

PRELIMINARY OFFICIAL STATEMENT DATED [_____] , 2018

NEW ISSUE — BOOK-ENTRY ONLY

See “RATINGS” herein

In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), except that no opinion is expressed as to such exclusion of interest on any 2018 Series A Bond or 2018 Series C Bond for any period during which such 2018 Series A Bond or 2018 Series C Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a “substantial user” of the facilities financed with the proceeds of the 2018 Series A Bonds or the 2018 Series C Bonds, respectively, or a “related person,” and (ii) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2018 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). In the opinion of Bond Counsel to the Corporation, interest on the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds is included in gross income for Federal income tax purposes pursuant to the Code. See “TAX MATTERS.”

\$[_____]*

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Multi-Family Housing Revenue Bonds,

\$[_____] * 2018 Series A
(Sustainable Neighborhood Bonds)

\$[_____] * 2018 Series B-1
(Federally Taxable)
(Sustainable Neighborhood Bonds)

\$[_____] * 2018 Series C

\$[_____] * 2018 Series B-2
(Index Floating Rate) (Federally Taxable)
(Sustainable Neighborhood Bonds)

Dated: Date of delivery**Due: as shown on the inside cover pages**

The 2018 Series A Bonds and the 2018 Series B-1 Bonds are being issued as fixed rate bonds, with interest payable on the dates and at the fixed rates set forth on the inside cover pages of this Official Statement. The 2018 Series A Bonds are subject to redemption and mandatory tender at the option of the Corporation as set forth herein, and the 2018 Series B-1 are subject to redemption as set forth herein. See “DESCRIPTION OF THE FIXED RATE BONDS.” The Corporation will be obligated to pay the Purchase Price of 2018 Series A Bonds subject to mandatory tender for purchase and not remarketed only from monies available from and held under the General Resolution. No liquidity facility has been obtained to fund such obligation. See “DESCRIPTION OF THE FIXED RATE BONDS.”

The 2018 Series B-2 Bonds are being issued as indexed floating rate obligations bearing interest at a floating rate reset quarterly based on an interest rate index as described herein, payable on the dates set forth on the inside cover pages of this Official Statement. The 2018 Series B-2 Bonds are subject to redemption as set forth herein. The 2018 Series B-2 Bonds are subject to tender at the option of the holder thereof and mandatory tender at the option of the Corporation as set forth herein. The Corporation will be obligated to pay the Purchase Price of 2018 Series B-2 Bonds subject to tender for purchase and not remarketed only from monies available from and held under the General Resolution. No liquidity facility has been obtained to fund such obligation. See “DESCRIPTION OF THE INDEX FLOATING RATE BONDS.”

The 2018 Series C Bonds are being issued initially in a Term Rate Term and will bear interest during the Term Rate Term as set forth on the inside cover pages of this Official Statement at the fixed rate and payable on the dates set forth on the inside cover pages of this Official Statement. The 2018 Series C Bonds are subject to redemption and mandatory tender (including at the option of the Corporation) as set forth herein. The Corporation will be obligated to pay the Purchase Price of 2018 Series C Bonds subject to mandatory tender for purchase and not remarketed only from monies available from and held under the Resolutions. No liquidity facility has been obtained to fund such obligation. See “DESCRIPTION OF THE TERM RATE BONDS.”

The Bank of New York Mellon, located in New York, New York, is the Trustee with respect to the 2018 Series A Bonds, the 2018 Series B-1 Bonds, the 2018 Series B-2 Bonds and the 2018 Series C Bonds (collectively, the “2018 Bonds”).

The 2018 Bonds will be issued in book-entry form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Interest on and principal of the 2018 Bonds will be payable by the Trustee to Cede & Co., as nominee of DTC, which will, in turn, remit such principal and interest to DTC Direct Participants for subsequent disbursement to the Beneficial Owners. Purchasers of the 2018 Bonds will not receive physical delivery of bond certificates. The 2018 Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. See “BOOK-ENTRY ONLY SYSTEM.”

The 2018 Bonds are being issued, when combined with other available monies, to finance directly or indirectly construction and permanent mortgage loans for certain developments and to refund certain outstanding bonds of the Corporation. Payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2018 Bonds will be secured by the Revenues and assets pledged to such payment, including, without limitation, certain payments to be made under or with respect to the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2018 Bonds are being issued on a parity with and shall be entitled to the same benefit and security as other Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds). Payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2018 Series C Bonds will also be secured by certain accounts securing only the 2018 Series C Bonds.

The 2018 Bonds are special obligations of the New York City Housing Development Corporation, a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York. The 2018 Bonds are not a debt of the State of New York or The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the 2018 Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

The 2018 Bonds are offered when, as and if issued and received by the Underwriters thereof, subject to prior sale, to withdrawal or modification of the offer without notice, and to the unqualified approval of legality by Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation. Certain legal matters related to the 2018 Bonds will be passed upon for the Corporation by its General Counsel and for the Underwriters by their Counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York. It is expected that the 2018 Bonds will be available for delivery in New York, New York on or about April ___, 2018.

Citigroup†**J.P. Morgan†****Wells Fargo Securities†**

* Preliminary, subject to change.

† The underwriters for each Series of the 2018 Bonds are identified on the inside cover pages.

**Barclays† BofA Merrill Lynch† Raymond James† Siebert Cisneros Shank & Co.,
L.L.C.† Stern Brothers & Co.†**
Academy Securities† Morgan Stanley† Roosevelt & Cross TD Securities† UBS Securities LLC†
Incorporated†

Dated: _____, 2018.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

\$[]* 2018 Series A Bonds (Sustainable Neighborhood Bonds)

\$[]* 2018 Series A Fixed Rate Serial Bonds

<u>Due</u> *	<u>Amount</u> *	<u>Interest Rate</u> %	<u>Price</u>	<u>CUSIP No.</u> †
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\$[]* ___% 2018 Series A Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series A Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series A Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series A Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

Interest Payment Dates: Interest on the 2018 Series A Bonds is payable on May 1 and November 1, commencing [November 1, 2018]*, and on any redemption or tender date.

Authorized Denominations: \$5,000 or any integral multiple thereof.

Senior Managing Underwriter: Wells Fargo Securities

Co-Senior Managing Underwriters: J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Siebert Cisneros Shank & Co., L.L.C.

Co-Managing Underwriters: Academy Securities Inc., Barclays Capital Inc., Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Raymond James & Associates, Inc., Roosevelt & Cross Incorporated, Stern Brothers & Co., TD Securities (USA) LLC and UBS Securities LLC

* Preliminary, subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2018 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2018 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2018 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2018 Bonds.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

\$[]* 2018 Series B-1 Bonds (Federally Taxable) (Sustainable Neighborhood Bonds)

\$[]* 2018 Series B-1 Fixed Rate Serial Bonds

<u>Due*</u>	<u>Amount*</u>	<u>Interest Rate %</u>	<u>Price</u>	<u>CUSIP No.†</u>
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\$[]* ___% 2018 Series B-1 Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series B-1 Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series B-1 Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

\$[]* ___% 2018 Series B-1 Fixed Rate Term Bonds due []*—Price ___% CUSIP No.†

Interest Payment Dates: Interest on the 2018 Series B-1 Bonds is payable on May 1 and November 1, commencing [November 1, 2018]*, and on any redemption date.

Authorized Denominations: \$5,000 or any integral multiple thereof.

Senior Managing Underwriter: Citigroup Global Markets Inc.

Co-Senior Managing Underwriters: Barclays Capital Inc. and Raymond James & Associates, Inc.

Co-Managing Underwriters: Academy Securities Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Roosevelt & Cross Incorporated, Siebert Cisneros Shank & Co., L.L.C, Stern Brothers & Co., TD Securities (USA) LLC, UBS Securities LLC and Wells Fargo Securities

* Preliminary, subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2018 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2018 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2018 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2018 Bonds.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

\$[]* 2018 Series B-2 Bonds (Index Floating Rate) (Federally Taxable) (Sustainable Neighborhood Bonds)

\$[]* 2018 Series B-2 Index Floating Rate Term Bonds due []—Price ___% CUSIP No. †

Interest Payment Dates: Interest on the 2018 Series B-2 Bonds is payable on February 1, May 1, August 1 and November 1, commencing [August 1, 2018]*, and on any redemption or tender date.

Authorized Denominations: \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

Senior Managing Underwriter: Citigroup Global Markets Inc.

Co-Senior Managing Underwriters: Barclays Capital Inc. and Stern Brothers & Co.

* Preliminary, subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2018 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2018 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2018 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2018 Bonds.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

\$[]* 2018 Series C Bonds (Term Rate)

Price: __%

\$[]* Term Bond Due: []* CUSIP No.†

Mandatory Tender Date for the 2018 Series C Initial

Term Rate Term: []*

Interest Rate:

Interest Payment Dates: []* and on any redemption or tender date.

Earliest Redemption or Mandatory Tender Date: []*

Authorized Denomination: \$5,000 or any whole multiple thereof.

Underwriter: J.P. Morgan Securities LLC

* Preliminary, subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2018 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2018 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2018 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity, tender and remarketing, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2018 Bonds.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2018 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the New York City Housing Development Corporation or any of the Underwriters named on the inside cover pages (collectively, the "Underwriters") to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information set forth herein has been obtained from the New York City Housing Development Corporation and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriters or by any of such sources as to information from any other source. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the New York City Housing Development Corporation or the other matters described herein since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

THE 2018 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2018 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE 2018 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

Part I and Part II of this Official Statement, including their respective appendices, are to be read together, and together Part I and Part II, including their respective appendices, constitute this Official Statement.

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OFFICIAL STATEMENT PART I

\$[]*
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds

\$[]* 2018 Series A
 (Sustainable Neighborhood Bonds)

\$[]* 2018 Series B-1
 (Federally Taxable)
 (Sustainable Neighborhood Bonds)
 \$[]* 2018 Series B-2
 (Index Floating Rate) (Federally Taxable)
 (Sustainable Neighborhood Bonds)

\$[]* 2018 Series C

This Official Statement Part I (“Part I”) provides information as of its date (*except* where otherwise expressly stated) concerning the Corporation’s 2018 Bonds. It contains only a part of the information to be provided by the Corporation in connection with the issuance and sale of the 2018 Bonds. Additional information concerning Bonds previously issued under the General Resolution, certain sources of payment and security for the Bonds (including the 2018 Bonds), the Corporation, and the mortgage loan program financed with the proceeds of the Bonds is contained in the Official Statement Part II (“Part II”) and is subject in all respects to the information contained herein. Certain defined terms used herein are set forth in “Appendix A—Definition of Certain Terms.”

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OFFICIAL STATEMENT PART I

\$[_____] *
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds

\$[_____] * 2018 Series A
(Sustainable Neighborhood Bonds)

\$[_____] * 2018 Series B-1
(Federally Taxable)
(Sustainable Neighborhood Bonds)
\$[_____] * 2018 Series B-2
(Index Floating Rate) (Federally Taxable)
(Sustainable Neighborhood Bonds)

\$[_____] * 2018 Series C
s

This Official Statement consists of Part I and Part II. The purpose of Part I, which includes the cover page and inside cover pages to this Official Statement, and the appendices to this Part I, is to set forth certain information concerning the New York City Housing Development Corporation (the "Corporation") in connection with the sale of (i) \$[_____] * principal amount of its Multi-Family Housing Revenue Bonds, 2018 Series A (the "2018 Series A Bonds"), (ii) \$[_____] * principal amount of its Multi-Family Housing Revenue Bonds, 2018 Series B-1 (the "2018 Series B-1 Bonds"), (iii) \$[_____] * principal amount of its Multi-Family Housing Revenue Bonds, 2018 Series B-2 (the "2018 Series B-2 Bonds" and, together with the 2018 Series B-1 Bonds, the "2018 Series B Bonds") and (iv) \$[_____] * principal amount of its Multi-Family Housing Revenue Bonds, 2018 Series C (the "2018 Series C Bonds" and, together with the 2018 Series A Bonds and the 2018 Series B Bonds, the "2018 Bonds"). The 2018 Series A Bonds and the 2018 Series B-1 Bonds will bear interest at fixed rates to maturity and are referred to herein as the "Fixed Rate Bonds." The 2018 Series B-2 Bonds will bear interest at a floating rate reset quarterly based on an interest rate index, are subject to tender at the option of the holder thereof and mandatory tender at the option of the Corporation as described herein and are referred to herein as the "Index Floating Rate Bonds." The 2018 Series C Bonds will bear interest at a fixed rate during a Term Rate Period, are subject to mandatory tender (including at the option of the Corporation) as described herein and are referred to herein as the "Term Rate Bonds." The 2018 Series A Bonds and the 2018 Series B Bonds, which will directly finance socially beneficial projects, are also referred to as "Sustainable Neighborhood Bonds." See "PLAN OF FINANCING—General—Sustainable Neighborhood Bonds."

The 2018 Bonds are to be issued in accordance with the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law, constituting Chapter 44-b of the Consolidated Laws of the State of New York, as amended (the "Act"), and pursuant to a resolution entitled "Multi-Family Housing Revenue Bonds Bond Resolution" adopted by the Members of the Corporation on July 27, 1993, as amended from time to time (the "General Resolution"), a supplemental resolution for the 2018 Series A Bonds entitled "Two Hundred Sixty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series A" (the "2018 Series A Supplemental Resolution") adopted by the Members of the Corporation on [_____] , 2018, a supplemental resolution for the 2018 Series B-1 Bonds entitled "Two Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-1" (the "2018 Series B-1 Supplemental Resolution") adopted by the Members of the Corporation on [_____] , 2018, a supplemental resolution for the 2018 Series B-2 Bonds entitled "Two Hundred Sixty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-2" (the "2018 Series B-2 Supplemental Resolution" and together with the 2018 Series B-1 Supplemental Resolution, the "2018 Series B Supplemental Resolutions") adopted by the Members of the

* Preliminary, subject to change.

Corporation on [____], 2018, and a supplemental resolution for the 2018 Series C Bonds entitled “Two Hundred Sixty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series C” (the “2018 Series C Supplemental Resolution” and, together with the 2018 Series A Supplemental Resolution and the 2018 Series B Supplemental Resolutions, the “2018 Supplemental Resolutions”) adopted by the Members of the Corporation on [____], 2018. The General Resolution and the 2018 Supplemental Resolutions are referred to herein, collectively, as the “Resolutions.” Part II of this Official Statement sets forth additional information concerning the Corporation, the Act, the Program (as such term is defined below) and the Bonds Outstanding.

Pursuant to the General Resolution (except as otherwise expressly provided therein or in a Supplemental Resolution authorizing a series of bonds), all bonds issued thereunder are equally and ratably secured by the Revenues and assets pledged thereunder. All bonds issued or to be issued under the General Resolution, including the 2018 Bonds, are herein referred to as the “Bonds.” Under the General Resolution, the Corporation may issue Bonds to finance any corporate purpose for which Bonds may be issued under the Act or any other applicable law hereafter enacted. The activities of the Corporation undertaken pursuant to the General Resolution are hereinafter referred to as the “Program.” Under the Program, to date, the Corporation has issued Bonds to finance Mortgage Loans for privately owned multi-family rental housing for low and moderate income tenants. Multi-family housing developments financed by the Corporation under the Program are referred to herein individually as a “Development” or a “Project” and, collectively, as the “Developments” or the “Projects.”

INTRODUCTION

The Corporation is a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York (the “State”). The Corporation was created by the Act for the purpose of providing and encouraging the investment of private capital in safe and sanitary dwelling accommodations in the City of New York (the “City”) within the financial reach of families and persons of low income, which include families and persons whose need for housing accommodations cannot be provided by the ordinary operations of private enterprise, through the provision of low interest mortgage loans.

The 2018 Bonds are special revenue obligations of the Corporation, and payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2018 Bonds will be secured by the Revenues and assets pledged to such payment including, without limitation, certain payments to be made under or with respect to the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2018 Bonds are being issued on a parity with, and shall be entitled to the same benefit and security of the General Resolution as, all other Bonds Outstanding (other than Subordinate Bonds) issued and to be issued thereunder. [As of October 31, 2017, the aggregate principal balance of Bonds Outstanding was \$6,044,770,000. The Corporation has authorized and contracted to sell \$88,685,000 aggregate principal amount of additional Bonds expected to be issued between 2018 and 2019.] None of the Bonds Outstanding are Subordinate Bonds. See “SECURITY FOR THE BONDS” and “BONDS OUTSTANDING UNDER THE PROGRAM” in Part II of this Official Statement. [In addition, as of October 31, 2017, the Corporation has pledged amounts on deposit from time to time in the Revenue Account held under the General Resolution to secure the payment of regularly scheduled debt service on (i) \$252,960,000 principal amount of the Corporation’s Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 1 (the “NIBP Series 1 Bonds”) secured under the Corporation’s One Hundred Twenty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1, adopted by the Members of the Corporation on December 3, 2009, as amended (the “NIBP Series 1 Resolution”) and any additional bonds issued under the NIBP Series 1 Resolution and (ii) \$34,250,000 principal amount of the Corporation’s Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 2

(the “NIBP Series 2 Bonds”) secured under the Corporation’s One Hundred Twenty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2, adopted by the Members of the Corporation on December 3, 2009, as amended (the “NIBP Series 2 Resolution”; the NIBP Series 1 Resolution and the NIBP Series 2 Resolution are collectively referred to as the “NIBP Resolutions” and each is referred to individually as a “NIBP Resolution”) and any additional bonds issued under the NIBP Series 2 Resolution.] The NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the “NIBP Bonds.” Funds held under the NIBP Series 1 Resolution and the NIBP Series 2 Resolution are not security for the Bonds or the 2017 Pass-Through Bonds (as defined below). See “SECURITY FOR THE BONDS—Additional Obligations Secured by the General Resolution—NIBP Bonds” in Part II of this Official Statement. [In addition, as of October 31, 2017, the Corporation has pledged amounts on deposit from time to time in the Revenue Account held under the General Resolution to secure the payment of regularly scheduled interest on, and the mandatory redemption from loan principal repayments of, \$51,891,354 principal amount of the Corporation’s Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A (the “2017 Pass-Through Bonds”) secured under the Corporation’s Two Hundred Fifty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A, adopted by the Members of the Corporation on September 19, 2017 (the “2017 Pass-Through Resolution”).] Funds held under the 2017 Pass-Through Resolution are not security for the Bonds or the NIBP Bonds. See “SECURITY FOR THE BONDS—Additional Obligations Secured by the General Resolution—2017 Pass-Through Bonds” in Part II of this Official Statement.

