obligations in an amount not expected to exceed \$137,500,000 (“MEC Funding Loan Obligations”, together with the Caton Flats Funding Loan obligations, the “Funding Loan Obligations”) for the tax-exempt portion of the MEC Funding Loan Agreement.

It is anticipated that upon the execution of the Funding Loan Agreements, Citibank will fund all or a portion of the senior construction loans initially with taxable proceeds resulting in a participation in the applicable portion of each construction loan on a draw-down basis to reduce the negative arbitrage that would otherwise be incurred under the conventional fully-funded Open Resolution recycled bond structure. When recycled proceeds are available over the course of the scheduled construction period for the qualified tax-exempt financing portion, the Corporation expects to issue one or more tranches of Funding Loan Obligations and cause the refinancing of all or a portion of Citibank’s taxable participation loan into a loan financed with tax-exempt proceeds.

In the Corporation’s previous back-to-back structure, Citibank entered into a forward commitment to purchase the long term bonds for the full amount of the permanent phase financing. Under the modified back-to-back structure, the Corporation expects Citibank to purchase a portion of the permanent phase financing long term bonds (the “Citibank Committed Bonds”, including 2022 Series B-1 Bonds and 2022 Series C-1 Bonds) in a combined amount not to exceed \$68,200,000, and the Corporation expects to issue and sell Open Resolution bonds to the public (the “Future Open Resolution Bonds”, including 2022 Series B-2 and 2022 Series C-2 Bonds) and/or use the Corporation’s unrestricted reserves together with available funds of the Open Resolution including funds made available from the prepayments from the 2018 Series K developments as described above, in a combined amount not to exceed \$136,400,000, to fund the remaining portion of each permanent loan and pledge each to the Open Resolution.

The Corporation expects to enter into one or more hedging instruments, as further described below under the heading “Proposed Interest Rate Hedge”, to manage the interest rate risk related to the

Future Open Resolution Bonds, which are expected to be issued in 2022 as variable rate bonds upon the permanent conversion of each loan.

For more information on the project, please see Attachment “14-15”.

Security for the Funding Loan Agreements

During the construction phase, the Funding Loan Agreements will be secured solely by the related mortgage loans and shall provide that if the related borrower fails to pay any amount due and owing under the loans or otherwise required by the Funding Loan Agreements, then upon notice and after an opportunity to cure any defaults, Citibank shall have (i) the option to fund such amount or (ii) the obligation to purchase the notes and mortgages relating to the mortgage loans from the Corporation, resulting in the cancellation of the Funding Loan Agreements and Funding Loan Obligations. If Citibank fails to pay the purchase price, the applicable note and mortgages will be assigned to Citibank and the Funding Loan Obligations and Funding Loan Agreements will be cancelled. Upon permanent conversion of the project, there may be an interim period of time before the Citibank Committed Bonds are issued during which Citibank’s obligations under the Funding Loan Agreement to purchase the mortgage will become inoperative but the Corporation will continue to be obligated to pass-through a portion of the borrower’s payment to Citibank.

Structure of the Bonds and the Funding Loan Obligations

The Bonds are expected to be issued in the modes described below, however, the Authorizing Resolutions relating to the Bonds will provide that a senior officer of the Corporation may determine to combine supplemental resolutions or issue the Bonds in multiple issuances pursuant to the same resolution as long as the total amount of Bonds issued does not exceed \$1,043,190,000. The Funding Loan Agreements are expected to be in an amount not to exceed \$204,600,000, as described below, however, in the event the Corporation determines it is no longer prudent or feasible to finance the project with this structure, the Corporation is asking the Members for the flexibility to finance this amount with Bonds. The Corporation expects to issue the 2018 Bonds this December in an amount not expected to exceed \$611,630,000. The Corporation expects to enter into the Funding Loan Agreements this December in an amount not expected to exceed \$204,600,000. The Corporation expects to issue the 2019 Bonds in 2019 in an amount not expected to exceed \$226,960,000. The Corporation expects to issue the 2022 Bonds in 2022 in an amount not expected to exceed \$204,600,000. The Corporation expects to designate the 2018 Series K Bonds, 2018 Series L Bonds, the 2019 Bonds and the 2022 Bonds as Sustainable Neighborhood Bonds.

A. 2018 Series K-1 Bonds

It is anticipated that the 2018 Series K-1 Bonds, in an amount not expected to exceed \$308,630,000 will be issued as tax-exempt bonds in an initial Fixed Rate Term with convertible options as further described below, to finance all or a portion of certain senior and/or subordinate 2018 Series K mortgage loans.

It is anticipated that the 2018 Series K-1 Bonds will have an approximate final maturity of November 1, 2058. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2018 Series K-1 Bonds and a not-to-exceed interest rate of 15% for the maturities that may be converted to other interest rate modes; however, it is expected that the 2018 Series K-1 Bonds will have a true interest cost that does not exceed 5% during the initial Fixed Rate Term.

It is anticipated that the 2018 Series K-1 Bonds may be converted to other interest rate modes prior to maturity, to effectuate economic savings via a remarketing. To maximize flexibility, the 2018 Series K-1 Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate.

B. 2018 Series K-2 Bonds

It is anticipated that the 2018 Series K-2 Bonds, in an amount not expected to exceed \$55,000,000 will be issued as tax-exempt bonds in an initial Fixed Rate Term with convertible options as further described below to finance a portion of the short-term senior 2018 Series K mortgage loans.

It is anticipated that the 2018 Series K-2 Bonds will have an approximate final maturity of November 1, 2022. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2018 Series K-2 Bonds and a not-to-exceed interest rate of 15% for the maturities that may be converted to other interest rate modes; however, it is expected that the 2018 Series K-2 Bonds will have a true interest cost that does not exceed 3.5% during the initial Fixed Rate Term.

It is anticipated that the 2018 Series K-2 Bonds may be converted to other interest rate modes prior to maturity to reduce the interest costs related to the recycling of the private activity bond volume. To maximize flexibility, the 2018 Series K-2 Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate.

C. 2018 Series L-1 Bonds and 2018 Series L-2 Bonds

The 2018 Series L Bonds are expected to be issued solely for the financing of a portion of the mortgage loans for Hunters Point South – North Tower and Hunters Point South – South Tower developments, in an amount not to exceed \$198,000,000 as tax-exempt, multi-modal bonds initially in the Term Rate Term mode for approximately 5 years corresponding to the anticipated construction period of the underlying projects, with an approximate final maturity of May 1, 2050 and convertible options as further described below. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2018 Series L Bonds; however, it is expected that the 2018 Series L Bonds will have a true interest cost that does not exceed 3.5% during the initial 2018 Term Rate

Period. On or around the conversion of underlying projects to the permanent phase, the Corporation expects to remarket the 2018 Series L Bonds into variable rate bonds, which are expected to be secured by a liquidity facility provided by a bank or through a self-liquidity facility utilizing the assets of the Corporation. The liquidity facility, whether through a bank or through the self-liquidity of the Corporation, will be brought to the Members for approval prior to that time.

The 2018 Series L Bonds or applicable portion thereof shall be subject to mandatory tender for purchase on any date on which the 2018 Series L Bonds or such portion are to be converted to a different interest rate mode and on the last day of the initial Term Rate Term which is expected to be on or around November 1, 2023.