The Mortgage Loans may, but are not required to, be secured by supplemental security (“Supplemental Security”), including (a) mortgage insurance provided by (i) the Federal Housing Administration (“FHA”), including insurance through the FHA Risk-Sharing Insurance Program, (ii) the New York City Residential Mortgage Insurance Corporation, a subsidiary corporation of the Corporation (“REMIC”) and (iii) the State of New York Mortgage Agency (“SONYMA”), (b) mortgage-backed securities guaranteed by the Government National Mortgage Association (“GNMA”), (c) a credit enhancement instrument provided by the Federal National Mortgage Association (“Fannie Mae”) or the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and (d) bank letters of credit (“Long-term LOCs” or “Construction LOCs”) or other forms of supplemental security. In addition, the Developments related to the Mortgage Loans may, but are not required to, be assisted through Federal, State or local subsidy programs (“Subsidy Programs”) such as (a) the program (the “Mitchell-Lama Program” or “Mitchell-Lama”) authorized by Article 2 of the New York Private Housing Finance Law and the rules and regulations promulgated thereunder (the “Mitchell-Lama Law”), and the related Corporation Mitchell-Lama Restructuring Program (the “ML Restructuring Program”), (b) the interest reduction subsidies (“HUD Payments”) authorized by Section 236 of the National Housing Act of 1934, as amended (“Section 236”), pursuant to periodic interest reduction payment contracts (“Section 236 Contracts”), (c) the housing assistance payment program authorized by Section 8 of the United States Housing Act of 1937, as amended (“Section 8”), (d) various subordinate loan or other programs of the Corporation such as the Affordable Housing Permanent Loan Program (“AHPLP”), the Low-Income Affordable Marketplace Program (“LAMP”), the Extremely Low & Low-Income Affordability Program (“ELLA”), the Preservation Program (“Preservation”), the Mitchell-Lama Repair Loan Program (“ML Repair Loan Program”), the Mixed Income Program (“Mixed Income”), the Mixed-Middle (M2) Program (“Mixed-Middle (M2)”), the Mix and Match Program (“Mix and Match”) and the New Housing Opportunities Program (“New HOP”), (e) various Federal, State and other subordinate loan or grant programs such as the Participation Loan Program (“PLP”), the Article 8-A Loan Program (“Article 8-A”), the §421-a Negotiable Certificate Program (the “Certificate Program”), the Low Income Rental Program (“LIRP”), General Municipal Law Article 16 (“GML Article 16”) programs, Housing Development Grant (“HoDAG”) programs, certain programs of the New York State Housing Trust Fund Corporation

("HTF"), the Third Party Transfer Program ("TPT"), the HUD Multifamily Program ("HUD Multifamily") and the Cornerstone Program ("Cornerstone"), and (f) subsidies through the Housing Assistance Corporation ("HAC"). The programs described in clauses (d), (e) and (f) in the immediately preceding sentence are referred to herein, collectively, as the "Subordinate Loan/Grant Programs." See "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program" and "Appendix G—Description of Supplemental Security and Subsidy Programs" in Part II of this Official Statement. A Mortgage Loan also may represent the Corporation's participation interest in a mortgage loan or pool of mortgage loans or the cash flow therefrom. A Mortgage Loan, or the mortgage loan underlying a participation interest, is required to be evidenced by a note and secured by a mortgage (but such mortgage need not create a first mortgage lien on the related Development).

The proceeds of the 2018 Series A Bonds are expected to be used by the Corporation to (i) finance [one]* ([1]) Mortgage Loan (the "2018 Series A Senior Mortgage Loan"), (ii) finance, and/or reimburse the Corporation for its previous financing with its own corporate funds of, [nine]* ([9]) subordinate mortgage loans (the "2018 Series A Securitization Mortgage Loans"), and (iii) [[refund 2014 Series C-1-B Bonds] related to a portion of one* (1) Mortgage Loan (the "2018 Series A/2014 Series C Mortgage Loan")]. See "PLAN OF FINANCING—General—2018 Series A Bonds." The 2018 Series A Senior Mortgage Loan, the 2018 Series A Securitization Mortgage Loans and the 2018 Series A/2014 Series C Mortgage Loan are referred to collectively as the "2018 Series A Mortgage Loans."

The proceeds of the 2018 Series B Bonds are expected to be used by the Corporation to finance the acquisition by the Corporation of a 100% participation interest (the "2018 Series B Participant Interest") in approximately [] mortgage loans for multi-family housing developments. The 2018 Series B Participant Interest constitutes a "Mortgage Loan" under the General Resolution and is also referred to herein as the "2018 Series B Mortgage Loan." The 2018 Series B Participant Interest is being purchased by the Corporation with the proceeds of the 2018 Series B Bonds in an anticipated amount of \$[]. The mortgage loans underlying the 2018 Series B Participant Interest have an aggregate outstanding principal balance of approximately \$[] as of [January 31], 2018. The mortgage loans underlying the 2018 Series B Participant Interest have been funded through PLP, TPT, Article 8-A, LIRP/MIRP, HUD Multifamily and Cornerstone. See "Appendix G—Description of Supplemental Security and Subsidy Program—Subsidy Programs." None of the underlying mortgage loans is secured by Supplemental Security. The 2018 Series B Supplemental Resolutions provide that the 2018 Series B Participant Interest shall be released from the lien of the General Resolution without a Cash Flow Statement or Cash Flow Certificate under certain circumstances as described below under "2018 Series B Participant Interest." The remaining proceeds of the 2018 Series B Bonds are expected to be deposited in the Bond Proceeds Account to be used by the Corporation in the future to finance, or refinance through redemption of outstanding Bonds of the Corporation, Mortgage Loans. See "PLAN OF FINANCING—General—2018 Series B Bonds."

The proceeds of the 2018 Series C Bonds will be deposited in the 2018 Series C Bond Proceeds Account established for the 2018 Series C Bonds pursuant to the 2018 Series C Supplemental Resolution (the "2018 Series C Bond Proceeds Account"). The Corporation may not withdraw money from the 2018 Series C Bond Proceeds Account unless certain conditions are satisfied, including that the amount remaining in the 2018 Series C Bond Proceeds Account and the 2018 Series C Redemption Account established for the 2018 Series C Bonds pursuant to the 2018 Series C Supplemental Resolution (the "2018 Series C Redemption Account") after a withdrawal is at least equal to the principal amount of the 2018 Series C Bonds that have not been converted to a different interest rate mode or redeemed while in

* Preliminary, subject to change.

the 2018 Series C Initial Term Rate Term. The 2018 Series C Bonds will be subject to redemption and mandatory tender for purchase as described herein. See "PLAN OF FINANCING—General—2018 Series C Bonds" and "ADDITIONAL SECURITY FOR THE 2018 SERIES C BONDS." The Corporation will be obligated to pay the Purchase Price of those 2018 Series C Bonds subject to mandatory tender for purchase and not remarketed only from monies available therefor and held under the Resolutions, including the amounts held in the 2018 Series C Bond Proceeds Account. No liquidity facility has been obtained to fund such obligation. This Official Statement in general describes the 2018 Series C Bonds only during the 2018 Series C Initial Term Rate Term.

The ability of the Corporation to pay the principal or Redemption Price or Purchase Price, as applicable, of and interest on the Bonds, including the 2018 Bonds, is dependent on the Revenues derived from the assets pledged to secure the Bonds, which consist of all the Mortgage Loans (including the 2018 Series A Mortgage Loans and the 2018 Series B Mortgage Loan). In instances in which Supplemental Security backs a Mortgage Loan, timely receipt of the proceeds of the Supplemental Security may be material to the Corporation's ability to pay the principal or Redemption Price or Purchase Price, as applicable, of and interest on the Bonds. In cases in which Developments are beneficiaries of Subsidy Programs, full and timely receipt of subsidy payments, or loan or grant proceeds, may be necessary for full payment under the Mortgage Loans made with respect to such Developments. In the case of Mortgage Loans which are not secured by Supplemental Security or whose related Developments are not assisted under a Subsidy Program, the Revenues derived from such Mortgage Loans are entirely dependent on each Mortgagor's ability to make payments under its Mortgage Loan. Each Mortgagor's ability to make payments required under its Mortgage Loan is and will be affected by a variety of factors including the maintenance of a sufficient level of occupancy, the level of operating expenses, sound management of a Development, the ability to achieve and maintain rents or collect maintenance to cover payments under the Mortgage Loan, operating expenses, taxes, utility rates and maintenance costs, and changes in applicable laws and governmental regulations. In addition, the continued feasibility of a Development may depend in part upon general economic conditions and other factors in the surrounding area of a Development. See "THE PROGRAM—Certain Factors Affecting the Mortgage Loans" in Part II of this Official Statement and under the subheadings "Supplemental Security" and "Subsidy Programs" in Appendix G in Part II of this Official Statement.

Under the General Resolution, the Corporation is authorized to issue Bonds (which may be secured on a parity with, or be subordinate in right of payment to, the Bonds which are not Subordinate Bonds) to finance any of its corporate purposes for which bonds may be issued under the Act, or any other applicable law now or hereafter enacted, including but not limited to financing mortgage loans and/or participation interests therein. No such additional Bonds may be issued under the General Resolution unless certain conditions set forth therein are met, including confirmation of the then existing ratings on the Bonds Outstanding (other than Subordinate Bonds) by each of the Rating Agencies then rating such Bonds.

If Mortgage Loans (including participation interests in mortgage loans) are to be financed by any such additional Bonds and pledged to secure the Bonds, such Mortgage Loans or the mortgage loans underlying a participation interest need not create a first mortgage lien on such Projects and such Mortgage Loans or the Projects financed thereby may, but are not required to, be subject to Supplemental Security insuring or securing against Mortgage Loan default losses. Such Supplemental Security, if any, may be in the form of, among other things, a mortgage insurance policy, a guaranteed mortgage-backed security, a letter of credit, a surety bond or an escrow deposit, any or all of which may be obtained pursuant to one or more programs of the Federal, State or local government.

The General Resolution does not require that the Corporation pledge its interests in the assets financed with the proceeds of additional Bonds, or the revenues derived therefrom, to secure the Bonds. Moreover, the Corporation may withdraw Mortgage Loans and surplus revenues from the pledge and lien of the General Resolution upon the filing with the Trustee of a Cash Flow Statement, except with respect to certain Mortgage Loans which, pursuant to the applicable Supplemental Resolutions, may be released without the filing of a Cash Flow Statement, as more fully described under the subheading “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” in Part II of this Official Statement.

The Bonds are not a debt of the State or the City, and neither the State nor the City shall be liable thereon, nor shall the Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

Descriptions of the Corporation, the 2018 Series A Mortgage Loans, the 2018 Series B Participant Interest, the 2018 Bonds, sources of payment therefor, the Program and the Resolutions are included in Part I and Part II of this Official Statement. All summaries or descriptions herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the 2018 Bonds are qualified in their entirety by reference to the Resolutions and the provisions with respect thereto included in the aforesaid documents and agreements. The Corporation has covenanted in the General Resolution to provide a copy of each annual report of the Corporation (and certain special reports, if any) and any Accountant’s Certificate relating thereto to the Trustee and to each Bond owner who shall have filed such owner’s name and address with the Corporation for such purposes. The Corporation also has committed to provide certain information on an ongoing basis to the Municipal Securities Rulemaking Board. For a description of the Corporation’s undertaking with respect to ongoing disclosure, see “CONTINUING DISCLOSURE.” Summaries of the Supplemental Security and Subsidy Programs are qualified in their entirety by reference to any statutes, regulations or agreements mentioned in such summaries. See Appendix G in Part II of this Official Statement.

PLAN OF FINANCING

General

Sustainable Neighborhood Bonds

The 2018 Series A Bonds and the 2018 Series B Bonds, which allow investors to invest directly in bonds that finance socially beneficial projects, are designated as “Sustainable Neighborhood Bonds.” The Developments expected to be financed with the proceeds of the 2018 Series A Bonds and the 2018 Series B Bonds and socially beneficial attributes of each Development are set forth below under “2018 Series A Mortgage Loans—2018 Series A Senior Mortgage Loan,” “—2018 Series A Securitization Mortgage Loans” [and “—2018 Series A/2014 Series C Mortgage Loan”] and “2018 Series B Participant Interest.”

The Corporation’s mission is to provide financing for the purpose of increasing the City’s supply of multi-family housing, stimulating economic growth and revitalizing neighborhoods through the creation and preservation of affordable housing for low-, moderate- and middle income City residents. In furtherance of such purpose, the Corporation seeks to foster thriving, diverse and sustainable neighborhoods; finance new construction for residents of a mix of incomes; preserve affordability within existing housing stock; and protect the City’s most vulnerable residents through supportive housing developments. The Corporation promotes these goals by providing subsidized financing for multi-family housing developments through a variety of subsidy programs. Subsidy programs sponsored by the Corporation include its ELLA, Preservation, ML Restructuring, Mixed Income, Mixed-Middle (M2) and

Mix and Match Programs, each of which is described in Appendix G. [In addition, the Corporation participates in various Federal, State and other subordinate loan or grant programs such as PLP, Article 8-A, the Certificate Program, LIRP, TPT, HUD Multifamily and Cornerstone, each of which is described in Appendix G.] In addition to receiving support pursuant to a subsidy program of the Corporation, certain of the Developments financed with Sustainable Neighborhood Bonds also receive allocations of federal low income housing tax credits (“LIHTC”), which may generate additional sources of financing for the construction or rehabilitation of those Developments. In order to qualify for a subsidy program or for LIHTC (if applicable), a Development must include residential units that are set aside for individuals whose income does not exceed the limitations for such subsidy program or for LIHTC (if applicable).

In addition to the socially beneficial attributes of Developments receiving subsidized financing from the Corporation, certain of the Developments expected to be financed with Sustainable Neighborhood Bonds also feature environmental benefits. Certain of the Developments expected to be financed with Sustainable Neighborhood Bonds have applied for and are expected to receive Enterprise Green Communities (“EGC”) certification, which involves the evaluation of certain criteria for creating healthy and energy efficient affordable housing. Such certification is administered by Enterprise Community Partners, Inc., a non-profit corporation. Certain of the Developments expected to be financed with Sustainable Neighborhood Bonds have applied for and are expected to receive Leadership in Energy and Environmental Design (“LEED”) certification from the U.S. Green Building Council, which reviews LEED applications and assigns points to each project based on its level of achievement in improved environmental performance. There are four levels of certification starting at the Certified level and increasing to Silver, Gold and Platinum, each of which is determined by the number of points earned. There is no assurance that the EGC or LEED certification will be obtained nor is the Corporation responsible for determining if a Development has met or continues to meet the criteria for either such certification. The Corporation is not affiliated with EGC or the U.S. Green Building Council.

The subsidy program or expected subsidy program, [LIHTC allocation and/or participation in the EGC or LEED certification process] is indicated for each of the 2018 Series A Developments and 2018 Series B Developments below under “2018 Series A Mortgage Loans—2018 Series A Senior Mortgage Loan,” “—2018 Series A Securitization Mortgage Loans” [and “—2018 Series A/2014 Series C Mortgage Loan”] and “2018 Series B Participant Interest.”

The proceeds of the Sustainable Neighborhood Bonds will be deposited in one or more accounts under the General Resolution and invested in Investment Securities (as defined in “Appendix A—Definitions of Certain Terms”) until disbursed. Such disbursements will be tracked by the Corporation. The Corporation will provide annual updates regarding (i) the disbursement of the proceeds of the 2018 Series A Bonds for each listed 2018 Series A Development and (ii) which 2018 Series A Developments receive the EGC and LEED final certification, if applicable. The Corporation will cease to update such information with respect to the 2018 Series A Bonds when all proceeds of the 2018 Series A Bonds have been expended. This reporting is separate from the Corporation’s obligations described under “CONTINUING DISCLOSURE” and will be provided on the Corporation’s website (www.nychdc.com). Failure by the Corporation to provide such updates shall not be a default or an event of default under the General Resolution or the Disclosure Agreement. In limited instances, small portions of the proceeds of a Series of Bonds designated as Sustainable Neighborhood Bonds will be used at the discretion of the Corporation for other purposes permitted under the Act.