The Corporation will be obligated to pay the purchase price of those 2018 Series L Bonds subject to mandatory tender for purchase and not remarketed. No liquidity facility has been obtained to fund such obligation. However, to provide assurances to the 2018 Series L bondholders that sufficient monies will be available to fund the purchase price for the 2018 Series L Bonds, the Corporation will enter into a collateral facility agreement which will provide that the 2018 Series L Bonds will be secured at all times by a combination of unexpended bond proceeds and amounts on deposit in a collateral account. After the conversion of the loan to permanent but prior to the remarketing of the 2018 Series L Bonds, the Corporation may need to covenant to maintain unencumbered cash or cash equivalents under the Open Resolution available to pay the purchase price of all un-remarketed 2018 Series L Bonds.

To protect against interest rate volatility associated with a variable rate upon the loan conversion and the remarketing of the underlying bonds into variable rate bonds, the Corporation also expects to purchase one or more interest rate hedges as further described below under the heading “Proposed Interest Rate Hedge.”

Additionally, to maximize flexibility, the 2018 Series L Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate.

D. 2018 Series M Bonds

The 2018 Series M Bonds are expected to be issued as a “recycled” private activity volume cap COB.

The Members are asked to authorize an expected not-to-exceed amount of \$50,000,000 for the 2018 Series M Bonds.

The 2018 Series M Bonds are expected to be issued as variable rate bonds initially in the Term Rate mode. The 2018 Series M Bonds will have an approximate final maturity of May 1, 2049. In the Term Rate mode, interest is reset at specific intervals. The first Term Rate Term will begin on the date of issuance and run through

approximately July 1, 2019. The Members are asked to authorize a not-to-exceed interest rate of 15% for the 2018 Series M Bonds, however, it is expected that the interest rate on the 2018 Series M Bonds will not exceed 2.5% during the first Term Rate Term.

The Corporation may direct that all or a portion of the 2018 Series M Bonds be converted from time to time to another interest rate mode (including to a fixed rate to maturity) at any time approximately from February 1, 2019 to and including July 1, 2019 and thereafter in accordance with any new term rate term.

The 2018 Series M Bonds or applicable portion thereof shall be subject to mandatory tender for purchase on any date on which such Bonds or such portion are to be converted to a different interest rate mode and on the last day of any Term Rate Term. It is expected that when mortgage loans are ready to close, a portion of such Bonds will be subject to mandatory tender and either converted to another interest rate mode or refunded for the financing of the applicable project. The Corporation will be obligated to pay the purchase price of those Bonds that are subject to mandatory tender for purchase and are not remarketed. No liquidity facility has been obtained to fund such obligation. However, the unexpended proceeds are expected to be available to pay the purchase price of any 2018 Series M Bonds that are subject to mandatory tender for purchase and are not remarketed. In the event a mortgage loan is made during the Term Rate Term, the Corporation may need to covenant to maintain unencumbered cash or cash equivalents (U.S. Treasury Notes, STRIPS or Agencies) under the Open Resolution available to pay the purchase price of all un-remarketed 2018 Series M Bonds.

E. 2019 Series A-3

It is anticipated that the 2019 Series A-3 Bonds, in an amount not expected to exceed \$162,385,000 will be issued as tax-exempt bonds in an initial Fixed Rate Term with convertible options as further described below.

It is anticipated that the 2019 Series A-3 Bonds will have an approximate final maturity of November 1, 2049. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2019 Series A-3 Bonds and a not-to-exceed interest rate of 15% for the maturities that may be converted to other interest rate modes; however, it is expected that the 2019 Series A-3 Bonds will have a true interest cost that does not exceed 5% during the initial Fixed Rate Term.

It is anticipated that the 2019 Series A-3 Bonds may be converted to other interest rate modes prior to maturity, to effectuate economic savings via a remarketing. To maximize flexibility, the 2019 Series A-3 Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate.

The 2019 Series A-3 Bonds are expected to be issued on or around February 6, 2019.

F. 2019 Series B

It is anticipated that the 2019 Series B Bonds, in an amount not expected to exceed \$64,575,000 will be issued as tax-exempt bonds in an initial Fixed Rate Term with convertible options as further described below. During the Fixed Rate Term, the 2019 Series B Bonds are expected to finance a portion of the mortgage loans for the Hunters Point South – North Tower development, Hunters Point South – South Tower development and Bedford Union Armory development. The 2019 Series B Bonds are expected to be issued in 2019.

In the event the Corporation is unable to issue the 2019 Series B Bonds with private activity volume cap, Members are asked to authorize the use of available funds of the Corporation to finance incremental additional portions of the mortgage loans.

It is anticipated that the 2019 Series B Bonds will have an approximate final maturity of November 1, 2058. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2019 Series B Bonds and a not-to-exceed interest rate of 15% for the maturities that may be converted to other interest rate modes; however, it is expected that the 2019 Series B Bonds will have a true interest cost that does not exceed 5% during the initial Fixed Rate Term.

It is anticipated that the 2019 Series B Bonds may be converted to other interest rate modes prior to maturity, to effectuate economic savings via a remarketing. To maximize flexibility, the 2019 Series B Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate.

G. Funding Loan Agreements, the Funding Loan Obligations and the 2022 Bonds

The Funding Loan Agreements will be entered into as stand-alone transactions of the Corporation during the construction period of the developments. It is anticipated that upon the execution of the Funding Loan Agreements, Citibank will fund all or a portion of the senior construction loans initially with taxable proceeds. When recycled proceeds are available, the Corporation expects to issue one or more tranches of Funding Loan Obligations and cause the refinancing of all or a portion of Citibank's taxable participation loan into a loan financed with tax-exempt proceeds.

It is anticipated that the Funding Loan Obligations, in an amount not expected to exceed \$204,600,000 will be issued as two or more fixed rate or variable rate tax-exempt obligations. The Members are asked to authorize a not-to-exceed true interest cost of 15%; however, it is expected that the Funding Loan Obligations will have a true interest cost that does not exceed 6%. The Funding Loan Obligations for Caton Flats will have an approximate final maturity of November 1, 2050. The Funding Loan Obligations for MEC 125th Parcel B West will have an approximate final

maturity of May 1, 2053. The Funding Loan Obligations for both projects are expected to be refunded with the 2022 Bonds in 2022.

It is anticipated that the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds, in an amount not expected to exceed \$68,200,000, will be issued as tax-exempt bonds in 2022, at fixed rates or in an initial Fixed Rate mode with convertible options as further described below, after conversion of the project. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds and a not-to-exceed interest rate of 15% for the maturities that may be converted to other interest rate modes; however, it is expected that the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds will have a true interest cost that does not exceed 5% during the initial Fixed Rate period and an approximate final maturity of November 1, 2050 for the 2022 Series B-1 Bonds and May 1, 2053 for the 2022 Series C-1 Bonds. To maximize flexibility, the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate. The Corporation expects to enter into a forward bond purchase agreement with Citibank this December pursuant to which Citibank will agree to purchase the 2022 Series B-1 Bonds and 2022 Series C-1 Bonds.

It is anticipated that the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds, in an amount not expected to exceed \$136,400,000, will be issued in 2022 as variable rate bonds, which are expected to be secured by a liquidity facility provided by a bank or through a self-liquidity facility utilizing the assets of the Corporation. The liquidity facility, whether through a bank or through the self-liquidity of the Corporation, will be brought to the Members for approval prior to that time. It is anticipated that the 2022 Series B-2 Bonds will have an approximate final maturity of November 1, 2050 and the 2022 Series C-2 Bonds will have an approximate final maturity of May 1, 2053. To maximize flexibility, the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds will be multi-modal and may be issued in or converted to interest rate modes such as (i) a Weekly Rate, (ii) an Index Rate, (iii) a Term Rate (with a semi-annual term or any multiples thereof), or (iv) a Fixed Rate. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds. The Corporation expects to enter into a bond purchase agreement in 2022 for the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds on or around the time of issuance.

To protect against interest rate volatility associated with the variable rate 2022 Series B-2 Bonds and 2022 Series C-2 Bonds, the Corporation also expects to purchase one or more interest rate hedges as described under the heading “Proposed Interest Rate Hedge.”

Proposed Interest Rate Hedge

In relation to the permanent financing of Hunters Point South – North Tower, Hunters Point South – South Tower, Caton Flats, MEC 125 Parcel B West, Bedford Union Armory and Riverwalk 8

developments, the Members are being asked to approve four or more interest rate hedging instruments, in a combined notional amount not expected to exceed \$300,000,000 and at a cost not expected to exceed \$5,000,000 to be funded with its unrestricted reserves, to manage its interest rate risk relating to the 2022 Series B-2 Bonds and 2022 Series C-2 Bonds expected to be issued on or around 2022 and the 2018 Series L Bonds expected to be remarketed on or around 2022.

The Corporation is working with Mohanty Gargiulo LLC, its hedge advisor to lock in the favorable current financing cost through the facilitation of an interest rate hedging instrument including a forward-starting interest rate swap. The Corporation is expecting to enter into one or more interest rate swaps based on an index likely to be SIFMA or a percentage of 1-month LIBOR. The effective date on each swap will relate to the expected conversion into permanent financing of Hunters Point South – North Tower, Hunters Point South – South Tower, Caton Flats and MEC 125 Parcel B West developments. Each swap is anticipated to have amortization corresponding to the related underlying bonds. The Corporation will look to purchase certain cancellation options or shorten the term of the swap based on the anticipated redemption provisions of the underlying bonds as well as the swap market conditions. A SIFMA-indexed 4-year forward starting swap with a weighted average life of 17 years is anticipated to be set at a rate not expected to exceed 3.2%. The rate is based on the current market rates as of November 8, 2018 and is subject to change.

Establishment of the Freddie Mac Risk Share Program

The Corporation is expected to enter into one or more agreements with Freddie Mac to provide credit enhancement (“Freddie Risk Share”) for two (2) permanent loans. The Corporation will assume the 1st position loss up to 20% of the permanent loan and Freddie Mac will assume the 2nd position loss on the remaining 80% of the permanent loan. As return for its risk exposure, the Corporation will earn a servicing fee on the entire loan plus a credit enhancement fee on the top loss portion of each permanent loan that reflects its risk position. Similarly, Freddie Mac has agreed to a reduced enhancement fee on its portion of each permanent loan.

The Corporation uses a variety of permanent credit enhancement products in the Open Resolution and staff believes that the addition of the Freddie Risk Share will be an important tool for providing diverse options for the Corporation’s core lending programs.

Although not required under the program, the Corporation’s staff believes that it is prudent to maintain reserves where the Corporation assumes risk. The Corporation expects that the reserves will resemble the existing reserves established for the Corporation’s FHA Risk-Share Program (defined below).

Security for Bonds

The Bonds will be issued on a parity basis with all outstanding previous series of bonds issued under the Open Resolution from July 1993 to date. As a result, the Bonds will be secured on a parity basis with all the collateral currently held under the Open Resolution. As of July 31, 2018, that collateral consisted of the following:

TYPE OF COLLATERAL	# OF LOANS	AMOUNT	% OF TOTAL
FHA Insured Mortgage Loans	17	\$104,567,697	1.18%
Fannie Mae/Freddie Mac Insured Mortgage Loans	35	716,099,882	8.09%
GNMA Insured Mortgages	2	18,859,248	0.21%
SONYMA Insured Mortgages	55	569,034,340	6.43%
REMIC Partially Insured Mortgages	201	1,174,695,984	13.28%
LOC Insured Mortgages	11	55,246,308	0.62%
Uninsured Permanent Mortgages	319	1,538,011,142	17.39%
Uninsured 2014 Series B Mortgages	134	115,508,127	1.31%
Uninsured 2018 Series B Mortgages	299	663,308,632	7.50%
Partially Funded Construction Loans Secured by LOC	82	1,436,201,416	16.24%
Partially Funded Construction Loans Not Secured by LOC	81	557,049,403	6.30%
Sub-Total	1,236	6,948,582,180	78.55%
Undisbursed Funds in Bond Proceeds Account ^[1]		1,753,101,233	19.82%
Debt Service Reserve Account ^[2]		144,573,177	1.63%
Total*	1,236	8,846,256,590	100.00%

* May not add due to rounding

Risks and Risk Mitigation

2006/2018 Bonds

The primary risk associated with the 2006/2018 Bonds is the potential failure of Wells Fargo to

^[1] Undisbursed Funds in Bond Proceeds Accounts are monies held by the Trustee for construction financing of projects under the Open Resolution.

^[2] Includes a payment obligation of \$12,507,500 of the Corporation which constitutes a general obligation.

honor its obligations under the MPA, which would be a default under the transaction documents. However, the applicable resolutions and the MPA will mitigate this potential risk because even if Wells Fargo fails to honor its obligation upon a default by the Borrower, the note and mortgage will be automatically assigned to Wells Fargo and the 2006/ 2018 Bonds will be retired.

Preservation Mortgage Loans

The primary risk to the Corporation related to the Esplanade Gardens rehabilitation loan during the construction period is the borrower's potential inability to complete the rehabilitation. The Corporation's staff believes this risk is mitigated through a comprehensive structure dictating the types of projects to be financed without a letter of credit, strict underwriting and the ongoing monitoring of the development during the rehabilitation period. The related project budget includes complete capitalized interest reserves and construction retainage. The Corporation's staff will review scopes of work and bids and the general contractor is required to have a letter of credit or a payment and performance bond. The Corporation's Asset Management staff will assume construction monitoring and servicing responsibilities.

The primary risk associated with the loans for Esplanade Gardens during the permanent financing period is repayment risk from the borrowers. The risk of default on the preservation loans is partially mitigated by the Corporation's use of mortgage insurance policies provided by FHA Risk-Sharing Program ("FHA Risk-Share"). The Corporation will be obligated to cover 50% of the total loss following a claim on the Risk Sharing mortgage insurance. Risk is also mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratios.

2018 Series K Bonds and 2019 Series B Bonds

The primary risk to the Corporation related to the 2018 Series K or 2019 Series B Bond proceeds financing senior mortgage loans during the period the development is under construction is the potential failure of the commercial bank to honor its obligation to pay the Corporation under the construction letter of credit (an "LOC") in the event of a default by a borrower. The ratings of banks are monitored by the Corporation's Credit Risk department and the Corporation's documents require replacement of an LOC or a confirmatory letter of credit if the bank's ratings fall below a long-term rating of A from Standard & Poor's Ratings Services ("S&P") and a long-term and short-term rating of A2/P-1 from Moody's Investors Service ("Moody's").

All senior mortgage loans to be financed with the 2018 Series K or 2019 Series B Bond proceeds during the permanent financing period will be secured by a mortgage insurance policy provided by REMIC, SONYMA, through FHA Risk-Share or through a combination of REMIC and SONYMA in which case SONYMA will provide mortgage insurance for the first 30 years of the term of the permanent Mortgage Loan, after which such SONYMA Insurance will terminate and REMIC Insurance will become effective until maturity.