Holders of the Sustainable Neighborhood Bonds do not assume any specific risk with respect to any of the funded Developments by reason of a Series of Bonds being designated as Sustainable Neighborhood Bonds and such Bonds are secured on a parity with all other Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds).

2018 Series A Bonds

Upon the issuance of the 2018 Series A Bonds, a portion of the proceeds of the 2018 Series A Bonds initially will be deposited in the Bond Proceeds Account and invested in Investment Securities. Such portion of the proceeds of the 2018 Series A Bonds is expected to be used by the Corporation to indirectly (through the refunding of certain outstanding bonds of the Corporation) finance [one]* ([1]*) Mortgage Loan (the “2018 Series A Senior Mortgage Loan”) for the acquisition and rehabilitation of [one]* ([1]*) Development. See “2018 Series A Mortgage Loans—2018 Series A Senior Mortgage Loan” below.

An additional portion of the 2018 Series A Bonds initially will be deposited in the Bond Proceeds Account and is expected to be used, or invested in Investment Securities and later used, by the Corporation to indirectly (through the refunding of certain outstanding bonds of the Corporation) finance, and/or reimburse the Corporation for its previous financing with its own corporate funds of, all or portions of [nine]*([9]*) subordinate mortgage loans (the “2018 Series A Securitization Mortgage Loans”) for [nine]*([9]*) developments. See “2018 Series A Mortgage Loans—2018 Series A Securitization Mortgage Loans” below.

[An additional portion of the proceeds of the 2018 Series A Bonds initially will be deposited in the [Redemption Account] and is expected to be used by the Corporation to refund certain outstanding bonds of the Corporation to finance a portion of [one]* ([1]*) 2014 Series C Mortgage Loan (upon refunding, the “2018 Series A/2014 Series C Mortgage Loan”) for [one]* ([1]*) development. See “2018 Series A Mortgage Loans—2018 Series A/2014 Series C Mortgage Loan” below.]

The 2018 Series A Senior Mortgage Loan, the 2018 Series A Securitization Mortgage Loans and the 2018 Series A/2014 Series C Mortgage Loan are referred to collectively as the “2018 Series A Mortgage Loans,” and the developments financed with the proceeds of the 2018 Series A Mortgage Loans are referred to collectively as the “2018 Series A Developments.”

2018 Series B Bonds

The proceeds of the 2018 Series B Bonds are expected to be used by the Corporation to finance the acquisition by the Corporation from the City of the 2018 Series B Participation Interest in approximately [] mortgage loans for multi-family housing developments (the “2018 Series B Developments”). The 2018 Series B Participant Interest constitutes a “Mortgage Loan” under the General Resolution and is also referred to herein as the “2018 Series B Mortgage Loan.” The 2018 Series B Participant Interest is being purchased by the Corporation with the proceeds of the 2018 Series B Bonds in an anticipated amount of \$[]. The mortgage loans underlying the 2018 Series B Participant Interest have an aggregate outstanding principal balance of approximately \$[] as of [January 31], 2018. The mortgage loans underlying the 2018 Series B Participant Interest have been funded by the City through PLP, TPT, Article 8-A, LIRP/MIRP, HUD Multifamily and Cornerstone. See “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs.” None of the underlying mortgage loans is secured by Supplemental Security. The 2018 Series B Supplemental Resolutions provide that the 2018 Series B Participant Interest shall be released from the lien of the General Resolution without a Cash Flow Statement or Cash Flow Certificate under certain circumstances as described below under “2018 Series B Participant Interest.”

* Preliminary, subject to change.

2018 Series C Bonds

Upon the issuance of the 2018 Series C Bonds, all of the proceeds of the 2018 Series C Bonds initially will be deposited in the 2018 Series C Bond Proceeds Account and invested and reinvested in short-term United States Treasury obligations and obligations of Federal agencies (whether or not guaranteed by the full faith and credit of the United States of America) with maturities no later than [_____]*, and will remain invested in such obligations while on deposit in the 2018 Series C Bond Proceeds Account. The proceeds of the 2018 Series C Bonds are expected to be exchanged by the Corporation for an equal amount of repayments of existing mortgage loans made by the Corporation and then used to redeem, within ninety (90) days of the date of issuance of the 2018 Series C Bonds, an equal amount of certain of the Corporation's outstanding bonds. Said repayments will be deposited in the 2018 Series C Bond Proceeds Account.

The amounts on deposit in the 2018 Series C Bond Proceeds Account may be used by the Corporation to finance construction and permanent mortgage loans (the "2018 Series C Mortgage Loans"). The Corporation may, but is not required to, convert an allocable portion of the 2018 Series C Bonds to bear interest at a fixed rate to maturity or in a different interest rate mode coincident with the making of a 2018 Series C Mortgage Loan. The Corporation is required to deliver a Cash Flow Statement or a Cash Flow Certificate in connection with making a 2018 Series C Mortgage Loan. The Corporation is not required to deliver a Cash Flow Statement or a Cash Flow Certificate in connection with making a loan to a developer (which is not secured by a mortgage and will not constitute a 2018 Series C Mortgage Loan). In addition, the Corporation may not withdraw amounts from the 2018 Series C Bond Proceeds Account to finance a 2018 Series C Mortgage Loan, make a loan to a developer, or for any other purposes unless the amount remaining in the 2018 Series C Bond Proceeds Account and the 2018 Series C Redemption Account after a withdrawal is at least equal to the principal amount of the 2018 Series C Bonds that have not been converted to a different interest rate mode or redeemed while in the 2018 Series C Initial Term Rate Term. The earliest date on which any 2018 Series C Bond may be converted to bear interest at a fixed rate to maturity, to a new Term Rate Term or to a different interest rate mode or may be redeemed is [_____]*. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

* Preliminary, subject to change.

Estimated Sources and Uses of Funds

The proceeds of the 2018 Bonds received by the Corporation upon the sale of the 2018 Bonds, together with other available monies of the Corporation, are expected to be applied approximately as follows:

	<u>2018 Series A</u>	<u>2018 Series B</u>	<u>2018 Series C</u>	<u>Total</u>
<u>SOURCES</u>				
Proceeds of Bonds.....				
Other Available Monies.....				
TOTAL SOURCES.....	_____	_____	_____	_____
<u>USES</u>				
Deposit to Bond Proceeds Account.....				
Acquisition of 2018 Series B Participant Interest.....				
Deposit to Debt Service Reserve Account.....				
Deposit to 2018 Series C Bond Proceeds Account.....				
Cost of Issuance**.....	_____	_____	_____	_____
TOTAL USES.....	_____	_____	_____	_____

**Includes compensation to the Underwriters of the 2018 Bonds. See "UNDERWRITING."

Debt Service Reserve Account

2018 Series A

Under the terms of the 2018 Series A Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2018 Series A Bonds shall equal, as of any date of calculation, an amount equal to ___% of the principal amount of the Outstanding 2018 Series A Bonds. The Corporation will fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Account Requirement for the 2018 Series A Bonds with [funds held under the General Resolution and other available monies of the Corporation].

2018 Series B Bonds

Under the terms of the 2018 Series B Supplemental Resolutions, the Debt Service Reserve Account Requirement with respect to the 2018 Series B Bonds shall equal, as of any date of calculation, an amount equal to ___% of the principal amount of the Outstanding 2018 Series B Bonds. With respect to the 2018 Series B Bonds, the Corporation expects to enter into a Funding Agreement with the Trustee on the date of issuance of the 2018 Series B Bonds (the "Funding Agreement") whereby the Corporation will agree to pay Debt Service on the Bonds Outstanding under the General Resolution in an amount not in excess of the Debt Service Reserve Account Requirement for the 2018 Series B Bonds in the event other available amounts are insufficient therefor. Said payment obligation will be a general obligation of the Corporation, subject only to any agreements with the holders of particular notes or bonds pledging any particular revenues. Pursuant to the 2018 Series B Supplemental Resolutions, the Funding Agreement shall constitute a Cash Equivalent for purposes of the General Resolution.

2018 Series C Bonds

Under the terms of the 2018 Series C Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2018 Series C Bonds shall initially equal zero dollars (\$0). Subject to the delivery of a Cash Flow Statement, the Debt Service Reserve Account Requirement may be amended when a 2018 Series C Mortgage Loan is made based on the Supplemental Security and Subsidy Program applicable to such 2018 Series C Mortgage Loan and related 2018 Series C Development.

2018 Bonds

For further information on the Debt Service Reserve Account and the Debt Service Reserve Account Requirement for the Bonds, see "SECURITY FOR THE BONDS—Debt Service Reserve Account" and "Appendix F-1—Certain Investments under the General Resolution" in Part II of this Official Statement.

2018 Series A Mortgage Loans*

2018 Series A Senior Mortgage Loan

It is anticipated that the proceeds of the 2018 Series A Bonds will be used to finance the 2018 Series A Senior Mortgage Loan for the 2018 Series A Development described in the chart below. No assurances can be given that such 2018 Series A Senior Mortgage Loan will be made or, if made, funded in the amount presently contemplated by the Corporation. Additionally, the Corporation may substitute another Development or Developments for that described in the chart below.

* All amounts under this heading are preliminary and subject to change.

Series of Bonds Financing the Mortgage Loan	Development Name (Borough/ Number of Units)	Anticipated Construction Period (in months)	Anticipated Construction Mortgage Loan Amount	Expected Amount of Mandatory Prepayment	Anticipated Permanent Mortgage Loan Amount	Anticipated Construction LOC ⁽¹⁾	Anticipated Permanent Supplemental Security	Sustainable Neighborhood Bonds		
								Subsidy Program	Expected Enterprise Green Communities ("EGC") or LEED Certification	
2018 Series A	Bedford Arms (Brooklyn/94)	30	\$14,570,000	N/A	\$14,570,000	Bank of America, N.A	REMIC ⁽²⁾	Mixed-Middle (M2) ⁽¹⁾	EGC	No

(1) For a description of the Construction LOC and Mixed-Middle (M2) program, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security" in Part II of this Official Statement.

(2) It is anticipated that REMIC Insurance will secure the first loss on the Mortgage Loan up to twenty percent (20%) of the original permanent Mortgage Loan amount for the applicable 2018 Series A Development. For a description of REMIC, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—REMIC Insurance Program" in Part II of this Official Statement.

It is expected that the provider of the Construction LOC (as described under the subheading “HDC Commitments; Construction Letters of Credit” below) will service the 2018 Series A Senior Mortgage Loan during rehabilitation, and the Corporation will service the permanent 2018 Series A Senior Mortgage Loan after rehabilitation.

Mortgage Terms

The 2018 Series A Senior Mortgage Loan will be evidenced by a Mortgage Note payable to the Corporation and secured by a first mortgage lien on the applicable 2018 Series A Development. The interest rate (inclusive of servicing and credit enhancement fees) for the permanent 2018 Series A Senior Mortgage Loan is anticipated to be []%*.

The term to maturity for the permanent 2018 Series A Senior Mortgage Loan is anticipated to be []* ([]*) years after completion of rehabilitation and the closing of the permanent 2018 Series A Senior Mortgage Loan. The permanent 2018 Series A Senior Mortgage Loan is expected to contain provisions prohibiting the Mortgagor of the applicable 2018 Series A Development from making any prepayment prior to approximately ten (10) years after the closing of the permanent 2018 Series A Senior Mortgage Loan; however, the Corporation may waive a prohibition on prepayments contained in a Mortgage Loan.

HDC Commitment; Construction Letter of Credit

The Mortgagor of the 2018 Series A Senior Mortgage Loan [has executed or is expected to execute] prior to the issuance of the 2018 Series A Bonds,] a commitment with the Corporation (the “HDC Commitment”) in which the Corporation [has agreed or will agree] to provide the 2018 Series A Senior Mortgage Loan. The HDC Commitment for the applicable 2018 Series A Development requires the Mortgagor to obtain a letter of credit to be available during rehabilitation, from a bank acceptable to the Corporation, as a condition to the Corporation providing the 2018 Series A Senior Mortgage Loan during rehabilitation (a “Construction LOC”). The Construction LOC need not meet the requirements under the General Resolution for a Credit Facility (as defined in the General Resolution). Such Construction LOC will not be pledged to the owners of the Bonds; however, any payments received by the Corporation from the Construction LOC provider pursuant to such Construction LOC will be pledged for the benefit of the owners of the Bonds. It is anticipated that the Corporation will make a principal and interest or an interest-only drawing on the Construction LOC if the Mortgagor fails to make the required debt service payments on the 2018 Series A Senior Mortgage Loan; provided, however, the Construction LOC provider may direct the Corporation to make a principal and interest drawing or an interest-only drawing. In the case of a principal and interest drawing, the amount drawn on the Construction LOC will be the outstanding principal balance of the construction 2018 Series A Senior Mortgage Loan plus the lesser of (i) accrued interest or (ii) the maximum amount available with respect to accrued interest, and the 2018 Series A Senior Mortgage Loan will be immediately assigned to the Construction LOC provider and no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the General Resolution.

Following the satisfaction of the conditions of the HDC Commitment which may require, among other things, the provision by the applicable Mortgagor of equity, the satisfactory completion of rehabilitation within a certain time schedule from the making of the construction 2018 Series A Senior Mortgage Loan and within a certain construction budget, the issuance of a certificate of occupancy, if

* Preliminary, subject to change.

applicable, the attainment of a specified minimum rental achievement level, and delivery of other required certificates and legal opinions, the Corporation will release the Construction LOC. If the Construction LOC is not released because of a failure by the Mortgagor of the applicable 2018 Series A Development to comply with the conditions enumerated in the HDC Commitment or if the Construction LOC is not extended beyond its maturity until such conditions are satisfied, it is expected that the Construction LOC will be drawn upon by the Corporation and the Corporation could use the proceeds from said draw to redeem a portion of the applicable Outstanding 2018 Series A Bonds (see “DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—2018 Series A Bonds—Special Optional Redemption”).

The Construction LOC for the 2018 Series A Senior Mortgage Loan provides that, in the event that any rating assigned by S&P Global Ratings or Moody’s Investors Service, Inc. to the Construction LOC provider is reduced below the minimum bank rating requirement of the Corporation or if the Construction LOC is confirmed by an irrevocable standby letter of credit, and such confirmation provider is reduced below the minimum bank rating requirement, and the Construction LOC provider fails to provide alternative or supplemental credit enhancement satisfactory to the Corporation within ninety (90) days, the Corporation may draw on the Construction LOC and hold the proceeds to secure the 2018 Series A Senior Mortgage Loan. If there is a default on the 2018 Series A Senior Mortgage Loan or the 2018 Series A Senior Mortgage Loan is not converted to a permanent loan pursuant to the terms of the HDC Commitment, the Corporation expects to apply such proceeds to redeem a portion of the applicable Outstanding 2018 Series A Bonds (see “DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—2018 Series A Bonds—Special Optional Redemption”), and at that time would assign the 2018 Series A Senior Mortgage Loan to the Construction LOC provider. Otherwise, such funds will be released to the Construction LOC provider upon conversion of the 2018 Series A Senior Mortgage Loan to a permanent Mortgage Loan or replacement or further credit enhancement of the Construction LOC.

2018 Series A Securitization Mortgage Loans

It is anticipated that a portion of the proceeds of the 2018 Series A Bonds will be used to indirectly (through the refunding of certain outstanding bonds of the Corporation) finance, and/or reimburse the Corporation for its previous financing with its own corporate funds of, all or portions of [nine]* ([9]*) subordinate mortgage loans (the “2018 Series A Securitization Mortgage Loans”) for [nine]* ([9]*) developments, which are described below. The Corporation may substitute other Developments for those described in the chart below:

* Preliminary, subject to change.

Series of Bonds Financing the Mortgage Loan	Development Name (Borough/ Number of Units)	2018 Series A Mortgage Loan Amount [financed with proceeds of 2018 Series A Bonds] ⁽¹⁾	Sustainable Neighborhood Bonds		
			Subsidy Program ⁽²⁾	Expected Enterprise Green Communities (“EGC”) or LEED Certification	Expected LIHTC
2018 Series A	Harlem Dowling (Manhattan/58)	\$[]	LAMP	[EGC]	[Yes]
2018 Series A	655 Morris Avenue (Bronx/176)	\$[]	LAMP	[EGC]	[Yes]
2018 Series A	Williamsburg Bridgeview Apartments (Brooklyn/55)	\$[]	ELLA	[EGC]	[Yes]
2018 Series A	3160 Park Avenue 1 A (Bronx/95)	\$[]	LAMP	[EGC]	[Yes]
2018 Series A	Van Dyke I (Brooklyn/101)	\$[]	ELLA	[EGC]	[Yes]
2018 Series A	Summit Ridge Apartments (Bronx/58)	\$[]	LAMP	[EGC]	[Yes]
2018 Series A	The Henry Apartments (Brooklyn/134)	\$[]	LAMP	[EGC]	[Yes]
2018 Series A	Greenpoint Landing Site F2 (Brooklyn/103)	\$[]	ELLA ⁽³⁾	[EGC]	[Yes]
2018 Series A	Strivers Plaza (Manhattan/54)	\$[]	NewHOP ⁽⁴⁾	[EGC]	[Yes]
	TOTAL	\$[]			

- (1) The amount set forth here represents the portion of each 2018 Series A Securitization Mortgage Loan that is financed with proceeds of the 2018 Series A Bonds. The remainder of each 2018 Series A Securitization Mortgage Loan is being financed with available funds of the Corporation in the following amounts: \$[] for the [Harlem Dowling] Development; \$[] for the 655 Morris Avenue Development; \$[] for the Williamsburg Bridgeview Apartments Development; \$[] for the 3160 Park Avenue 1A Development; \$[] for the Van Dyke I Development; \$[] for the Summit Ridge Apartments Development; \$[] for the Henry Apartments Development; \$[] for the Greenpoint Landing Site F2 Development; and \$[] for the Strivers Plaza Development.
- (2) For a description of the LAMP, ELLA, and NewHOP programs, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs” in Part II of this Official Statement.
- (3) It is expected that approximately 80% of the units in this development will be affordable to households earning less than or equal to 60% of area median income (“AMI”). For a description of the LAMP and ELLA programs, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs” in Part II of this Official Statement.
- (4) [It is expected that approximately [50]% of the units in this development will be affordable to households earning less than or equal to 60% of AMI. For a description of the NewHOP program, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs” in Part II of this Official Statement.