The primary risk to the Corporation related to the 2018 Series K Bonds financing subordinate mortgage loans is repayment risk from the borrowers. This risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to

expense ratios.

2018 Series L Bonds

The primary risk to the Corporation related to the 2018 Series L Bonds financing senior mortgage loans during the period the development is under construction is the possibility of negative arbitrage. Interest on the 2018 Series L Bonds is not capitalized in the development budget for the underlying loan and is expected to be paid from investment earnings on the bond proceeds and cash collateral accounts, both of which will be pledged to the Bonds. Based on its experience in actively managing its investment portfolio and current market indications, the Corporation expects earnings received will be sufficient to cover debt service on the bonds. The Corporation will structure the investments of the bond proceeds and collateral to maximize return. The Corporation expects to enter into a guaranteed investment contract (GIC). Current indications show investment rates greater than the bond rates.

The primary risk to the Corporation related to the 2018 Series L Bond proceeds financing senior mortgage loans during the period the development is under construction is the borrower's potential inability to complete the construction. This risk is mitigated because, as the proceeds of the 2018 Series L Bonds are advanced to fund project development costs, the collateral facility provider will deposit the same amount into a cash collateral account which then serves as credit enhancement for the 2018 Series L Bonds.

The senior mortgage loans to be financed with the 2018 Series L Bond proceeds during the permanent financing period will be secured by a mortgage insurance policy provided by FHA Risk-Share.

2018 Series M Bonds

The primary risk associated with the 2018 Series M Bonds is that the mortgage loan closings may not be able to take place. The Corporation believes that it has sufficiently mitigated this risk. The projects that are anticipated to close with funding from the proceeds of the 2018 Series M Bonds have been reviewed by Corporation staff, and are expected to be taken through the underwriting process, obtain credit enhancement and to satisfy all other matters relating to closing preparation. In addition, projects totaling at least \$3,118,560,000 in projected development costs were or will be publicly noticed pursuant to Federal tax rules and may be financed using the tax exempt bond proceeds issued by the Corporation in the event that replacement project(s) would be necessary.

Furthermore, the Corporation has the option to remarket the 2018 Series M Bonds at the end of their initial term into subsequent term rate terms.

2019 Series A-3 Bonds

The primary risk to the Corporation related to the 2019 Series A-3 Bonds for the portion refunding certain of the Corporation's 2009 Bonds is repayment risk from the borrowers. This risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratios. These assets are very seasoned mortgage loans and

have a consistent payment history. In addition, all of these loans are insured by REMIC or SONYMA.

The primary risk to the Corporation related to the 2019 Series A-3 Bonds for the portion financing certain subordinate loans is repayment risk from the borrowers. This risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratios.

The Funding Loan Obligations and the 2022 Bonds

The primary risk to the Corporation related to the Funding Loan Obligations during the construction phase of the Caton Flats and MEC 125 Parcel B West developments is the potential failure of Citibank to honor its obligation to purchase the mortgage loans from the Corporation pursuant to the Funding Loan Agreement in the event of a default by the borrower. However, Corporation staff believes that this risk is mitigated by the terms of the Funding Loan Agreements, which provides for an automatic assignment of the applicable notes and mortgages to Citibank and the cancellation of the Funding Loan Agreements and the Funding Loan Obligations if Citibank fails to honor its obligation. Citibank is currently rated A/A-1 by Standard & Poor's and A1/P-1 by Moody's Investors Service.

The senior mortgage loans will be enhanced pursuant to Freddie Risk Share agreement during the permanent phase. The primary risk to the Corporation relating to the Funding Loan Obligations during the period after the developments have converted to permanent and before the 2022 Bonds are issued is that upon a failure to pay by the borrower, HDC will be obligated to make payments to Citibank under the Funding Loan Agreement or draw on the Freddie Risk Share credit enhancement. However, the Corporation staff believes that this risk is mitigated because the loan will have stabilized and converted to permanent financing and the interim period during which this limited risk exists will be no longer than four (4) months. The Corporation has agreed to take the 20% top loss position on each permanent loan pursuant to Freddie Risk Share agreement.

Deposits and Fees

With respect to Esplanade Gardens, the Corporation is expected to waive its up-front commitment fee and subsidize a portion of costs of issuance, including the fees of the underwriter, bond counsel, rating agencies and the trustee plus any additional funds that are required to compensate the Corporation for its management of the Bonds or to reimburse the Corporation for certain costs incurred during the rehabilitation of the project pursuant to its existing Mitchell Lama lending programs.

With respect to developments financed with the 2018 Series K Bonds, it is expected that the Corporation will charge the borrowers for all developments an up-front commitment fee between 0.75% and 1.00% of the senior mortgage loan amount.

It is expected that the Corporation will charge the borrowers for the Avalon Morningside development an up-front commitment fee equal to 0.25% of the principal amount of 2006 Series J-1 Bonds and 1.00% of the principal amount of the taxable 2018 Series N Bonds. In addition, the

borrowers will pay an amount equal to their pro-rata share of costs of issuance, including the fees of the underwriter, bond counsel, rating agencies and the trustee plus any additional funds that are required to compensate the Corporation for its management of the Bonds or to reimburse the Corporation for certain costs incurred during the construction of the project.

With respect to developments financed with Funding Loan Agreements, the Corporation will charge the borrower an up-front commitment fee equal to 1.00% of the mortgage loan amount. In addition, the Corporation will receive an annual administrative and servicing fee that is expected to equal approximately .50% of the mortgage loan during the construction period. The administrative and servicing fees for the developments includes spread differential that would otherwise have been earned by the Corporation had the development been financed with Open Resolution bonds during construction. In addition, the borrower will pay costs of issuance, including the fees of the underwriter, bond counsel, rating agencies and the trustee plus any additional funds that are required to compensate HDC for its management of the 2022 Bonds or to reimburse the Corporation for certain costs incurred during the construction of the project.

As with other Open Resolution transactions completed by the Corporation, the Corporation will also charge each borrower an annual servicing fee of at least 0.20% on the outstanding principal balance of each first permanent mortgage loan or other applicable fees.

Ratings

The 2018 Series K Bonds, 2018 Series L Bonds, 2019 Series A-3 Bonds, 2019 Series B Bonds, 2022 Series B-1 and 2022 Series C-1 Bonds are expected to be rated AA+ by S&P and Aa2 by Moody's.

The 2018 Series M Bonds are expected to be rated A-1+ by S&P and Aa2/VMIG 1 by Moody's.

The Corporation expects the rating on the 2022 Series B-2 and 2022 Series C-2 Bonds to be based on the liquidity provider. The liquidity facility will be brought to the Members for approval.

The Funding Loan Obligations and 2006/2018 Bonds are expected to be unrated.

Underwriters

It is anticipated that the Bonds will be underwritten or directly placed by one or more of the following:

J. P. Morgan Securities LLC (*Expected Bookrunning Senior Manager for 2018 Series K*)
Wells Fargo Securities (*Expected Bookrunning Senior Manager for 2018 Series L*)
Morgan Stanley & Co. LLC (*Expected Bookrunning Senior Manager for 2018 Series M, Expected Co-Senior Manager for 2018 Series K*)
Citigroup Global Markets Inc. (*Expected Co-Senior Manager for 2018 Series L*)
Samuel A. Ramirez & Co., Inc. (*Expected Co-Senior Manager for 2018 Series K*)

Academy Securities Inc.
Bank of America Merrill Lynch
Janney Montgomery Scott
Jefferies LLC
Raymond James & Associates, Inc.
Roosevelt & Cross Incorporated
RBC Capital Markets, LLC
Stern Brothers & Co.
UBS Securities
Rice Financial Products Company

Selling Group for the Bonds

TD Securities
Bancroft Capital
Drexel Hamilton, LLC
Oppenheimer & Co. Inc.
Stifel, Nicolas & Company, Incorporated

2022 Series B-1 and 2022 Series C-1 Direct Purchaser

Citigroup Global Markets Inc.