Each of the Mortgagors of the 2018 Series A Securitization Mortgage Loans in the table above has already closed its 2018 Series A Securitization Mortgage Loan and all or a portion of such loan has been advanced from available funds of the Corporation. [Construction of all of the related 2018 Series A Developments has not yet been completed.]

All of the Mortgagors of the 2018 Series A Securitization Mortgage Loans have also received other mortgage loans and have granted other mortgages on the 2018 Series A Developments. Each of the 2018 Series A Securitization Mortgage Loans is subject to an existing Mortgage Loan that is senior to such 2018 Series A Securitization Mortgage Loans. The Corporation is the lender of all of such Mortgage Loans that are senior to the 2018 Series A Securitization Mortgage Loans. All such senior Mortgage Loans (except with respect to the senior Mortgage Loans for the Harlem Dowling Development, as described in the succeeding paragraph) are pledged to the General Resolution and all such senior Mortgage Loans are described in "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program."

[The senior construction Mortgage Loan for the Harlem Dowling Development in the amount of \$[] is financed with Bonds issued under another resolution.]

Each of the 2018 Series A Securitization Mortgage Loans is evidenced by a mortgage note payable to the Corporation and secured by a subordinate mortgage lien on the applicable 2018 Series A Development. Each of the 2018 Series A Securitization Mortgage Loans require interest-only payments at a constant rate of 1.00% (exclusive of any Construction Servicer's fee) until maturity. Prior to permanent conversion, such interest-only payments shall be due on advanced funds only. All interest accrued on a 2018 Series A Securitization Mortgage Loan and the principal amount of such 2018 Series A Securitization Mortgage Loan will be due as a balloon payment at the maturity of such 2018 Series A Securitization Mortgage Loan.

Each of the 2018 Series A Securitization Mortgage Loans will be coterminous with the senior position Mortgage Loan for the related 2018 Series A Development. In addition, each 2018 Series A Securitization Mortgage Loan shall be due in full if the senior position Mortgage Loan for the related 2018 Series A Development is prepaid, in whole or in part (except for any Mortgage Loan Mandatory Prepayment), or otherwise becomes due, prior to its maturity date. Each 2018 Series A Securitization Mortgage Loan may be prepaid, in whole or in part, at any time after the release of the Construction LOC for the senior position mortgage loan (as applicable), without premium. None of the 2018 Series A Securitization Mortgage Loans is secured by supplemental security.

2018 Series A/2014 Series C Mortgage Loan

[The 2018 Series A/2014 Series C Mortgage Loan for the 810 River 2018 Series A/2014 Series C Development will be financed with \$[15,920,000]* of the proceeds of the 2018 Series A Bonds and \$[12,480,000]* of the proceeds of the Corporation's Multi-Family Housing Revenue Bonds, 2014 Series C-1-A (the "2014 Bonds"). See Table 2 in "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program." The entire Mortgage Loan will be designated as a "2018 Series A/2014 Series C Mortgage Loan." Due to construction delays related to this 2018 Series A/2014 Series C Development the Construction LOC provider preserves the right to take certain actions with respect to the Mortgage Loan, including directing the Corporation to draw on the applicable Construction LOC in the full amount of such Construction LOC, which could result in the assignment of the Mortgage Loan financed with the 2018 Series A Bonds and 2014 Bonds to the Construction LOC provider and the release of such Mortgage Loan from the pledge and lien of the General Resolution. [See "—HDC Commitments; Construction Letters of Credit" above.] The Mortgagor is expected to enter into an amended Commitment with the Corporation to address the construction delays and the Construction LOC provider has extended the Construction LOC to December of 2018. In the event that the Construction LOC

* Preliminary, subject to change.

provider instead exercises its rights discussed above, the Corporation could substitute another Development or redeem a portion of the 2018 Series A Bonds. See “DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds.”]

2018 Series B Participant Interest

It is anticipated that a portion of the proceeds of the 2018 Series B Bonds will be used to acquire the 2018 Series B Participant Interest pursuant to a Participation Agreement, dated as of [____], 2018 (the “Participation Agreement”), between the Corporation and The City of New York. Pursuant to the Participation Agreement, the 2018 Series B Participant Interest consists of a 100% participation interest in certain specified mortgage loans and all rights, but not the obligations, of the “owner” of the underlying mortgage loans under the servicing agreements with respect to such mortgage loans. Pursuant to the 2018 Series B Supplemental Resolutions, the 2018 Series B Participant Interest constitutes a “Mortgage Loan” and is pledged for the benefit of the Holders of the Bonds.

The mortgage loans underlying the 2018 Series B Participant Interest are described below. The information set forth below is as of January 31, 2018.

[Supplemental Security]	Subsidy Program(s) ⁽¹⁾	Number of Mortgage Loans	Number of Units	Aggregate Outstanding Mortgage Balance ⁽²⁾	Weighted Average Mortgage Interest Rate	Weighted Average Remaining Years to Maturity	Percentage Self-Amortizing Loans	Percentage Senior Position Loans ⁽³⁾	Prepayment Category ⁽⁴⁾
	Article 8-A								
	PLP								
	TPT								
	LIRP/MIRP								
	[_____]								
	[N/A ⁽⁵⁾]								
TOTAL									

- (1) For a description of the Article 8-A, PLP, TPT, LIRP/MIRP and [_____] programs, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs” in Part II of this Official Statement.
- (2) [Between January 31, 2018 and [____], 2018, the Corporation has received regularly scheduled payments on the mortgage loans underlying the 2018 Series B Mortgage Loan except as described below.]
- (3) Approximately [__]% of the aggregate outstanding principal balance of the mortgage loans underlying the 2018 Series B Mortgage Loan are secured by a second mortgage lien on the applicable Development.
- (4) For a description of prepayment categories, see “Appendix E-2—Mortgage Loan Prepayment Provisions” in Part II of this Official Statement.
- (5) [These mortgage loans underlying the 2018 Series B Mortgage Loan may be automatically released from the lien of the General Resolution without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate.]

[The mortgage loans underlying the 2018 Series B Mortgage Loan are generally seasoned mortgage loans with Developments that have been in operation on average for more than [__] years. As of January 31, 2018, there were no delinquencies of 90 days and over with respect to any of the underlying mortgage loans.

Approximately [__]% in outstanding principal balance of the mortgage loans underlying the 2018 Series B Mortgage Loan permit prepayment at any time. Approximately [__]% in outstanding principal balance of the underlying mortgage loans do not permit prepayment at any time; however, HPD may, in its sole discretion, waive the prohibition on prepayment contained in those mortgage loans that restrict prepayment and to date has permitted the prepayment of several mortgage loans with similar provisions. Such waiver does not require the provision of a Cash Flow Statement or a Cash Flow Certificate. See “THE PROGRAM—Certain Factors Affecting the Mortgage Loans.”

Approximately [] of the mortgage loans underlying the 2018 Series B Mortgage Loan (representing \$[] of the outstanding principal balance) are serviced by the Community Preservation Corporation (“CPC”), approximately [] of the underlying mortgage loans (representing \$[] of the outstanding principal balance) are serviced by HPD and approximately [] of the underlying mortgage loans (representing \$[] of the outstanding principal balance) are serviced by the Corporation. On or about the date of issuance of the 2018 Series B Bonds, it is anticipated that the servicing of the underlying mortgage loans currently serviced by HPD will be assumed by the Corporation. With respect to servicing by the Corporation, see “THE PROGRAM—Servicing.” [CPC is a non-profit consortium of commercial and savings banks and insurance companies established in 1974 to provide multi-family construction and permanent mortgage financing for affordable housing in New York City. It has since expanded its operations throughout the State and into New Jersey. [CPC has financed the rehabilitation or construction of over 89,000 units representing a total investment of private and public debt totaling over \$2.9 billion. It is the leading lender and servicer under PLP. Its total servicing portfolio is in excess of \$1.7 billion. CPC employs 18 mortgage loan servicing professionals.]]

Although the Corporation services some of the mortgage loans underlying the 2018 Series B Mortgage Loan, such mortgage loans were originated and underwritten by other parties. The Corporation has caused a review of certain of the underlying mortgage loans to be undertaken, but has not reviewed each underlying mortgage loan. However, the Corporation has received certain representations and warranties with respect to the underlying mortgage loans from the City, HPD and CPC. For a description of certain factors affecting all Mortgage Loans, including the 2018 Series B Mortgage Loan, see “THE PROGRAM—Certain Factors Affecting the Mortgage Loans.”

Upon the issuance of the 2018 Series B Bonds, the Corporation and HPD will enter into an agreement pursuant to which HPD will agree to pursue certain remedies with respect to a defaulted mortgage loan underlying the 2018 Series B Mortgage Loan as directed by the Corporation. The 2018 Series B Supplemental Resolutions provide that, in the event title to any 2018 Series B Development is acquired as a result of proceedings instituted upon a default on the applicable underlying mortgage loan, such Development shall constitute an “Acquired Project” for purposes of the General Resolution (see “THE PROGRAM—Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures”). In addition, if a monetary default on a mortgage loan underlying the 2018 Series B Mortgage Loan was caused by a breach of a representation or warranty given by the City, HPD or CPC with respect to such mortgage loan, or, if such breach prevents the Corporation from realizing on the security provided by such mortgage loan, the City has agreed to correct such breach, repurchase such mortgage loan or substitute mortgage loans of equal value.

Revenues from the 2018 Series B Participant Interest remaining after the payment of regularly scheduled debt service on the 2018 Series B Bonds and, if necessary, other Bonds outstanding under the General Resolution may be used to redeem the 2018 Series B Bonds or, with the delivery of a Cash Flow Statement or a Cash Flow Certificate, may be used by the Corporation for any purpose permitted under the General Resolution. For example, such excess revenues (i) may be deposited in the Bond Proceeds Account to be used, among other things, to finance or purchase other Mortgage Loans or (ii) may remain in the Revenue Account and be applied pursuant to the Resolution. The 2018 Series B Participant Interest shall be automatically released from the lien of the General Resolution without the delivery of a Cash Flow Statement or a Cash Flow Certificate at such time as the 2018 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2018 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2018 Series B Participant Interest available for the redemption of 2018 Series B Bonds been applied to redeem the 2018 Series B Bonds.

[Certain mortgage loans underlying the 2018 Series B Participant Interest may be automatically released from the lien of the General Resolution without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate.]

ADDITIONAL SECURITY FOR THE 2018 SERIES C BONDS

General

Payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2018 Series C Bonds will be secured by the Revenues and assets pledged to such payment, including, without limitation, certain payments to be made under or with respect to the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2018 Series C Bonds are being issued on a parity with and shall be entitled to the same benefit and security as other Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds). See "SECURITY FOR THE BONDS" in Part II of this Official Statement. In addition to being secured by a pledge of the General Resolution, payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2018 Series C Bonds will also be secured by certain accounts created under the 2018 Series C Supplemental Resolution securing only the 2018 Series C Bonds.

2018 Series C Bond Proceeds Account

Upon the issuance of the 2018 Series C Bonds, all of the proceeds of the sale of the 2018 Series C Bonds will be deposited in the 2018 Series C Bond Proceeds Account. The 2018 Series C Bond Proceeds Account is pledged solely to secure the 2018 Series C Bonds and no other Series of Bonds.

Amounts in the 2018 Series C Bond Proceeds Account may be expended from time to time only (i) to finance the 2018 Series C Mortgage Loans, (ii) to finance a loan to a developer (which is not secured by a mortgage and will not constitute a 2018 Series C Mortgage Loan), (iii) to purchase or redeem 2018 Series C Bonds as described in the 2018 Series C Supplemental Resolution and (iv) to pay principal of and interest on the 2018 Series C Bonds when due, to the extent amounts in the 2018 Series C Revenue Account established for the 2018 Series C Bonds pursuant to the 2018 Series C Supplemental Resolution (the "2018 Series C Revenue Account"), the Revenue Account and the 2018 Series C Redemption Account are insufficient for such purpose. The Corporation may not withdraw money from the 2018 Series C Bond Proceeds Account in connection with the making of a 2018 Series C Mortgage Loan unless: (i) the Corporation delivers to the Trustee a Cash Flow Statement or a Cash Flow Certificate and (ii) the amount remaining in the 2018 Series C Bond Proceeds Account and the 2018 Series C Redemption Account after a withdrawal is at least equal to the principal amount of the 2018 Series C Bonds that have not been converted to another interest rate mode or redeemed while in the 2018 Series C Initial Term Rate Term. It is expected that the Corporation will apply amounts in the 2018 Series C Bond Proceeds Account to make the 2018 Series C Mortgage Loans on or before [_____]*.

DESCRIPTION OF THE FIXED RATE BONDS

General

The 2018 Series A Bonds and the 2018 Series B-1 Bonds will bear interest at fixed rates to maturity or, with respect to the 2018 Series A Bonds, to the date, if any, on which the 2018 Series A Bonds are purchased upon mandatory tender at the option of the Corporation, and are referred to herein as the "Fixed Rate Bonds." The Fixed Rate Bonds will mature on the dates and in the amounts set forth on

* Preliminary, subject to change.

the inside cover pages of this Official Statement. The Bank of New York Mellon is the Trustee for the Bonds, including the Fixed Rate Bonds.

The Fixed Rate Bonds will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Fixed Rate Bonds will accrue from their dated date and be payable on May 1 and November 1 in each year, commencing [November 1, 2018]*, and on any redemption date or, with respect to the 2018 Series A Bonds, mandatory tender date, at the rates per annum set forth on the inside cover pages of this Official Statement. Interest on the Fixed Rate Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Fixed Rate Bonds are subject to optional redemption or, with respect to the 2018 Series A Bonds, mandatory tender at the option of the Corporation, special optional redemption and sinking fund redemption prior to maturity, as described below.

Optional Redemption or Mandatory Tender at the Option of the Corporation of 2018 Series A Bonds

The 2018 Series A Bonds are subject to redemption or mandatory tender for purchase, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after [_____]*, at a Redemption Price or Purchase Price, as applicable, equal to one hundred percent (100%) of the principal amount of the 2018 Series A Bonds or portions thereof to be so redeemed or purchased, plus accrued interest to the Redemption Date or purchase date.

Special Optional Redemption of 2018 Series A Bonds

The 2018 Series A Bonds are subject to special redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series A Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from any source other than: (i) Voluntary Sale Proceeds**; (ii) proceeds of bonds issued, or caused to be issued, by the Corporation for the purpose of refunding all or a portion of the 2018 Series A Bonds or refinancing all or a portion of any Mortgage Loan ("Refunding Bonds"), except that the proceeds of Refunding Bonds described in the succeeding paragraph may be applied to the special redemption of the 2018 Series A Bonds; or (iii) any other unencumbered funds of the Corporation not subject to the lien of the Resolutions.

The 2018 Series A Bonds are subject to the foregoing special redemption from the proceeds of Refunding Bonds issued in an amount not greater than any prepayment of a Mortgage Loan (including any 2018 Series A Mortgage Loan) received by the Corporation, which prepayment is not used to redeem Bonds.

Amounts that may be applied to the foregoing special redemption include, but are not limited to: any prepayment of a 2018 Series A Mortgage Loan by the Mortgagor thereof; upon the filing of a Cash Flow Statement, any prepayment of any other Mortgage Loans (except any Mortgage Loan financed under a Supplemental Resolution that prohibits such use); unexpended proceeds of the 2018 Series A Bonds; and, upon the filing of a Cash Flow Statement, amounts held in the Revenue Account that are not required to be used for other purposes.

** "Voluntary Sale Proceeds" means the proceeds of the sale, assignment, endorsement or other disposition of any Mortgage Loan (including any 2018 Series A Mortgage Loan), except a sale, assignment, endorsement or other disposition required pursuant to the General Resolution in the event of a default under the General Resolution or made when, in the sole judgment of the Corporation, such Mortgage Loan is in default.

Sinking Fund Redemption of 2018 Series A Bonds

The 2018 Series A Bonds maturing on [_____] are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series A Bonds specified for each of the Redemption Dates shown below:

2018 SERIES A BONDS
MATURING ON [_____]*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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†

† Stated maturity

The 2018 Series A Bonds maturing on [_____] are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series A Bonds specified for each of the Redemption Dates shown below:

2018 SERIES A BONDS
MATURING ON [_____]*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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†

† Stated maturity

* Preliminary, subject to change.