Underwriters' Counsel

Orrick, Herrington & Sutcliffe LLP

Bond Trustee and Tender Agent

Bank of New York Mellon

Funding Loan Obligation Trustee

TBD

Pricing Advisor for Funding Loan Obligation

Caine Mitter & Associates Inc.

Bond Counsel

Hawkins Delafield & Wood LLP

Action by the Members

The Members are requested to approve an authorizing resolution that provides for (a) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the Bonds, (b) the distribution of preliminary and final Official Statement(s) for the Bonds, (c) the execution of bond purchase agreement(s) with the Underwriter(s) of the Bonds or a direct purchaser of any or all of the Bonds, including forward bond purchase agreements with respect to the 2022 Bonds, (d) the use of the Corporation's unrestricted reserves to fund costs of issuance for the Bonds and to fund all or a portion of the debt service reserve account requirement in connection with any or all of the series of Bonds, as may be required, (e) the execution of a multi-year issuance agreement in connection with the 2019 Series B Bonds, and (f) the execution by the President or any authorized officer of the Corporation of any and all documents necessary to issue the Bonds and to make the mortgage loans relating to the Bonds.

The Members are requested to approve an authorizing resolution that provides for the amendment to the Supplemental Resolution relating to the 2006 Series J-1 Bonds for the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the 2018 Series N Bonds and (b) the execution of mortgage-related documents and any other documents necessary to accomplish the issuance of the 2006/2018 Bonds and the financing of the related loan.

The Members are requested to approve an authorizing resolution which provides for (a) the execution of the Caton Flats Loan Agreement and (b) the execution of mortgage-related documents and any other documents necessary to accomplish the issuance of the Caton Flats Funding Loan Obligations and the financing of the related loan.

The Members are requested to approve an authorizing resolution which provides for (a) the execution of the MEC 125 Parcel B West Loan Agreement and (b) the execution of mortgage-related documents and any other documents necessary to accomplish the issuance of the MEC 125 Parcel B West Funding Loan Obligations and the financing of the related loan.

The Members are requested to approve (i) the making of subordinate loans for ten (10) developments from the 2018 Series K Bonds and/or the Corporation's unrestricted reserves in an amount not expected to exceed \$130,045,000, (ii) the use of the Corporation's unrestricted reserves to fund a portion of the senior loans for seven (7) of the developments, and (iii) the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the senior and subordinate financing.

The Members are requested to approve the making of certain preservation loans for one (1) development, in an amount not to exceed \$91,210,000, from available funds of the Open Resolution or its unrestricted reserves, and the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the financing.

The Members are requested to approve the origination of four (4) taxable Co-Senior Construction Participation Loans in a combined amount not to exceed \$330,370,000, the subsequent purchase by the Corporation of the 100% participation interest in such loan for the permanent financing of

the Hunters Point South – North Tower development, the Hunters Point South – South Tower development, Bedford Union Armory development and Riverwalk 8 development, using a combination of the Corporation's unrestricted reserves and available funds of the Open Resolution, including funds made available from prepayments as described above, and the execution by an authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish such financings.

The Members are requested to approve the execution of four or more interest rate hedging instruments in a combined notional amount not expected to exceed \$300,000,000 and/or use its unrestricted reserve for an amount not expected to exceed \$5,000,000, and the execution by the President or any Authorized Officer of the Corporation of any and all documents necessary to enter into said hedging instruments.

The Members are requested to approve the funding of portions of certain senior mortgage loans, in an amount not to exceed \$64,575,000, from available funds of the Open Resolution or its unrestricted reserves, in the event the Corporation is unable to issue the 2019 Series B Bonds with private activity volume cap.

The Members are asked to approve (i) execution of all documents necessary, useful or convenient in connection with obtaining Freddie Risk Share mortgage insurance on mortgage loans, including a Freddie Risk Share agreement, and any related mortgage loan documents, and (ii) the funding, from the Corporation's unrestricted reserves, of an amount or amounts not to exceed amounts due upon a claim on each enhanced mortgage loan.

Finally, the Members are asked to approve a Freddie Risk Share reserve, to be funded from the Corporation's unrestricted reserves, in an amount not to exceed 1% of the loss amounts that the Corporation is responsible for under the Freddie Risk Share.

Attachment "1"

**Avalon Morningside
Manhattan, New York**

Project Location: 401 West 110th Street

HDC Program: 80/20

Project Description: The project consists of the refinancing of one 18-story building containing 295 residential units. The development is located in the Morningside Heights section of Manhattan. At least 20% of the units are affordable to households earning at or below 50% AMI.

Total Rental Units: 294 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	32
1 bedroom	191
2 bedroom	56
<u>3 bedroom</u>	<u>16</u>
Total Units*	295

*Total Units are inclusive of one superintendent unit

Expected HDC Permanent Financing Amount: \$112,500,000

Owner: AMP Apartments, LLC, by AvalonBay Communities, Inc., its sole member.

Developer: AvalonBay Communities Inc.

Investor Limited Partner: N/A

Attachment "2"

**Esplanade Gardens
Manhattan, New York**

Project Location: 2569 Adam Clayton Powell Jr. Blvd

HDC Program: Mitchell-Lama Reinvestment Program

Project Description: The project is a 1,872 unit (inclusive of 2 superintendent units) Mitchell-Lama Cooperative in Manhattan. All of the units are governed by Mitchell-Lama income restrictions for Co-ops; incoming residents must have household incomes at or below 125% AMI.

Total Rental Units: 1,870 (plus 2 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
1 bedroom	312
2 bedroom	1,246
<u>3 bedroom</u>	<u>314</u>
Total Units*	1,872

*Total Units are inclusive of two superintendent units

Expected HDC Construction Financing Amount: \$83,700,000

Expected HDC Permanent Financing Amount: \$83,700,000

Expected HDC Subordinate Mortgage: \$29,000,000 (subject to a Purchase and Sale with the City of New York)

Expected Total Development Cost: \$187,401,053

Owner: Esplanade Gardens, Inc.

Developer: Esplanade Gardens, Inc. Board: Moire Davis (President), Sandra Alexander (Vice-President), Michelle Portillo (Treasurer), Anthony Thompson (Secretary), Pamela Terry-Schall (Assistant Treasurer), Shana Harmongoff (Assistance Secretary)

Investor Limited Partner: N/A

Credit Enhancer: FHA Risk Share 50/50 (expected at Permanent)

Attachment "3"

**The Astra at Gates Avenue
Brooklyn, New York**

Project Location: 645 Gates Avenue

HDC Program: Mixed-Middle Income (M2)

Project Description: The project will consist of the new construction of one 6-story building containing 96 residential rental units in the Bedford Stuyvesant section of Brooklyn. At least 20% of the units will be affordable to households earning at or below 50% AMI, a minimum of 30% of the units are affordable to households earning between 80% AMI and 100% AMI, and a maximum of 50% of the units are affordable to households earning between 100% AMI and 165% AMI.

Total Rental Units: 95 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	14
1 bedroom	44
2 bedroom	23
<u>3 bedroom</u>	<u>15</u>
Total Units*	96

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$13,470,000

Expected HDC Permanent Financing Amount: \$13,470,000

Expected HDC Second Mortgage: \$9,120,000

Expected Total Development Cost: \$42,272,228

Owner: The Astra at Gates Avenue, LLC (beneficial owner), whose managing member is Demetrios Moragianis; and HP Astra Housing Development Fund Company, Inc. (fee owner), whose sole member is NYC Partnership Housing Development Fund Company, Inc.

Developer: Proto Property Services whose principal is Demetrios Moragianis.

Investor Limited Partner: N/A

Credit Enhancer: Standby Letter of Credit from JP Morgan Chase, N.A. (Construction)
REMIC 20% (Permanent)

Attachment "4"

**1490 Southern Blvd
Bronx, New York**

Project Location: 1490 Southern Boulevard

HDC Program: ELLA/ Section 8

Project Description: The project will consist of the new construction of one 10-story building containing 115 residential rental units in the Crotona Park East section of the Bronx. In addition, there will be approximately 3,600 square feet of community facility space. At least 70% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 114 (plus 1 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	75
1 bedroom	39
<u>2 bedroom</u>	<u>1</u>
Total Units*	115

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$31,610,000

Expected HDC Permanent Financing Amount: \$15,670,000

Expected HDC Second Mortgage: \$6,325,000

Expected Total Development Cost: \$59,120,711

Owner: 1490 Southern Owner LLC (beneficial owner) and 1490 Southern Housing Development Fund Corporation (fee owner). The managing member of 1490 Southern Owner LLC is 1490 Southern Manager LLC, whose non-managing member is 1490 Southern Housing Development Fund Corporation, and managing member is Type A Real Estate Advisers, LLC. The members of Type A Real Estate Advisers, LLC are Andrea Kretchmer, Jill Crawford and Ann Tirschwell. The sole member of 1490 Southern Housing Development Fund Corporation (fee owner) is JASA Corporation.

Developer: Type A Real Estate Advisers, LLC and JASA Corporation (see above for ownership structure).

Investor Limited Partner: Capital One (Investor)

Credit Enhancer: Standby letter of credit provided from Capital One w/ confirming letter of credit wrap from FHLB (Construction)
FHA Risk Share 90/10 (Permanent)

Attachment "5"

**Bedford Union Armory
Brooklyn, New York**

Project Location: 1101 and 1157 President Street

HDC Program: Mixed Income w/ ELLA affordable component

Project Description: The project will consist of the new construction of one 8-story and one 15-story building containing 415 residential rental units and approximately 25,000 sf of community facility space in the Crown Heights section of Brooklyn. 250 of the units will be affordable and 164 of the units will be market rate. At least 70% of the affordable units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 414 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	65
1 bedroom	228
2 bedroom	69
<u>3 bedroom</u>	<u>53</u>
Total Units*	415

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$54,400,000

Co-Senior Construction Participation Loan: \$73,000,000

Expected HDC Permanent Financing Amount: \$72,180,000

Expected HDC Second Mortgage: \$15,000,000

Expected Total Development Cost: \$195,815,983

Owner: Bedford Courts III LLC (beneficial owner) whose principals are Donald Cappocia, Brandon Baron, Joseph Ferrara, and Winthrop Wharton.

Developer: BFC Partners whose principals are Brandon Baron, Don Capocchia, and Joseph Ferrara.

Investor Limited Partner: Wells Fargo, N.A. (Investor)

Credit Enhancer: Standby letter of credit provided from Wells Fargo, N.A. (Construction)
Co-Senior Construction Participation Loan with Wells Fargo Bank, N.A. (Construction)
REMIC 20% (Permanent)

Attachment "6"

**Hunters Point South – North Tower
Queens, New York**

Project Location: 52-03 Center Boulevard

HDC Program: Mixed Income w/ modified Mixed-Middle (M2) affordable component

Project Description: The project will consist of the new construction of one 55-story building containing 800 residential rental units in the Long Island City section of Queens. At least 20% of the units will be affordable to households earning at or below 50% AMI, 11% of the units are affordable to households earning up to 130% AMI, and 36% of the units are affordable to households up to 165% AMI; 33% of the units will be market rate units.

Total Rental Units: 799 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	174
1 bedroom	145
<u>2 bedroom</u>	<u>481</u>
Total Units*	800

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$154,375,000

Co-Senior Construction Participation Loan: \$107,425,000

Expected HDC Permanent Financing Amount: \$261,800,000

Expected HDC Second Mortgage: \$0

Expected Total Development Cost: \$472,057,271

Owner: 52-03 Center LLC (beneficial owner), whose managing member is 52-03 Center Member LLC whose managers are K. Thomas Elghanayan and Frederick Elghanayan and Selfhelp HPS North Housing Development Fund Company, Inc. (fee owner), whose Executive Director is Evelyn J. Wolff.

Developer: TF Cornerstone Inc. whose principals are K. Thomas Elghanayan and Frederick Elghanayan.

Investor Limited Partner: N/A

Credit Enhancer: Standby letter of credit provided from Wells Fargo Bank, N.A. (Construction) Facility Agreement and Co-Senior Construction Participation Loan from a syndicate of banks with Wells Fargo Bank, N.A. as the lead bank (Construction)
FHA Risk Share Insurance 50/50 (Permanent)

Attachment "7"

**Hunters Point South – South Tower
Queens, New York**

Project Location: 52-41 Center Boulevard

HDC Program: Mixed Income w/ modified Mixed-Middle (M2) affordable component

Project Description: The project will consist of the new construction of one 46-story building containing 394 residential rental units in the Long Island City section of Queens. At least 20% of the units will be affordable to households earning at or below 50% AMI, 10% of the units are affordable to households earning up to 130% AMI, and 17% of the units are affordable to households up to 165% AMI; 53% of the units will be market rate units.

Total Rental Units: 393 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	89
1 bedroom	70
<u>2 bedroom</u>	<u>235</u>
Total Units*	394

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$78,175,000

Co-Senior Construction Participation Loan: \$46,750,000

Expected HDC Permanent Financing Amount: \$124,925,000

Expected HDC Second Mortgage: \$0

Expected Total Development Cost: \$237,642,732

Owner: 52-41 Center LLC (beneficial owner), whose managing member is 52-41 Center Member LLC whose managers are K. Thomas Elghanayan and Frederick Elghanayan.

Developer: TF Cornerstone Inc. whose principals are K. Thomas Elghanayan and Frederick Elghanayan.

Investor Limited Partner: N/A

Credit Enhancer: Standby letter of credit provided from JP Morgan Chase (Construction) Facility Agreement and Co-Senior Construction Participation Loan from a syndicate of banks with JP Morgan Chase as the lead bank (Construction) FHA Risk Share Insurance 50/50 (Permanent)

Attachment "8"

**Riverwalk 8
Manhattan, New York**

Project Location: 460 Main Street

HDC Program: Mixed-Middle Income (M2)

Project Description: The project will consist of the new construction of one 21-story building containing 341 residential rental units in the Roosevelt Island section of Manhattan. At least 20% of the units will be affordable to households earning at or below 50% AMI, a minimum of 30% of the units are affordable to households earning between 80% AMI and 100% AMI, and a maximum of 50% of the units are affordable to households earning between 100% AMI and 165% AMI.