The 2018 Series A Bonds maturing on [_____] are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series A Bonds specified for each of the Redemption Dates shown below:

2018 SERIES A BONDS
MATURING ON [_____]*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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†

† Stated maturity

The 2018 Series A Bonds maturing on [_____] are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series A Bonds specified for each of the Redemption Dates shown below:

2018 SERIES A BONDS
MATURING ON [_____]*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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†

† Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Corporation, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the 2018 Series A Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such 2018 Series A Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Corporation files a Cash Flow Statement with the Trustee as provided in the General Resolution.

Upon the purchase or redemption of any 2018 Series A Bonds for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, an amount equal to the principal amount of the 2018 Series A Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the 2018 Series A Bonds of such maturity

* Preliminary, subject to change.

and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

Optional Redemption of 2018 Series B-1 Bonds

The 2018 Series B-1 Bonds are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after [_____]*, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-1 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Special Optional Redemption of 2018 Series B-1 Bonds

The 2018 Series B-1 Bonds are subject to special redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2018 Series B-1 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from any source other than: (i) Voluntary Sale Proceeds**; (ii) proceeds of bonds issued, or caused to be issued, by the Corporation for the purpose of refunding all or a portion of the 2018 Series B-1 Bonds or refinancing all or a portion of any Mortgage Loan or any mortgage loan underlying the 2018 Series B Participant Interest or the 2014 Series B Participant Interest ("Refunding Bonds"), except that the proceeds of Refunding Bonds described in the succeeding paragraph may be applied to the special redemption of the 2018 Series B-1 Bonds; or (iii) any other unencumbered funds of the Corporation not subject to the lien of the Resolutions.

The 2018 Series B-1 Bonds are subject to the foregoing special redemption from the proceeds of Refunding Bonds issued in an amount not greater than any prepayment of a Mortgage Loan (including any mortgage loan underlying the 2018 Series B Participant Interest or the 2014 Series B Participant Interest) received by the Corporation, which prepayment is not used to redeem Bonds.

Amounts that may be applied to the foregoing special redemption include, but are not limited to: any prepayment of a mortgage loan underlying the 2018 Series B Participant Interest or the 2014 Series B Participant Interest; upon the filing of a Cash Flow Statement, any prepayment of any other Mortgage Loans (except any Mortgage Loan financed under a Supplemental Resolution that prohibits such use); unexpended proceeds of the 2018 Series B-1 Bonds; and, upon the filing of a Cash Flow Statement, amounts held in the Revenue Account that are not required to be used for other purposes.

* Preliminary, subject to change.

** "Voluntary Sale Proceeds" means the proceeds of the sale, assignment, endorsement or other disposition of (i) any Mortgage Loan, except a sale, assignment, endorsement or other disposition required pursuant to the General Resolution in the event of a default under the General Resolution or made when, in the sole judgment of the Corporation, such Mortgage Loan is in default, or (ii) any mortgage loan underlying the 2018 Series B Participant Interest or the 2014 Series B Participant Interest.

Sinking Fund Redemption of 2018 Series B-1 Bonds

The 2018 Series B-1 Bonds maturing on [_____] * are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series B-1 Bonds specified for each of the Redemption Dates shown below:

2018 SERIES B-1 BONDS
MATURING ON [_____] *

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
------------------------	-------------------------	------------------------	-------------------------

†

† Stated maturity

The 2018 Series B-1 Bonds maturing on [_____] * are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series B-1 Bonds specified for each of the Redemption Dates shown below:

2018 SERIES B-1 BONDS
MATURING ON [_____] *

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
------------------------	-------------------------	------------------------	-------------------------

†

† Stated maturity

The 2018 Series B-1 Bonds maturing on [_____] * are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series B-1 Bonds specified for each of the Redemption Dates shown below:

2018 SERIES B-1 BONDS
MATURING ON [_____] *

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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* Preliminary, subject to change.

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† Stated maturity

The 2018 Series B-1 Bonds maturing on []* are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2018 Series B-1 Bonds specified for each of the Redemption Dates shown below:

2018 SERIES B-1 BONDS
MATURING ON []*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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†

† Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Corporation, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the 2018 Series B-1 Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such 2018 Series B-1 Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Corporation files a Cash Flow Statement with the Trustee as provided in the General Resolution.

Upon the purchase or redemption of any 2018 Series B-1 Bonds for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, an amount equal to the principal amount of the 2018 Series B-1 Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the 2018 Series B-1 Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

Selection of Fixed Rate Bonds to be Redeemed

Subject to the redemption requirements set forth in the applicable 2018 Supplemental Resolution, in the event of a redemption of Fixed Rate Bonds in connection with Recoveries of Principal, the Series, maturity or maturities, CUSIP Numbers and the amount thereof to be so redeemed shall be selected as directed by the Corporation in written instructions filed with the Trustee accompanied by a Cash Flow Statement. In the absence of such direction, (i) Fixed Rate Bonds of a Series subject to redemption shall be redeemed in connection with Recoveries of Principal derived from or with respect to the Mortgage Loans financed from or allocated to such Fixed Rate Bonds and (ii) Fixed Rate Bonds of each maturity within a Series subject to redemption shall be redeemed in the proportion that the amount Outstanding of

each such maturity bears to the total amount of all Outstanding Fixed Rate Bonds of such Series. The Series and maturities of Fixed Rate Bonds to be redeemed at the option of the Corporation shall be selected as directed by the Corporation. In the event of a redemption of less than all of the Fixed Rate Bonds of the same Series, maturity and CUSIP Number, the Trustee shall select the Fixed Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the applicable 2018 Supplemental Resolution, no Fixed Rate Bond shall be selected for redemption if the portion of such Fixed Rate Bond remaining after such redemption would not be in a denomination authorized by the General Resolution or the applicable 2018 Supplemental Resolution.

Corporation's Right to Purchase Fixed Rate Bonds

The Corporation retains the right to purchase any Fixed Rate Bonds, at such times, in such amounts and at such prices as the Corporation shall determine, subject to the provisions of the General Resolution, and, thereby, reduce its obligations, including Sinking Fund Payments, if any, for such Fixed Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Fixed Rate Bonds, or is otherwise required to redeem Fixed Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Fixed Rate Bonds or portions thereof. Such notice will specify the Series and maturities of the Fixed Rate Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than twenty (20) days before the Redemption Date for the Fixed Rate Bonds, the Trustee is to mail a copy of such notice to the registered owners of any Fixed Rate Bonds or portions thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Fixed Rate Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Fixed Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

Provisions with Respect to Tender of 2018 Series A Bonds

If only a portion of the 2018 Series A Bonds of the same maturity and CUSIP Number are to be subject to mandatory tender for purchase, such 2018 Series A Bonds to be tendered (which shall be in authorized denominations) shall be selected by the Trustee by lot, using such method as it shall determine in its sole discretion except that the Trustee shall not select any 2018 Series A Bond for tender which would result in any remaining 2018 Series A Bond not being in an authorized denomination as provided in the Resolutions.

No liquidity facility has been obtained to pay the Purchase Price of any 2018 Series A Bonds that are tendered and not remarketed or redeemed, and the Corporation will be obligated to pay the Purchase Price of those 2018 Series A Bonds only from monies available from and held under the General Resolution. Failure to pay the Purchase Price of the 2018 Series A Bonds constitutes a 2018 Series A Event of Default under the 2018 Series A Supplemental Resolution but does not, in and of itself, constitute an Event of Default under the General Resolution. The 2018 Series A Supplemental Resolution provides that upon such 2018 Series A Event of Default the Trustee shall proceed to bring suit on behalf of the owners of the 2018 Series A Bonds for such Purchase Price, with recovery limited to moneys available under the General Resolution. Failure to pay the unpaid principal amount and accrued

interest on the 2018 Series A Bonds upon their maturity constitutes an Event of Default under the General Resolution.

The Trustee is required to deliver, or mail by first class mail, postage prepaid, to the owner of each 2018 Series A Bond subject to mandatory tender for purchase, at its address shown on the registration books of the Corporation held by the Trustee, a notice not later than twenty (20) days prior to the mandatory tender date. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, that such owners shall be deemed to have tendered their affected 2018 Series A Bonds for purchase on such mandatory tender date, and the Purchase Price for such 2018 Series A Bonds.

Owners of affected 2018 Series A Bonds shall be required to tender their affected 2018 Series A Bonds to the Tender Agent for purchase at the applicable Purchase Price on the mandatory tender date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any 2018 Series A Bonds not so delivered to the Tender Agent on or prior to the purchase date (the "Undelivered 2018 Series A Bonds") for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the applicable Purchase Price of such Undelivered 2018 Series A Bonds shall be deemed to have been purchased at the applicable Purchase Price on the mandatory tender date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED 2018 SERIES A BONDS TO DELIVER ITS AFFECTED 2018 SERIES A BONDS ON OR PRIOR TO THE MANDATORY TENDER DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE MANDATORY TENDER DATE) OTHER THAN THE APPLICABLE PURCHASE PRICE FOR SUCH UNDELIVERED 2018 SERIES A BONDS, AND ANY UNDELIVERED 2018 SERIES A BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE APPLICABLE PURCHASE PRICE THEREFOR.

If, following the provision of notice of mandatory tender for purchase of the 2018 Series A Bonds, the Trustee receives notice from the Corporation that such purchase cannot be effected or is canceled, the mandatory tender shall be canceled. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of the 2018 Series A Bonds stating that such mandatory tender shall not occur (and the reasons therefor) and shall be canceled.

DESCRIPTION OF THE INDEX FLOATING RATE BONDS

General

The 2018 Series B-2 Bonds will bear interest at a floating rate, initially reset quarterly based on an interest rate index as described herein, are subject to optional and mandatory tender as described herein and are referred to herein as the "Index Floating Rate Bonds." The Index Floating Rate Bonds will mature on the date and in the amount set forth on the inside cover pages of this Official Statement. Interest on the Index Floating Rate Bonds is payable quarterly on February 1, May 1, August 1, and November 1, commencing on [August 1, 2018]*. The Bank of New York Mellon is the Trustee for the Bonds, including the Index Floating Rate Bonds.

* Preliminary, subject to change.

The Index Floating Rate Bonds will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

Interest on the Index Floating Rate Bonds shall be payable on each 2018 Series B-2 Reset Date (as defined below) and shall be computed on the basis of a 360-day year for the actual number of days elapsed. The Index Floating Rate Bonds are being issued as variable rate obligations which will bear interest from their dated date to and including [July 31, 2018]* at a rate per annum set forth in a Certificate of the Corporation delivered on the date of issue of the Index Floating Rate Bonds.

Thereafter, except as described below under "Payment of Tendered Index Floating Rate Bonds Purchased on Demand of Owner," the Index Floating Rate Bonds will bear interest at a variable rate equal to Three-Month LIBOR (as defined below) plus _____ percent (___%). Three-Month LIBOR with respect to a Floating Rate Term beginning on a particular 2018 Series B-2 Reset Date shall be determined on the Determination Date which immediately precedes such 2018 Series B-2 Reset Date. The Index Floating Rate Bonds will be subject to a maximum interest rate of seven and one-half percent* (7.5%*) per annum (the "Index Floating Rate Maximum Rate"). See "SECURITY FOR THE BONDS—Interest Rate Caps and Swaps" in Part II of this Official Statement for a discussion of certain agreements entered into by the Corporation to manage its exposure to variable interest rates. The variable rate on the Index Floating Rate Bonds shall be established for each Floating Rate Term and shall, with respect to such Floating Rate Term, be in effect from the 2018 Series B-2 Reset Date that is the first day of such Floating Rate Term until (but not including) the next 2018 Series B-2 Reset Date (or earlier redemption date).

No later than the close of business on the second Business Day following each Determination Date, the Trustee shall give notice of the interest rate determined on such Determination Date to the Corporation and to each Bond owner of the Index Floating Rate Bonds who has filed its name and address with the Trustee for such purpose.

For the purposes of this subsection and "Redemption Provisions for the Index Floating Rate Bonds—Optional Redemption" below, the following terms shall have the following meaning:

"Determination Date" means the date which is two (2) London Banking Days prior to the next 2018 Series B-2 Reset Date. A "London Banking Day" is any date on which commercial banks in London are open for general business (including dealings in foreign exchange and foreign currency deposits).

"Floating Rate Term" means the period commencing on a 2018 Series B-2 Reset Date and ending on the last calendar day prior to the next succeeding 2018 Series B-2 Reset Date.

"Three-Month LIBOR" means the greater of (a) zero percent (0%) per annum or (b) the per annum rate for deposits in United States dollars for three (3) months which appears on the Bloomberg Screen US0003M<Index>HP or another page of that or any other financial reporting service in general use in the financial services industry (or any successor thereto) ("LIBOR Page") as of 11:00 a.m., London, England time, on a Determination Date. If on a Determination Date such rate does not appear on the LIBOR Page, the Trustee will request the principal London office of each of at least two major banks, determined by the Trustee, that are engaged in transactions in the London interbank market, to provide the Trustee with its offered quotation for United States dollar deposits for three (3) months to prime banks in the London interbank market as of 11:00 a.m., London, England time, on such date. If at least two such major banks provide the Trustee with such offered quotations, "Three-Month LIBOR" on such date will be the greater of (a) zero percent (0%) per annum or (b) the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of all such

quotations. If on such date fewer than two of the major banks provide the Trustee with such an offered quotation, "Three-Month LIBOR" on such date will be the greater of (a) zero percent (0%) per annum or (b) the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of the offered rates which one or more leading banks in the City of New York (other than the Trustee or another bank owned by, or affiliated with, the Trustee) are quoting as of 11:00 a.m., New York City time, on such date to leading European banks for United States dollar deposits for three (3) months; provided, however, that if such banks are not quoting as described above, "Three-Month LIBOR" will be the "Three-Month LIBOR" applicable to the most recent Floating Rate Term for which "Three-Month LIBOR" was available.

[Notwithstanding the foregoing, in the event that a Substitute Index is established as described below under "Substitute Index," "Three-Month LIBOR" on and after the Substitute Index Effective Date (as defined below) shall mean the Substitute Index.]

"2018 Series B-2 Reset Date" means February 1, May 1, August 1 and November 1 of each year, commencing [August 1, 2018]*.

[The Corporation notes that the United Kingdom's Financial Conduct Authority, a regulator of financial services firms and financial markets in the U.K., has stated that they will plan for a phase out of LIBOR with a target end to the indices in 2021.]

Substitute Index

[At any time an Authorized Officer of the Corporation may, with the written consent of either (i) the registered owner of all 2018 Series B-2 Bonds at such time or (ii) the person or persons who the Trustee in its discretion determines are the Beneficial Owners of all 2018 Series B-2 Bonds at such time, deliver to the Trustee a Certificate defining an interest rate index to replace Three-Month LIBOR (the "Substitute Index") effective on and after a date specified in such Certificate (the "Substitute Index Effective Date"). In such event, notwithstanding anything to the contrary contained in the 2018 Series B-2 Supplemental Resolution, "Three-Month LIBOR" on and after such Substitute Index Effective Date shall mean the Substitute Index, as defined in such Certificate.]

Interest Rate Change

The Index Floating Rate Bonds are subject to conversion to an alternate method of determining the interest rate thereon from time to time and to conversion to an interest rate fixed to maturity, in either case upon the terms and conditions described herein; provided that any such conversion [(which does not include establishment of a Substitute Index)] may occur only on a 2018 Series B-2 Reset Date that is a Business Day (or on the first Business Day next succeeding a 2018 Series B-2 Reset Date that is not a Business Day).

No change in the method of determining the interest rate on the Index Floating Rate Bonds [(which does not include establishment of a Substitute Index)] shall be made unless the Trustee has received, at least thirty (30) days prior to the date on which the method of determining the interest rate on the Index Floating Rate Bonds is to change (the "Interest Method Change Date"), among other things, (1) a Certificate of an Authorized Officer of the Corporation specifying (a) the date which is to be the Interest Method Change Date and (b) the method of determining the interest rate which shall take effect on such date, and (2) a Bond Counsel's Opinion to the effect that the proposed change in the method of

* Preliminary, subject to change.

determining the interest rate on the Index Floating Rate Bonds is consistent with the provisions of the 2018 Series B-2 Supplemental Resolution.

In the event of an Interest Method Change Date, if following the provision of notice of mandatory purchase of the Index Floating Rate Bonds, the Trustee receives notice from the Corporation that a change in the method of determining the interest rate on the Index Floating Rate Bonds cannot be effected, the Interest Method Change Date shall be canceled. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of the Index Floating Rate Bonds stating that such change shall not occur (and the reasons therefor) and that the related mandatory tender shall be canceled.

Optional and Mandatory Purchase of Index Floating Rate Bonds

Purchase of Index Floating Rate Bonds on Demand of Owner

On or after [_____] * all or a portion of the Index Floating Rate Bonds, in any authorized denomination, shall be purchased by the Corporation as described below at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest to the purchase date, upon delivery by the owner of a written (or, to the extent permitted in the 2018 Series B-2 Supplemental Resolution, personal, electronic or telephonic) notice of tender to the Corporation prior to 5:00 p.m., New York City time, on any 2018 Series B-2 Reset Date, in a form satisfactory to the Corporation (said notice to be irrevocable and effective upon receipt); provided, however, that no Index Floating Rate Bonds shall be purchased unless any remaining Index Floating Rate Bonds shall be in an authorized denomination as provided in the 2018 Series B-2 Supplemental Resolution. Each such notice shall (i) state the aggregate principal amount of the Index Floating Rate Bonds to be purchased and the numbers of such Index Floating Rate Bonds to be purchased and (ii) state the date on which such Index Floating Rate Bonds are to be purchased, which date shall be the fourth 2018 Series B-2 Reset Date next succeeding the date of delivery of such notice; provided however, that if such 2018 Series B-2 Reset Date is not a Business Day, the purchase date shall instead be the next succeeding Business Day. The first date on which such notice may be delivered is [_____] *.