Total Rental Units: 340 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	81
1 bedroom	158
2 bedroom	51
<u>2 bedroom</u>	<u>51</u>
Total Units*	341

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$12,900,000

Co-Senior Construction Participation Loan: \$73,000,000

Expected HDC Permanent Financing Amount: \$60,100,000

Expected HDC Second Mortgage: \$0

Expected Total Development Cost: \$137,164,000

Owner: Riverwalk 8 LLC (beneficial owner), whose managing members are a joint venture between Related Southtown Associates III LLC, whose principals are Stephen M. Ross, Jeff T. Blau, Bruce Beal, Jr. Michael J. Brenner, and Jamar Adams; and Hudson Riverwalk LLC whose principals are William Fowler, David Kramer, Sally Gilliland, Aaron Koffman, and Alison Novak.

Developer: The Related Companies and Hudson Companies

Investor Limited Partner: N/A

Credit Enhancer: Standby Letter of Credit provided from Citibank, N.A. (Construction)
Co-Senior Construction Participation Loan from Citibank, N.A. (Construction)
SONYMA 50% (Permanent, Years 1-30)
REMIC 20% (Permanent, Years 31-40)

Attachment "9"

**Van Dyke III
Brooklyn, New York**

Project Location: 405 Dumont Ave.

HDC Program: ELLA

Project Description: The project will consist of the new construction of one 12-story building containing 180 residential rental units and approximately 25,000 sf of community facility space in the Brownsville section of Brooklyn. At least 70% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 179 (plus 1 superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	56
1 bedroom	52
2 bedroom	44
<u>3 bedroom</u>	<u>28</u>
Total Units*	180

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$47,170,000

Expected HDC Permanent Financing Amount: \$18,550,000

Expected HDC Second Mortgage: \$11,700,000

Expected Total Development Cost: \$101,559,772

Owner: Trinity Northeast Brooklyn Limited Partnership (beneficial ground lessee), whose members are Trinity Northeast Brooklyn Development LLC and Trinity Northeast Brooklyn LLC., whose members are Trinity Northeast Brooklyn Manager, LLC whose principals are James Keefe and Patrick Lee and Van Dyke III Housing Development Corporation (ground lessee), whose principal is Jeffrey Dunston.

Developer: Trinity Financial (see above for ownership structure)

Investor Limited Partner: Goldman Sachs (Investor)

Credit Enhancer: Standby letter of credit provided from Citibank, N.A. (Construction)
FHA Risk Share Insurance 50/50 (Permanent)

Attachment "10"

**Victory Plaza
Manhattan, New York**

Project Location: 11 West 118th Street

HDC Program: ELLA/ Section 8

Project Description: The project will consist of the new construction of one 9-story building containing 136 residential rental units in the Harlem section of Manhattan. In addition, there will be approximately 3,200 square feet of community facility space. At least 70% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 135 (plus 1 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	134
<u>1 bedroom</u>	<u>2</u>
Total Units*	136

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$33,000,000

Expected HDC Permanent Financing Amount: \$17,580,000

Expected HDC Second Mortgage: \$7,480,000

Expected Total Development Cost: \$63,748,798

Owner: Victory Plaza Owner LLC (beneficial owner) whose Managing Member is Victory Plaza Manager LLC; whose managing members are CPG Victory LLC, whose sole owner is Camber Property Group LLC, whose principals are Andrew Moelis, Rick Gropper, and Ron Moelis and HCCI Victory Plaza Member LLC, whose sole owner is Harlem Congregations for Community Improvement, Inc.; and Victory Plaza Housing Development Fund Corporation (also the fee owner), whose sole member is Harlem Congregations for Community Improvement, Inc. whose Board of Directors are Joan Dawson, Rev. Keith Roberson, George Weldon, Jr., Rev. Eva Duzant, Imam Talib Abdur Rashid, Wendy Kelly-Carter, Special Hagan, Rev. Shepherd Lee, Sr., Gregory Merriweather, Jr., Virginia Montague, Rev. Nigel Pearce, Rev. Loren Russell, and Rev. John Scott.

Developer: Camber Property Group LLC (see above for ownership structure).

Investor Limited Partner: Wells Fargo Bank, N.A. (Investor)

Credit Enhancer: Standby letter of credit provided from Wells Fargo Bank, N.A. (Construction)
FHA Risk Share Insurance 90/10 (Permanent)

Attachment "11"

**WSFSSH at 108th Street
Manhattan, New York**

Project Location: 141-159 West 108th Street, New York, NY

HDC Program: ELLA

Project Description: The project will consist of the new construction of one 11-story building containing 199 residential rental units in the Manhattan Valley section of Manhattan. In addition, there will be approximately 6,000 square feet of community facility space. At least 70% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 198 (plus 1 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	119
1 bedroom	53
2 bedroom	19
<u>3 bedroom</u>	<u>8</u>
Total Units*	199

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$44,350,000

Expected HDC Permanent Financing Amount: \$19,190,000

Expected HDC Second Mortgage: \$11,935,000

Expected Total Development Cost: \$87,630,846

Owner: West 108th Street L.P. (beneficial owner) whose General Partner is West 108th Street Housing Company, Inc.; West 108th Street Housing Company, Inc. owner is West 108th Street Housing Development Fund Company, Inc. (also the fee owner). The sole member of West 108th Street Housing Company, Inc. is the West Side Federation for Senior and Supportive Housing, whose principals are Sheldon Fine, Paul Freitag, and Laura Tavormina.

Developer: West Side Federation for Senior and Supportive Housing, Inc. (see above for ownership structure).

Investor Limited Partner: National Equity Fund, Inc. (Investor)

Credit Enhancer: Standby letter of credit provided from J.P. Morgan Chase, N.A. (Construction)
SONYMA 50% (Permanent)

Attachment "12"

**West 135th Street
Manhattan, New York**

Project Location: 107-145 West 135th Street, New York, NY

HDC Program: LAMP/Section 8

Project Description: The project consists of the refinancing of ten 6-story buildings containing 198 residential units located in the Harlem section of Manhattan. All of the affordable units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 197 (plus 1 superintendent unit)

Apartment Distribution:	<u>Unit Size</u>	<u>No. of Units</u>
	Studio	7
	1 bedroom	55
	2 bedroom	100
	3 bedroom	36
	<u>Total Units*</u>	<u>198</u>

*Total Units are inclusive of one superintendent unit

Expected HDC Subordinate Permanent Financing Amount: \$11,500,000

Expected Total Development Cost: \$11,698,000

Owner: West 135th Street Apartments, LLC owned by Rose Smart Growth Investment Fund 1 L.P., whose principals are Jonathan Rose, Nathan Taft and Michael Arman.

Developer: Rose Smart Growth Investment Fund 1, L.P. (see above for ownership structure).

Expected Investor Limited Partner: N/A

Credit Enhancement: N/A

Attachment "13"

**Spring Creek 4B-2
Brooklyn, New York**

Project Location: 127 and 129 Gateway Drive
1111-1123 Lower Ashford Street (odd numbers)
389, 392, 396, 398, 400, 401, 402 and 498 Schroeders Avenue
500-504 Schroeders Avenue (even numbers)
516 Schroeders Avenue

HDC Program: ELLA

Project Description: The project will consist of the new construction of twenty 4-story buildings containing 160 residential units and one 7-story building containing 80 residential units in the Spring Creek section of Brooklyn. At least 70% of the units will be affordable to households earning at or below 60% AMI and will include additional tiers of deeper affordability.

Total Rental Units: 238 (plus 2 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	4
1 bedroom	97
2 bedroom	125
<u>3 bedroom</u>	<u>14</u>
Total Units*	240

* Total Units are inclusive of two superintendent units

Expected HDC Construction Financing Amount: \$33,280,000

Expected HDC Permanent Financing Amount: \$11,550,000

Expected HDC Second Mortgage: \$15,000,000

Expected Total Development Cost: \$97,377,734

Owner: Spring Creek IV Low Income LLC, (beneficial owner), owned by Monadnock Development, whose principals are Nick Lembo, Jens Peter Hansen and Greg Bauso; and Nehemiah Housing Development Fund Company, Inc., whose officers are David K. Brawley, Zandra Y. Brockman, and Sarah Plowden; and Nehemiah Spring Creek IV Low Income Housing Development Fund Company, Inc. (fee owner), whose directors are David Brawley, Zandra Y. Brockman, and Sarah Plowden.

Developer: Monadnock Development, whose principals are Nick Lembo, Jens Peter Hansen and Greg Bauso, and Nehemiah Housing Development Fund Company, Inc., whose officers are David Brawley, Zandra Y. Brockman, and Sarah Plowden.

Investor Limited Partner: Bank of New York Mellon

Credit Enhancer: Standby letter of credit provided from Bank of New York Mellon (Construction)
REMIC 20% (Permanent)

Attachment "14"

**Caton Flats
Brooklyn, New York**

Project Location: 794 Flatbush Avenue

HDC Program: Mixed-Middle Income (M2)

Project Description: The project will consist of the new construction of one 14-story building containing 255 residential rental units in the Prospect Lefferts Gardens section of Brooklyn. At least 25% of the units will be affordable to households earning at or below 60% AMI, a minimum of 30% of the units are affordable to households earning between 80% AMI and 100% AMI, and a maximum of 50% of the units are affordable to households earning between 100% AMI and 165% AMI.

Total Rental Units: 254 (plus 1 superintendent unit)

<u>Apartment Distribution:</u>	<u>Unit Size</u>	<u>No. of Units</u>
	Studio	64
	1 bedroom	97
	2 bedroom	54
	<u>3 bedroom</u>	<u>40</u>
	Total Units*	255

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$62,000,000

Expected HDC Permanent Financing Amount: \$62,000,000

Expected HDC Second Mortgage: \$15,000,000

Expected Total Development Cost: \$135,000,000

Owner: BRP Caton Flats (beneficial owner), whose managing member is BRPMM LLC, whose principals are Geoffroi Flournoy, Merideth Marshall, Steven Smith, Mary Serafy and Andrew Cohen.

Developer: BRP Development Corp.

Investor Limited Partner: N/A

Credit Enhancer: Construction Back-to-Back Loan with Citibank, N.A
Freddie-HDC Risk Share 80/20 (Permanent)

Attachment "15"

**MEC 125 Parcel B West
Manhattan, New York**

Project Location: 2305-07 Third Avenue, New York, NY 10035

HDC Program: Mixed Income w/ modified Mixed-Middle (M2) affordable component

Project Description: The project will consist of the new construction of one 19-story building containing 404 residential rental units in the East Harlem section of Manhattan. Additionally, there will be approximately 62,000 square feet of commercial space and approximately 6,000 square feet of community facility space. At least 25% of the units will be affordable to households earning at or below 50% AMI, a minimum of 25% of the units are affordable to households earning at or below 100% AMI, 16% of the units are affordable to households earning up to 165% AMI and 34% of the units will be market rate units.

Total Rental Units: 402 (plus 2 superintendent units)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	98
1 bedroom	97
2 bedroom	179
3 bedroom	28
Total Units*	404

*Total Units are inclusive of two superintendent units

Expected HDC Construction Financing Amount: \$122,860,000

Expected HDC Permanent Financing Amount: \$117,180,000

Expected HDC Second Mortgage: \$15,000,000

Expected Total Development Cost: \$207,246,287

Owner: East Harlem MEC Parcel B West LLC (beneficial owner), whose managing members are a joint venture between Parcel B West GP LLC, whose principals are Richard Richman and Kristen Miller; and PTMA 125th B West LLC whose principals are Todd Cooper and Peter Ripka; and Monadnock E 125 B West LLC, whose principals are Nicholas Lembo, Jens Peter Hansen, and Alphonse Michael Lembo and East Harlem MEC Parcel B-West HDFC Nominee (fee owner), whose officers are Walter Roberts, Gustavo Rosado, and Jonathan Vazcones.

Developer: Joint Venture between The Richman Group Development Corp, Bridges Development, and Monadnock. (see above for ownership structure).

Investor Limited Partner: N/A

Credit Enhancer: Construction Back-to-Back Loan with Citibank, N.A
Freddie-HDC Risk Share 80/20 (Permanent)

Attachment "16"

Development Name	Borough	Rehab/NC	Units	Anticipated Initial Mortgage Loan Amount
Victory Plaza	New York	NC	136	\$48,580,000
1490 Southern Blvd (Del Sur)	Bronx	NC	70	\$45,990,000
Spring Creek 4B	Brooklyn	NC	240	\$60,000,000
J2: 147-07 94th Avenue	Queens	NC	522	\$252,240,000
Hunters Point South Parcel C - North Tower	Queens	NC	800	\$313,200,000
Hunters Point South Parcel C - North Tower	Queens	NC	394	\$149,910,000
810 River Avenue	Bronx	NC	134	\$6,000,000
Bedford Union Armory	Brooklyn	NC	415	\$103,800,000
Compass 6	Bronx	NC	251	\$57,600,000
Peninsula Phase 1 aka Spofford	Bronx	NC	183	\$93,475,000
West 135th Street	New York	Rehab	198	\$19,800,000
Caton Flats	Brooklyn	NC	255	\$96,000,000
The Nicole	New York	Rehab	149	\$65,520,000
Holmes Towers	New York	NC	330	\$201,600,000
Park Haven	Bronx	NC	170	\$46,740,000
Ebenezer Plaza Phase 1B	Brooklyn	NC	118	\$45,565,000
271 East 202nd Street and 266 East 203rd Street	Bronx	NC	288	\$110,940,000
1675 Westchester Avenue, 1240 Metcalf Avenue	Bronx	NC	249	\$64,455,000
Forest Hills Coop - Ph. 1	Queens	NC	416	\$183,600,000
Atlantic Chestnut (Building 1) 250 Euclid Ave.	Queens	NC	403	\$170,400,000
Atlantic Chestnut (Building 2)	Queens	NC	438	\$188,500,000
Atlantic Chestnut (Building 3) 275 Chestnut	Queens	NC	375	\$145,680,000
Victory Baptist	Bronx	NC	95	\$36,490,000
Whitlock, 101 Whitlock Avenue	Bronx	NC	245	\$71,400,000
City Cedars	Bronx	NC	95	\$2,760,000
Silverleaf Hall	Bronx	NC	118	\$7,605,000
90 Sands Street	Brooklyn	NC	508	\$60,225,000
Far Rockaway Village Building H	Queens	NC	231	\$52,065,000
MEC 125 Street	New York	NC	404	\$168,000,000
Dinsmore-Chestnut	Brooklyn	NC	275	\$111,375,000
WSFSSH at 108th Street	New York	NC	199	\$67,315,000
Van Dyke III	Brooklyn	NC	180	\$71,730,000
TOTAL				\$3,118,560,000