Any Index Floating Rate Bond for which a demand for purchase has been made shall be delivered to the Corporation at or prior to 12:00 noon, New York City time, on the date designated for purchase, with an appropriate endorsement for transfer to the Corporation or accompanied by a bond power endorsed in blank.

Any Index Floating Rate Bonds not so delivered to the Corporation on or prior to the purchase date (“Undelivered Index Floating Rate Bonds”) for which there has been irrevocably deposited in trust with the Trustee an amount of moneys sufficient to pay the Purchase Price of such Undelivered Index Floating Rate Bonds shall be deemed to have been purchased at the Purchase Price. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED INDEX FLOATING RATE BONDS TO DELIVER ITS AFFECTED INDEX FLOATING RATE BONDS ON OR PRIOR TO THE PURCHASE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE PURCHASE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED INDEX FLOATING RATE BONDS, AND ANY UNDELIVERED INDEX FLOATING RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

* Preliminary, subject to change.

Mandatory Tender of Index Floating Rate Bonds on Interest Method Change Date and Discretionary Tender Date

The Index Floating Rate Bonds shall be subject to mandatory tender for purchase on any Interest Method Change Date or Discretionary Tender Date (in either case, a "Change Date") at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Change Date to the owner of each Index Floating Rate Bond to which such notice relates, at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Change Date and reason therefor, that all owners of affected Index Floating Rate Bonds shall be deemed to have tendered their Index Floating Rate Bonds for purchase on the Change Date, and the Purchase Price for such Index Floating Rate Bonds.

Owners of Index Floating Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Index Floating Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Index Floating Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Index Floating Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED INDEX FLOATING RATE BONDS TO DELIVER ITS AFFECTED INDEX FLOATING RATE BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED INDEX FLOATING RATE BONDS, AND ANY UNDELIVERED INDEX FLOATING RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Payment of Tendered Index Floating Rate Bonds Purchased on Demand of Owner

At the option of the Corporation, the Index Floating Rate Bonds tendered for purchase as described under "Purchase of Index Floating Rate Bonds on Demand of Owner" above shall either be (i) purchased in full at the Purchase Price, on the 2018 Series B-2 Reset Date specified in the notice, from moneys held by the Corporation available for such purpose; or (ii) purchased in twenty (20) equal quarterly installments, payable on each 2018 Series B-2 Reset Date and commencing on the 2018 Series B-2 Reset Date specified in such notice, from moneys held by the Corporation and available for such purpose. (If any such 2018 Series B-2 Reset Date referred to in clause (i) or clause (ii) of the preceding sentence is not a Business Day, the purchase date shall instead be the next succeeding Business Day.)

If the Corporation purchases Index Floating Rate Bonds as described in clause (ii) in the preceding paragraph, from and after the 2018 Series B-2 Reset Date specified in the notice of the tender, such Index Floating Rate Bonds will bear interest at a rate equal to the greater of, subject to the Index Floating Rate Maximum Rate: (i) five percent (5%), (ii) Federal Funds Rate plus two percent (2%) and (iii) Prime Rate plus one percent (1%), and shall be computed on the basis of a 360-day year for the actual number of days elapsed.

"Federal Funds Rate" means that the rate for a 2018 Series B-2 Reset Date will be the rate set forth on the Bloomberg Screen FEDL Page for that day. If, by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the 2018 Series B-2 Reset Date, such rate for the 2018 Series B-2 Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), the rate for that 2018 Series B-2 Reset Date will be the rate set forth in H.15 Daily Update, or

such other recognized electronic source used for the purpose of displaying such rate, for that day opposite the caption "Federal funds (effective)." If, by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the 2018 Series B-2 Reset Date, such rate for the 2018 Series B-2 Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source, the rate for that 2018 Series B-2 Reset Date will be the rate for the first preceding day for which such rate is set forth in H.15(519) opposite the caption "Federal funds (effective)", as such rate is displayed on the Bloomberg Screen FEDL Page.

"Prime Rate" means the fluctuating rate per annum equal to the "Prime Rate" listed daily in the "Money Rate" section of The Wall Street Journal or, if The Wall Street Journal is not published on a particular Business Day, then, the "prime rate" published on the display designated as page "PRIMBB" on the Bloomberg Financial Markets Commodities News Service.

Notwithstanding anything to the contrary in the Resolutions, if the Corporation purchases Index Floating Rate Bonds as described in clause (ii) in the fourth preceding paragraph, (i) the payment of the portion of the Purchase Price constituting interest on such Index Floating Rate Bonds shall be treated for all purposes in the same manner (and with the same priority of payment) as interest on any other Bond (other than Subordinate Bonds) under the General Resolution, (ii) the payment of the portion of the Purchase Price constituting principal equal to the amount of the scheduled Sinking Fund Payments payable on such date shall be treated for all purposes in the same manner (and with the same priority of payment) as principal on any other Bond (other than Subordinate Bonds) under the General Resolution, and (iii) the payment of the portion of the Purchase Price constituting regularly scheduled payments of principal of such Index Floating Rate Bonds in excess of the amount described in clause (ii) of this paragraph shall be subject and subordinate to payment of principal of all other Bonds under the General Resolution, provided that payments of principal of such Index Floating Rate Bonds shall only be made if such payment is consistent with the most recent Cash Flow Statement on file with the Trustee (or a new or amended Cash Flow Statement that shall have been filed with the Trustee in connection with such payment). Failure to make the payments of principal of such Index Floating Rate Bonds described in clause (iii) of this paragraph shall not constitute an Event of Default under the Resolutions.

Redemption Provisions for Index Floating Rate Bonds

The Index Floating Rate Bonds are subject to optional redemption and sinking fund redemption prior to maturity, all as described below.

Optional Redemption

The Index Floating Rate Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity on any 2018 Series B-2 Reset Date, including any 2018 Series B-2 Reset Date after delivery of a notice of mandatory purchase to the Corporation, beginning [_____*], at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Index Floating Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Sinking Fund Redemption – The Index Floating Rate Bonds

The Index Floating Rate Bonds are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption

* Preliminary, subject to change.

thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of the Index Floating Rate Bonds specified for each of the Redemption Dates shown below:

2018 SERIES B-2 BONDS
MATURING ON [_____]*

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
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† Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Corporation, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the Index Floating Rate Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such Index Floating Rate Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Corporation files a Cash Flow Statement with the Trustee as provided in the General Resolution.

Upon the purchase or redemption of any Index Floating Rate Bonds for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, an amount equal to the principal amount of the Index Floating Rate Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Index Floating Rate Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

Selection of Index Floating Rate Bonds to be Redeemed

In the event of redemption of less than all the Index Floating Rate Bonds, the Trustee shall select the Index Floating Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the 2018 Series B-2 Supplemental Resolution, no Index Floating Rate Bond shall be selected for redemption if the portion of such Index Floating Rate Bond remaining after such redemption would not be in a denomination authorized by the 2018 Series B-2 Supplemental Resolution.

Corporation's Right to Purchase Index Floating Rate Bonds

The Corporation retains the right to purchase any Index Floating Rate Bonds, at such times, in such amounts and at such prices as the Corporation shall determine, subject to the provisions of the General Resolution, and, thereby, reduce its obligations, including Sinking Fund Payments, if any, for such Index Floating Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Index Floating Rate Bonds, or is otherwise required to redeem all or a portion of Index Floating Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Index Floating Rate Bonds or portions thereof. Such notice will specify the Index Floating Rate Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than fifteen (15) days before the Redemption Date for the Index Floating Rate Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any Index Floating Rate Bonds, or portions thereof, which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Index Floating Rate Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Index Floating Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

DESCRIPTION OF THE TERM RATE BONDS

General

The 2018 Series C Bonds will mature on the dates and in the amounts set forth on the inside cover pages of this Official Statement and are referred to herein as the "Term Rate Bonds." The Bank of New York Mellon is the Trustee for the Bonds, including the Term Rate Bonds, and is the Tender Agent for the Term Rate Bonds.

The Term Rate Bonds will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of \$5,000 or in denominations of any whole multiple thereof. The Term Rate Bonds will bear interest from their dated date to but excluding [_____] at the fixed rate set forth on the inside cover pages of this Official Statement. While in the 2018 Series C Initial Term Rate Term, interest on the Term Rate Bonds will accrue from their dated date and be payable on [_____] and on any earlier mandatory tender or redemption date. See "Tender of Term Rate Bonds" and "Redemption Provisions for the Term Rate Bonds" below. Interest on the Term Rate Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Record Date with respect to the Term Rate Bonds is the fifteenth (15th) day next preceding an Interest Payment Date.

This Official Statement in general describes the Term Rate Bonds only while the Term Rate Bonds are in the 2018 Series C Initial Term Rate Term.

* Preliminary, subject to change.

Tender of Term Rate Bonds

The Corporation may direct that all or a portion of the Term Rate Bonds in the 2018 Series C Initial Term Rate Term be subject to mandatory tender for purchase and converted to another interest rate mode (including to a fixed rate to maturity or a new Term Rate Term) on any Business Day at any time from and after [_____] to and including [_____] and, if not so converted, the Term Rate Bonds shall be subject to mandatory tender on [_____] at a purchase price equal to one hundred percent (100%) of the principal amount thereof (the "Purchase Price"). If only a portion of the Term Rate Bonds are to be subject to mandatory tender for purchase, the Term Rate Bonds to be tendered (which shall be in authorized denominations) shall be selected by the Trustee by lot, using such method as it shall determine in its sole discretion except that the Trustee shall not select any Term Rate Bond for tender which would result in any remaining Term Rate Bond not being in an authorized denomination as provided in the Resolutions. No liquidity facility has been obtained to pay the Purchase Price of any Term Rate Bonds that are tendered and not remarketed or redeemed, and the Corporation will be obligated to pay the Purchase Price of those Term Rate Bonds only from monies available from and held under the General Resolution and the 2018 Series C Supplemental Resolution. The Corporation expects that, so long as no Event of Default has occurred and is continuing, it will use the unexpended proceeds of the 2018 Series C Bonds to pay the Purchase Price of any 2018 Series C Bonds that are subject to mandatory tender for purchase and are not remarketed. See "PLAN OF FINANCING—2018 Series C Bonds." Failure to pay such Purchase Price of the Term Rate Bonds constitutes a 2018 Series C Event of Default under the 2018 Series C Supplemental Resolution. The 2018 Series C Supplemental Resolution provides that upon such 2018 Series C Event of Default the Trustee shall proceed to bring suit on behalf of the owners of the Term Rate Bonds for such Purchase Price, with recovery limited to moneys available under the Resolutions. In connection with the making of a 2018 Series C Mortgage Loan, the Corporation will be required to deliver to the Trustee a Cash Flow Statement or a Cash Flow Certificate. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement. Such Cash Flow Statement or Cash Flow Certificate with respect to the Term Rate Bonds will also be required to demonstrate that the amount of cash or Cash Equivalents on deposit in the 2018 Series C Bond Proceeds Account and the 2018 Series C Redemption Account following the making of such 2018 Series C Mortgage Loan is at least equal to the principal amount of the Term Rate Bonds remaining in the 2018 Series C Initial Term Rate Term.

The Trustee is required to deliver, or mail by first class mail, postage prepaid, to the owner of each Term Rate Bond subject to mandatory tender for purchase, at its address shown on the registration books of the Corporation held by the Trustee, a notice not later than fifteen (15) days prior to the mandatory tender date. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, that such owners shall be deemed to have tendered their affected Term Rate Bonds for purchase on such mandatory tender date, and the Purchase Price for such Term Rate Bonds.

Owners of affected Term Rate Bonds shall be required to tender their affected Term Rate Bonds to the Tender Agent for purchase at the Purchase Price on the mandatory tender date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power of attorney endorsed in blank. Any Term Rate Bonds not so delivered to the Tender Agent on or prior to the purchase date (the "Undelivered Term Rate Bonds") for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Term Rate Bonds shall be deemed to have been purchased at the Purchase Price on the mandatory tender date. **IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED TERM RATE BONDS TO DELIVER ITS AFFECTED TERM RATE BONDS ON OR PRIOR TO THE MANDATORY TENDER DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE MANDATORY TENDER DATE) OTHER THAN**

THE PURCHASE PRICE FOR SUCH UNDELIVERED TERM RATE BONDS, AND ANY UNDELIVERED TERM RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Redemption Provisions for the Term Rate Bonds

The Term Rate Bonds are subject to optional redemption prior to maturity, as described below.

Optional Redemption

The Term Rate Bonds are subject to redemption, at the option of the Corporation, from any source of funds, in whole or in part, on and after [_____]”, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Term Rate Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date.

Selection of Term Rate Bonds to be Redeemed

In the event of redemption of less than all of the Term Rate Bonds, the Trustee shall select the Term Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the 2018 Series C Supplemental Resolution, no Term Rate Bond shall be selected for redemption if the portion of such Term Rate Bond remaining after such redemption would not be in a denomination authorized by the General Resolution or the 2018 Series C Supplemental Resolution.

Corporation’s Right to Purchase Term Rate Bonds

The Corporation retains the right to purchase any Term Rate Bonds, at such times, in such amounts and at such prices as the Corporation shall determine, subject to the provisions of the General Resolution, and, thereby, reduce its obligations for such Term Rate Bonds. See “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Term Rate Bonds, or is otherwise required to redeem Term Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Term Rate Bonds or portions thereof. Such notice will specify the Term Rate Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than fifteen (15) days before the Redemption Date for such Term Rate Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any Term Rate Bonds or portion thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Term Rate Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Term Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

* Preliminary, subject to change

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2018 Bonds. The 2018 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2018 Bond certificate will be issued for each Series and maturity of the 2018 Bonds, totaling in the aggregate the principal amount of the 2018 Bonds of each Series, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants," and together with Direct Participants, "Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of the 2018 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2018 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2018 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase; Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2018 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2018 Bonds, except in the event that use of the book-entry system for the 2018 Bonds is discontinued.

To facilitate subsequent transfers, all 2018 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2018 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2018 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2018 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of a Series, maturity and CUSIP number of the 2018 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series, maturity and CUSIP number of the 2018 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2018 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2018 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2018 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Corporation or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Underwriters, the Trustee, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Corporation or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The requirement for physical delivery of the 2018 Series A Bonds, the Index Floating Rate Bonds and the Term Rate Bonds in connection with a mandatory purchase will be deemed satisfied when the ownership rights in the Index Floating Rate Bonds or the Term Rate Bonds, as applicable, are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Index Floating Rate Bonds or Term Rate Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to a Series of the 2018 Bonds at any time by giving reasonable notice to the Corporation or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2018 Bond certificates of such Series are required to be printed and delivered. The Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the applicable 2018 Bond certificates will be printed and delivered to DTC.

The information herein concerning DTC and DTC's book-entry system has been obtained from sources that the Corporation and the Underwriters believe to be reliable, but neither the Corporation nor the Underwriters take any responsibility for the accuracy thereof.

Each person for whom a Participant acquires an interest in the 2018 Bonds of a Series, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing

by such Participant and to have notification made of all interest payments. NEITHER THE CORPORATION, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE 2018 BONDS OF SUCH SERIES.

So long as Cede & Co. is the registered owner of the 2018 Bonds of a Series, as nominee for DTC, references herein to Bondholders or registered owners of the 2018 Bonds of such Series (other than under the heading "TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the 2018 Bonds of such Series.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Trustee to DTC only.

For every transfer and exchange of 2018 Bonds of a Series, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Corporation, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the 2018 Bonds of a Series if the Corporation determines that (i) DTC is unable to discharge its responsibilities with respect to the 2018 Bonds of such Series, or (ii) a continuation of the requirement that all of the Bonds Outstanding be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by the Corporation or restricted registration is no longer in effect, the applicable 2018 Bond certificates will be delivered as described in the Resolutions.

NONE OF THE CORPORATION, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2018 BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2018 BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE 2018 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE 2018 BONDS; OR (VI) ANY OTHER MATTER.

UNDERWRITING

Wells Fargo Bank, National Association, as senior manager, and the co-senior managing underwriters and co-managing underwriters listed on the inside cover pages, have jointly and severally agreed, subject to certain conditions, to purchase the 2018 Series A Bonds from the Corporation at a purchase price of \$_____, and to make a public offering of the 2018 Series A Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriters will be obligated to purchase all 2018 Series A Bonds if any are purchased. The 2018 Series A Bonds may be offered and sold to certain dealers (including any of such underwriters) at prices

lower than such public offering prices, and such public offering prices may be changed, from time to time, by such Underwriters. Such Underwriters will receive an underwriting fee in the amount of \$ _____, which fees include the expenses for such underwriting for the 2018 Series A Bonds.

Citigroup Global Markets Inc., as senior manager, and the co-senior managing underwriters and co-managing underwriters listed on the inside cover pages, have jointly and severally agreed, subject to certain conditions, to purchase the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds from the Corporation at a purchase price of \$ _____, and to make a public offering of the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriters will be obligated to purchase all of the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds if any are purchased. The 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds may be offered and sold to certain dealers at prices lower than such public offering price, and such public offering price may be changed, from time to time, by such Underwriters. Such Underwriters will receive an underwriting fee in the amount of \$ _____, which amount includes expenses for such underwriting for the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds.

J.P. Morgan Securities LLC has agreed, subject to certain conditions, to purchase the 2018 Series C Bonds from the Corporation at a purchase price of \$ _____, and to make a public offering of the 2018 Series C Bonds at prices that are not in excess of the public offering price stated on the inside cover pages of this Official Statement. Such Underwriter will be obligated to purchase all of the 2018 Series C Bonds if any are purchased. The 2018 Series C Bonds may be offered and sold to certain dealers at prices lower than such public offering price, and such public offering price may be changed, from time to time, by such Underwriter. Such Underwriter will receive an underwriting fee in the amount of \$ _____, which fee includes the expenses for such underwriting for the 2018 Series C Bonds.

This paragraph has been supplied by Citigroup Global Markets Inc. Citigroup Global Markets Inc. ("Citigroup"), one of the Underwriters of the 2018 Bonds, has entered into a retail distribution agreement with UBS Financial Services Inc. ("UBSFS"). Under this distribution agreement, Citigroup may distribute municipal securities to retail investors through the financial advisor network of UBSFS. As part of this arrangement, Citigroup may compensate UBSFS for their selling efforts with respect to the offered 2018 Bonds.

This paragraph has been supplied by J.P. Morgan Securities LLC: J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the 2018 Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of CS&Co. and LPL will purchase 2018 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2018 Bonds that such firm sells.

The following two paragraphs have been supplied by Wells Fargo Bank, National Association: Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group ("WFBNA"), one of the Underwriters of the 2018 Bonds, has entered into an agreement (the "WFA

Distribution Agreement”) with its affiliate Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2018 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2018 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2018 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

From time to time, affiliates of the underwriters of Bonds provide Long-term LOCs or Construction LOCs for Mortgage Loans and are separately compensated for providing these credit facilities. See “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Long-term LOCs” and “—Construction LOCs.” From time to time, affiliates of the underwriters may be investors in the Mortgages.

The following three paragraphs have been provided by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial services and investment banking services for the Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Corporation.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

S&P Global Ratings and Moody’s Investors Service, Inc. have assigned the Fixed Rate Bonds a rating of “___” and “___,” respectively. S&P Global Ratings and Moody’s Investors Service, Inc. have assigned the Index Floating Rate Bonds a rating of “___” and “___,” respectively. S&P Global Ratings and Moody’s Investors Service, Inc. have assigned the Term Rate Bonds a rating of “___” and “___,” respectively. Such ratings reflect only the respective views of such rating agencies, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that either or both of such ratings will be retained for any given period of time or that the same will not be revised downward or withdrawn entirely by the rating agency furnishing the same if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the 2018 Bonds.

TAX MATTERS

Opinion of Bond Counsel to the Corporation

In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any 2018 Series A Bond or 2018 Series C Bond for any period during which such 2018 Series A Bond or 2018 Series C Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the 2018 Series A Bonds or the 2018 Series C Bonds, respectively, or a "related person" and (ii) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering such opinion, Bond Counsel to the Corporation has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation, the Mortgagors (as defined in the General Resolution) of the 2018 Series A Mortgage Loans and others in connection with the issuance of the 2018 Series A Bonds and the 2018 Series C Bonds, and Bond Counsel to the Corporation has assumed compliance by the Corporation, such Mortgagors and the Mortgagors of the 2018 Series C Mortgage Loans with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2018 Series A Bonds and the 2018 Series C Bonds from gross income under Section 103 of the Code. In the opinion of Bond Counsel to the Corporation, interest on the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds is included in gross income for Federal income tax purposes pursuant to the Code.

In addition, in the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2018 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Bond Counsel to the Corporation expresses no opinion regarding any other Federal or state tax consequences with respect to the 2018 Bonds. Bond Counsel to the Corporation renders its opinion under existing statutes and court decisions as of the issue date and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel to the Corporation expresses no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the 2018 Series A Bonds and the 2018 Series C Bonds or the exemption from personal income taxes of interest on the 2018 Bonds under state and local tax law.

Summary of Certain Federal Tax Requirements

Under applicable provisions of the Code, the exclusion from gross income of interest on the 2018 Series A Bonds and the 2018 Series C Bonds (collectively, the "Tax-Exempt Bonds") for purposes of Federal income taxation requires that either (i) at least 20% of the units in a Project financed by the Tax-Exempt Bonds be occupied during the "Qualified Project Period" (defined below) by individuals whose incomes, determined in a manner consistent with Section 8 of the United States Housing Act of 1937, as amended, do not exceed 50% of the median income for the area, as adjusted for family size, or (ii) at least 25% of the units in a Project financed by the Tax-Exempt Bonds be occupied during the "Qualified Project Period" by individuals whose incomes, determined in a manner consistent with Section 8 of the United States Housing Act of 1937, as amended, do not exceed 60% of the median income for the area, as adjusted for family size, and (iii) all of the units of each Project be rented or available for rental on a

continuous basis during the Qualified Project Period. "Qualified Project Period" for each such Project means a period commencing upon the later of (a) occupancy of 10% of the units in each such Project or (b) the date of issue of the Tax-Exempt Bonds, and running until the later of (i) the date which is 15 years after occupancy of 50% of the units in each such Project, (ii) the first date on which no tax-exempt private activity bonds issued with respect to each such Project are outstanding or (iii) the date on which any assistance provided with respect to such Project under Section 8 of the 1937 Housing Act terminates. Such Project will meet the continuing low income requirement as long as the income of the individuals occupying a low income unit does not increase to more than 140% of the applicable limit. Upon an increase over 140% of the applicable limit, the next available unit of comparable or smaller size in the Project must be rented to an individual having an income that does not exceed the applicable income limitation. An election may be made to treat a Project as a deep rent skewed project which requires that (i) at least 15% of the low income units in the Project be occupied during the Qualified Project Period by individuals whose income is 40% or less of the median income for the area, (ii) the gross rent of each low income unit in the Project not exceed 30% of the applicable income limit which applies to the individuals occupying the unit and (iii) the gross rent with respect to each low income unit in the Project not exceed one-half of the average gross rent with respect to units of comparable size which are not occupied by individuals who meet the applicable income limit. Under the deep rent skewing election, the Project will meet the continuing low income requirement as long as the income of the individuals occupying the unit does not increase to more than 170% of the applicable limit. Upon an increase over 170% of the applicable limit, the next available low income unit must be rented to an individual having an income of 40% or less of the area median income.

In the event of noncompliance with the requirements described in the preceding paragraph arising from events occurring after the issuance of the Tax-Exempt Bonds, the Treasury Regulations provide that the exclusion of interest on the Tax-Exempt Bonds from gross income for Federal income tax purposes will not be impaired if the Corporation takes appropriate corrective action within a reasonable period of time after such noncompliance is first discovered or should have been discovered by the Corporation.

Compliance and Additional Requirements

The Code establishes certain additional requirements which must be met subsequent to the issuance and delivery of the Tax-Exempt Bonds in order for interest on the Tax-Exempt Bonds to be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of the proceeds of the Tax-Exempt Bonds, yield and other limits regarding investments of the proceeds of the Tax-Exempt Bonds and other funds, and rebate of certain investment earnings on such amounts on a periodic basis to the United States.

The Corporation has covenanted in the Resolutions that it shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Tax-Exempt Bonds shall be excluded from gross income for Federal income tax purposes. The Corporation has included provisions in its Tax Regulatory Certificate and has established procedures in order to assure compliance with the requirements which must be met subsequent to the issuance of the Tax-Exempt Bonds. In connection with the issuance of the Tax-Exempt Bonds, the Corporation has entered or will enter into Regulatory Agreements with the Mortgagors of the 2018 Series A Mortgage Loans and the 2018 Series C Mortgage Loans to assure compliance with the Code. However, no assurance can be given that in the event of a breach of any such covenants, or noncompliance with the provisions, procedures or certifications set forth therein, the remedies available to the Corporation and/or the owners of the Tax-Exempt Bonds can be judicially enforced in such manner as to assure compliance with the above-described requirements and therefore to prevent the loss of the exclusion of interest from gross income for Federal income tax purposes. Any loss of such exclusion of interest from gross income may be retroactive to the date from which interest on the Tax-Exempt Bonds is payable.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral Federal income tax matters with respect to the Tax-Exempt Bonds. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Tax-Exempt Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Tax-Exempt Bonds.

Prospective owners of the Tax-Exempt Bonds should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security or railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and to taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the Tax-Exempt Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Information Reporting and Backup Withholding

Information reporting requirements will apply to interest paid on tax-exempt obligations, including the Tax-Exempt Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9 "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Tax-Exempt Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Tax-Exempt Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Tax-Exempt Bonds under Federal or state law or otherwise prevent beneficial owners of the Tax-Exempt Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Tax-Exempt Bonds.

[For example, the Tax Cuts and Jobs Act ("H.R. 1"), which was passed by the United States House of Representatives on November 16, 2017, would, if enacted into law in its current form, include in gross income the interest on (i) any "qualified" private activity bond and (ii) any advance refunding bond. Such amendments would only apply to bonds issued after December 31, 2017. H.R. 1 would also impact (and generally lower) the current income tax rates for individuals and corporations. On December

2, 2017, the United States Senate passed its own version of H.R. 1, that would also prohibit the issuance of tax-exempt advance refunding bonds after December 31, 2017, but would not change the current tax treatment of qualified private activity bonds. The House Bill would eliminate the alternative minimum tax on individuals and corporations for tax years beginning after December 31, 2017. The Senate Bill would retain the alternative minimum tax on individuals and corporations with increased income thresholds at which the alternative minimum tax will apply for taxable years beginning after December 31, 2017 and before January 1, 2026. The future of the tax reform legislative efforts is uncertain at this time.]

Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the foregoing matters.

Taxable Bonds

The following discussion is a brief summary of certain United States Federal income tax consequences of the acquisition, ownership and disposition of the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds (the "Taxable Bonds") by original purchasers of the Taxable Bonds who are "U.S. Holders", as defined herein. This summary does not discuss all of the United States Federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules.

Holders of the Taxable Bonds should consult with their own tax advisors concerning the United States Federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Taxable Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption or other disposition (which would include a legal defeasance) of a Taxable Bond, a holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such holder's adjusted tax basis in the Taxable Bond. The Corporation may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Taxable Bonds to be deemed to be no longer outstanding under the Resolutions (a "defeasance"). (See "Appendix B—Summary of Certain Provisions of the General Resolution" in Part II of this Official Statement). For Federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Taxable Bonds subsequent to any such defeasance could also be affected.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to non-corporate holders of the Taxable Bonds with respect to payments of principal, payments of interest and the proceeds of the sale of a Taxable Bond before maturity within the United States. Backup withholding may apply to holders of Taxable Bonds under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States Federal income tax provided the required information is furnished to the Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Taxable Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States Federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Taxable Bonds under state law and could affect the market price or marketability of the Taxable Bonds.

Prospective purchasers of the Taxable Bonds should consult their own tax advisors regarding the foregoing matters.

NO LITIGATION

At the time of delivery and payment for the 2018 Bonds, the Corporation will deliver, or cause to be delivered, a Certificate of the Corporation substantially to the effect that there is no litigation or other proceeding of any nature now pending or threatened against or adversely affecting the Corporation of which the Corporation has notice or, to the Corporation's knowledge, any basis therefor, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2018 Bonds, or in any way contesting or affecting the validity of the 2018 Bonds, the Resolutions, the Disclosure Agreement (as defined below), any investment agreement related to the 2018 Bonds or any proceedings of the Corporation taken with respect to the issuance or sale of the 2018 Bonds, or the financing of the 2018 Series A Mortgage Loans or the 2018 Series B Mortgage Loan, or the redemption of any outstanding bonds resulting directly or indirectly from the issuance of the 2018 Bonds, or the pledge, collection or application of any monies or security provided for the payment of the 2018 Bonds, or the existence, powers or operations of the Corporation, or contesting in any material respect the completeness or accuracy of the Official Statement or any supplement or amendment thereto, if any.

CERTAIN LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the 2018 Bonds by the Corporation are subject to the approval of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation. Certain legal matters will be passed upon for the Corporation by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their Counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York.

FINANCIAL STATEMENTS

The financial statements of the Corporation for the year ended October 31, 2017, which are included as Appendix C to Part II of this Official Statement, have been audited by Ernst & Young LLP, independent auditors, as stated in their report appearing therein. Ernst & Young LLP, the Corporation's auditor, has not been engaged to perform and has not performed, since the date of such report, any procedures on the financial statements addressed in such report. Ernst & Young LLP also has not performed any procedures relating to this Official Statement.

The information contained in these financial statements, which are provided for informational purposes only, should not be used in any way to modify the description of the security for the Bonds contained herein. The assets of the Corporation, other than those pledged pursuant to the General Resolution including certain instruments of the Corporation with respect to the Debt Service Reserve Account, are not pledged to nor are they available to Bond owners.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the Corporation and the Trustee will enter into a written agreement for the benefit of the holders of the 2018 Bonds (the “Disclosure Agreement”) to provide continuing disclosure. The Corporation will undertake in the Disclosure Agreement to provide to the Municipal Securities Rulemaking Board (“MSRB”), on an annual basis on or before 150 days after the end of each fiscal year of the Corporation commencing with the fiscal year ended October 31, 2018 certain financial information and operating data, referred to herein as “Corporation Annual Information,” including, but not limited to annual financial statements of the Corporation. In addition, the Corporation will undertake in the Disclosure Agreement, for the benefit of the holders of the 2018 Bonds, to provide to the MSRB, in a timely manner (not in excess of ten (10) Business Days after the occurrence of the event), the notices required to be provided by Rule 15c2-12 and described below. With regard to each Series of Bonds issued under the General Resolution for which an underwriter has an obligation under Rule 15c2-12, the Corporation has entered into agreements substantially identical to the Disclosure Agreement.

The Corporation Annual Information shall consist of the following: (a) financial information and operating data of the Corporation prepared in conformity with accounting principles generally accepted in the United States and audited by an independent firm of certified public accountants in accordance with auditing standards generally accepted in the United States; provided, however, that if audited financial statements are not available in accordance with the dates described above, unaudited financial statements shall be provided and such audited financial statements shall be delivered to the MSRB when they become available; (b) a statement setting forth the amount on deposit in the Debt Service Reserve Account; (c) financial information and operating data of the type set forth in Part I of this Official Statement under the heading of “PLAN OF FINANCING—2018 Series B Participant Interest” (chart only), and financial information and operating data of the type set forth in Part II of this Official Statement under the headings or subheadings “BONDS OUTSTANDING UNDER THE PROGRAM,” “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates,” “SECURITY FOR THE BONDS—Summary of Program Assets and Revenues,” “SECURITY FOR THE BONDS—Liquidity Facilities for Bonds Bearing Variable Rates of Interest” (chart only), “THE PROGRAM—Mortgage Loans” (charts only), “Appendix D—Activities of the Corporation,” “Appendix E-1—Developments and Mortgage Loans Outstanding under the Program,” “Appendix E-2—Mortgage Loan Prepayment Provisions” (chart only), “Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings” (chart only), “Appendix E-4—Cross-Call Provisions and Related Information,” “Appendix F-1—Certain Investments under the General Resolution,” “Appendix F-2—Interest Rate Hedge Agreements,” “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Long-term LOCs” (chart only) and “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Construction LOCs” (chart only); and (d) the information regarding amendments to the Disclosure Agreement required pursuant thereto, together with (e) such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning the Corporation and in judging the financial information about the Corporation.

Pursuant to the Disclosure Agreement, the Corporation will undertake to use its best efforts to provide to the MSRB, on an annual basis on or before 150 days after the end of each fiscal year of any Mortgagor whose payment obligations due under its Mortgage Note equals or exceeds twenty percent (20%) of the aggregate payment obligations due under all outstanding Mortgage Notes (a "Major Obligated Mortgagor"), certain financial information and operating data, referred to herein as "Mortgagor Annual Information," including, but not limited to, annual financial statements of such Major Obligated Mortgagor, prepared in accordance with generally accepted accounting principles and audited by an independent firm of certified public accountants in accordance with generally accepted auditing standards if so required by the applicable Mortgage; provided, however, that if audited financial statements are required but not available in accordance with the dates described above, unaudited financial statements shall be provided and such audited financial statements shall be delivered to the MSRB when they become available. Currently, there are no Major Obligated Mortgagors.

The notices required to be provided by Rule 15c2-12, which the Corporation will undertake to provide as described above, include notices of any of the following events with respect to the 2018 Bonds: (1) principal and interest payment delinquencies; (2) nonpayment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2018 Bonds or other material events affecting the tax status of the 2018 Bonds; (7) modification to the rights of holders of 2018 Bonds, if material; (8) 2018 Bond calls, if material, and tender offers; (9) defeasances of all or a portion of the 2018 Bonds; (10) the release, substitution or sale of property securing repayment of the 2018 Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar events of the Corporation or a Major Obligated Mortgagor; (13) the consummation of a merger, consolidation or acquisition involving the Corporation or a Major Obligated Mortgagor or the sale of all or substantially all of the assets of the Corporation or a Major Obligation Mortgagor, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; and to the MSRB, in a timely manner, notice of a failure by the Corporation to provide the Corporation Annual Information or the Mortgagor Annual Information required by the Disclosure Agreement.

In addition to the notices described above, the Corporation in the Disclosure Agreement has agreed to provide a notice to the MSRB regarding the making of a Mortgage Loan with the proceeds of the 2018 Bonds in substitution for the Development described under "PLAN OF FINANCING—2018 Series A Mortgage Loans—2018 Series A Senior Mortgage Loan." The Corporation has agreed in the Disclosure Agreement to provide such notice to the MSRB on or before the date of the making of such substitution and to include in such notice information regarding such substitute Development and Mortgage Loan substantially similar to the information regarding other Developments contained under such heading. Because such notices are not required to be provided under Rule 15c2-12, failure to comply with this provision of the Disclosure Agreement will not constitute a failure to comply with an undertaking in a written agreement specified in paragraph (b)(5)(i) of Rule 15c2-12.

If any party to the Disclosure Agreement fails to comply with any provisions thereof, then the other party to the Disclosure Agreement and, as a direct or third party beneficiary, as the case may be, any holder of the 2018 Bonds may enforce, for the equal benefit and protection of all holders similarly situated, by mandamus or other suit or proceeding at law or in equity, the Disclosure Agreement against such party and any of its officers, agents and employees, and may compel such party or any such officers, agents or employees to perform and carry out their duties thereunder; provided that the sole and exclusive

remedy for breach or default under the Disclosure Agreement to provide the continuing disclosure described above is an action to compel specific performance of the undertakings contained therein, and no person or entity may recover monetary damages thereunder under any circumstances; provided, however, that the rights of any holder of 2018 Bonds to challenge the adequacy of the information provided by the Corporation are conditioned upon the provisions of the General Resolution with respect to the enforcement of remedies of holders of the 2018 Bonds upon the occurrence of an Event of Default described in the General Resolution. A breach or default under the Disclosure Agreement shall not constitute an Event of Default under the General Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the Disclosure Agreement, insofar as the provisions of Rule 15c2-12 no longer in effect required the provision of such information, shall no longer be required to be provided. Beneficial Owners of the 2018 Bonds are third-party beneficiaries of the Disclosure Agreement and, as such, are deemed to be holders of the 2018 Bonds for the purposes of exercising remedies.

The foregoing undertakings are intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data. Where an undertaking calls for information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. The Disclosure Agreement, however, may be amended or modified without the consent of the holders of the 2018 Bonds under certain circumstances set forth in the Disclosure Agreement.

Copies of the Disclosure Agreement, when executed and delivered by the parties thereto on the date of the initial delivery of the 2018 Bonds, will be on file at the office of the Corporation.

Under the Corporation's agreements to provide continuing disclosure with respect to prior Bonds issued under the General Resolution, during the past five years, the Corporation was on one occasion one day late in filing required Corporation annual financial information and on occasion has not timely linked to every applicable CUSIP number timely-filed Corporation annual financial information. In addition, under certain of the Corporation's agreements to provide continuing disclosure with respect to bonds issued under other bond resolutions, during the past five years, the Corporation (i) did not file annual financial statements for up to eight mortgagors when due, and did not file a required notice of such failure, in 2015, 2016 and 2017 (all such financial statements subsequently were filed in 2017), (ii) on five occasions was between one and five days late in filing required mortgagor annual financial statements or Corporation annual financial information, and (iii) on occasion has not timely linked to every applicable CUSIP number timely-filed mortgagor annual financial statements or Corporation annual financial information.

FURTHER INFORMATION

The information contained in this Official Statement is subject to change without notice and no implication should be derived therefrom or from the sale of the 2018 Bonds that there has been no change in the affairs of the Corporation from the date hereof. Pursuant to the General Resolution, the Corporation has covenanted to keep proper books of record and account in which full, true and correct entries will be made of all its dealings and transactions under the General Resolution, and to cause such books to be audited for each fiscal year. The General Resolution requires that such books be open to inspection by the Trustee and the owners of not less than five percent (5%) of the Bonds then Outstanding issued thereunder during regular business hours of the Corporation, and that the Corporation furnish a copy of the auditor's report, when available, upon the request of the owner of any Outstanding 2018 Bonds.

Additional information, including the annual report of the Corporation, may be obtained from the Corporation at 110 William Street, New York, New York 10038, (212) 227-5500 or through its internet address: www.nychdc.com.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such, and not as representations of fact. This Official Statement is not to be construed as an agreement or contract between the Corporation and the purchasers or owners of any 2018 Bonds.

This Official Statement is submitted in connection with the sale of the 2018 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Official Statement and the distribution thereof has been duly authorized and approved by the Corporation, and duly executed and delivered on behalf of the Corporation.

**NEW YORK CITY HOUSING DEVELOPMENT
CORPORATION**

By: _____
Eric Enderlin
President

**PROPOSED FORM OF OPINION OF BOND COUNSEL TO THE CORPORATION
RELATING TO THE 2018 BONDS**

Upon delivery of the 2018 Bonds, Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, proposes to deliver its approving opinion in substantially the following form:

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION
110 William Street
New York, New York 10038

Ladies and Gentlemen:

We, as bond counsel to the New York City Housing Development Corporation (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, organized and existing under and pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended (the "Act"), have examined a record of proceedings relating to the issuance by the Corporation of \$ _____ Multi-Family Housing Revenue Bonds, 2018 Series A (the "2018 Series A Bonds"), \$ _____ Multi-Family Housing Revenue Bonds, 2018 Series B-1 (the "2018 Series B-1 Bonds"), \$ _____ Multi-Family Housing Revenue Bonds, 2018 Series B-2 (the "2018 Series B-2 Bonds") and \$ _____ Multi-Family Housing Revenue Bonds, 2018 Series C (the "2018 Series C Bonds"; the 2018 Series A Bonds, the 2018 Series B-1 Bonds, the 2018 Series B-2 Bonds and the 2018 Series C Bonds being collectively referred to as the "2018 Bonds").

The 2018 Bonds are authorized to be issued pursuant to the Act, the Multi-Family Housing Revenue Bonds Bond Resolution of the Corporation, adopted July 27, 1993, as amended (the "General Resolution"), and, with respect to the 2018 Series A Bonds, the Two Hundred Sixty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series A of the Corporation, adopted [_____], 2018, with respect to the 2018 Series B-1 Bonds, the Two Hundred Sixty-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-1 of the Corporation, adopted [_____], 2018, with respect to the 2018 Series B-2 Bonds, the Two Hundred Sixty-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series B-2 of the Corporation, adopted [_____], 2018, and with respect to the 2018 Series C Bonds, the Two Hundred Sixty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2018 Series C of the Corporation, adopted [_____], 2018 (collectively, the "Supplemental Resolutions"; the General Resolution and the Supplemental Resolutions being collectively referred to as the "Resolutions"). The 2018 Series A Bonds are being issued for the purpose of financing the 2018 Series A Mortgage Loans (as defined in the Resolutions). The 2018 Series B Bonds are being issued for the purposes of financing the 2018 Series B Mortgage Loan (as defined in the Resolutions) and financing other Corporation Corporate Purposes (as defined in the Resolutions). The 2018 Series C Bonds are being issued for the purposes of financing the 2018 Series C Mortgage Loans (as defined in the Resolutions).

The 2018 Bonds are dated, mature, are payable, bear interest and are subject to redemption as provided in the Resolutions.

We have not examined nor are we passing upon matters relating to the real and personal property referred to in the mortgages which are to secure the 2018 Bonds.

Upon the basis of the foregoing, we are of the opinion that:

1. The Corporation has been duly created and validly exists as a corporate governmental agency, constituting a public benefit corporation, under and pursuant to the laws of the State of New York (including the Act), and has good right and lawful authority, among other things, to finance the 2018 Series A Mortgage Loans, the 2018 Series B Mortgage Loan and the 2018 Series C Mortgage Loans, to finance the Corporation Corporate Purposes, to provide sufficient funds therefor by the adoption of the Resolutions and the issuance and sale of the 2018 Bonds, and to perform its obligations under the terms and conditions of the Resolutions, as covenanted in the Resolutions.

2. The Resolutions have been duly adopted by the Corporation, are in full force and effect, and are valid and binding upon the Corporation and enforceable in accordance with their terms.

3. The 2018 Bonds have been duly authorized, sold and issued by the Corporation in accordance with the Resolutions and the laws of the State of New York (the "State"), including the Act.

4. The 2018 Bonds are valid and legally binding special revenue obligations of the Corporation payable solely from the revenues, funds or monies pledged for the payment thereof pursuant to the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions, and are entitled to the benefit, protection and security of the provisions, covenants and agreements of the Resolutions.

5. The 2018 Bonds are secured by a pledge in the manner and to the extent set forth in the Resolutions. The Resolutions create the valid pledge of and lien on the Revenues and all the Accounts established by the Resolutions and monies and securities therein, which the Resolutions purport to create, subject only to the provisions of the Resolutions permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Resolutions.

6. The 2018 Bonds are not a debt of the State or The City of New York and neither is liable thereon, nor shall the 2018 Bonds be payable out of any funds other than those of the Corporation pledged for the payment thereof.

7. Under existing statutes and court decisions, (i) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any 2018 Series A Bond or 2018 Series C Bond for any period during which such 2018 Series A Bond or 2018 Series C Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the 2018 Series A Bonds or the 2018 Series C Bonds, respectively, or a "related person," and (ii) interest on the 2018 Series A Bonds and the 2018 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering this opinion, we have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation, the Mortgagors (as defined in the General Resolution) of the 2018 Series A Mortgage Loans and others in connection with the issuance of the 2018 Series A Bonds and the 2018 Series C Bonds, and we have assumed compliance by the Corporation, such Mortgagors and the Mortgagors of the 2018 Series C Mortgage Loans with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2018 Series A Bonds and the 2018 Series C Bonds from gross income under Section 103 of the Code.

8. Interest on the 2018 Series B-1 Bonds and the 2018 Series B-2 Bonds is included in gross income for Federal income tax purposes pursuant to the Code.

9. Under existing statutes, interest on the 2018 Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other Federal or state tax consequences with respect to the 2018 Bonds. We render this opinion under existing statutes and court decisions as of the issue date, and assume no obligation to update this opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the 2018 Series A Bonds and the 2018 Series C Bonds, or the exemption from personal income taxes of interest on the 2018 Bonds under state and local tax law.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the 2018 Bonds and the Resolutions may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to the general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed 2018 Series A Bond, an executed 2018 Series B-1 Bond, an executed 2018 Series B-2 Bond and an executed 2018 Series C Bond and in our opinion the forms of said Bonds and their execution are regular and proper.

Very truly yours,

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OFFICIAL STATEMENT PART II

relating to

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

MULTI-FAMILY HOUSING REVENUE BONDS

Part II of this Official Statement provides certain information concerning bonds previously issued under the General Resolution (the "Bonds"), certain sources of payment and security for the Bonds, the Corporation, and the mortgage loan program financed with the proceeds of Bonds. It contains only a part of the information to be provided by the Corporation in connection with the issuance of its Bonds. The terms of the Series of Bonds being issued, including designation, principal amount, authorized denominations, price, maturity, interest rate and time of payment of interest, redemption provisions, and any other terms or information relating thereto are set forth in Part I of this Official Statement. Additional information concerning certain sources of payment and security for the Bonds, the Corporation, and the mortgage loans program financed with the proceeds of Bonds is contained in Part I of this Official Statement. The information contained herein may be supplemented or otherwise modified by Part I of this Official Statement and is subject in all respects to the information contained therein.

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PART II

relating to

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Multi-Family Housing Revenue Bonds

INTRODUCTION

The purpose of this Part II of this Official Statement is to set forth certain information concerning the Corporation, the Program and the Bonds in connection with the issuance of certain Series of Bonds by the Corporation. Each Series of Bonds is issued pursuant to the Act, the General Resolution, and a related Supplemental Resolution. Certain defined terms used herein are set forth in Part I of this Official Statement or in "Appendix A—Definition of Certain Terms."

THE CORPORATION

Purposes and Powers

The Corporation, which commenced operations in 1972, is a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State, created for the purposes of providing, and encouraging the investment of private capital in, safe and sanitary dwelling accommodations in the City of New York (the "City") for families and persons of low income, which include families and persons whose need for housing accommodations cannot be provided by the ordinary operations of private enterprise, or in areas designated as blighted through the provision of low interest mortgage loans. Powers granted the Corporation under the Act include the power to issue bonds, notes and other obligations to obtain funds to carry out its corporate purposes, and to refund the same; to acquire, hold and dispose of real and personal property; to make mortgage loans to specified private entities; to purchase loans from lending institutions; to make loans insured or co-insured by the Federal government for new construction and rehabilitation of multiple dwellings; to make and to contract for the making of loans for the purpose of financing the acquisition, construction or rehabilitation of multi-family housing accommodations; to acquire and to contract to acquire any Federally-guaranteed security evidencing indebtedness on a mortgage securing a loan; to acquire mortgages from the City, obtain Federal insurance thereon and either sell such insured mortgages or issue its obligations secured by said insured mortgages and to pay the net proceeds of such sale of mortgages or issuance of obligations to the City; and to do any and all things necessary or convenient to carry out its purposes. The Act further provides that the Corporation and its corporate existence shall continue at least so long as its bonds, including the Bonds, notes, or other obligations are outstanding.

The sale of the Bonds and the terms of such sale are subject to the approval of the Comptroller of the City. The Corporation is a "covered organization" as such term is defined in the New York State Financial Emergency Act for The City of New York, as amended, and the issuance of the Bonds is subject to the review of the New York State Financial Control Board for The City of New York.

The Corporation's audited financial statements for the fiscal year ended October 31, 2016, including as Schedule 3 supplemental information related to the Program, are contained in Appendix C hereto. In addition, a summary of assets and revenues related to the Program are described, in part, under "SECURITY FOR THE BONDS—Summary of Program Assets and Revenues." For a description of the bond, mortgage loan, loan and servicing activities of the Corporation, see "Appendix D—Activities of the Corporation."

Organization and Membership

The Corporation, pursuant to the Act, consists of the Commissioner of The City of New York Department of Housing Preservation and Development (“HPD”) (who is designated as Chairperson of the Corporation pursuant to the Act), the Commissioner of Finance of the City and the Director of Management and Budget of the City (such officials to serve ex-officio), and four (4) public members, two (2) appointed by the Mayor of the City (the “Mayor”) and two (2) appointed by the Governor of the State. The Act provides that the powers of the Corporation shall be vested in and exercised by not less than four (4) members. The Corporation may delegate to one or more of its members, officers, agents or employees such powers and duties as it deems proper.

Members

MARIA TORRES-SPRINGER, Chairperson and Member ex-officio. Ms. Torres-Springer was appointed Commissioner of HPD by Mayor Bill de Blasio, effective February 7, 2017. Prior to joining HPD, she was the President and CEO of New York City Economic Development Corporation (NYCEDC). At NYCEDC, she worked on projects such as the development of the Downtown Far Rockaway Neighborhood Plan, the implementation of Citywide Ferry, the launch of LifeSci NYC, and the expansion of NYCEDC's Minority- and Women-Owned Business Enterprises programs. Prior to her appointment as President of NYCEDC, Ms. Torres-Springer served as Commissioner of the New York City Department of Small Business Services (SBS). Before being appointed Commissioner of SBS, she served as the Executive Vice President and Chief of Staff at NYCEDC. Ms. Torres-Springer also served as a Senior Policy Advisor at the Office of the Deputy Mayor for Economic Development & Rebuilding and as the Chief Operating Officer of Friends of the Highline. She received her bachelor's degree in ethics, politics, and economics from Yale University and a master's in public policy from Harvard University's Kennedy School of Government.

HARRY E. GOULD, JR., Vice Chairperson and Member, serving pursuant to law. From 1969 to May 2015, Mr. Gould served as Chairman, President and Chief Executive Officer of Gould Paper Corporation. He was Chairman and President of Cinema Group, Inc., a major independent film financing and production company, from 1982 to May 1986, and is currently Chairman and President of Signature Communications Ltd., a new company that is active in the same field as well as providing consulting services in M&A, “turnarounds,” manufacturing and distribution. Mr. Gould began his career in 1962 in the Corporate Finance Department of Goldman Sachs. From 1964-1969, he held senior operating positions at Universal American Corporation, an industrial conglomerate that merged with Gulf + Western Industries at the beginning of 1968. At the time of the merger, Universal American was ranked 354th on the Fortune 500 List, while Gulf + Western ranked in the top 75. He is a Life Member of the Executive Branch of the Academy of Motion Picture Arts and Sciences. He is a member of the Board of Directors of the Roundabout Theatre Organization and a member of the Board of Overseers at the Columbia Business School. He was a member of the Board of Directors of Domtar, Inc., North America's largest and second largest global manufacturer of uncoated free sheet papers from 1995 to 2004. He was a member of the Board of Directors of the USO of Metropolitan New York from 1973 to 2004. He was a member of the Board of Trustees of the American Management Association from 1996 to 1999. Mr. Gould served as Special Counsel to the New York State Assembly, Committee on Cities from 1970 to 1976. He was a member of Colgate University's Board of Trustees from 1976 to 1982. He was appointed Trustee Emeritus of Colgate University in 2012. He was appointed by

President Johnson to serve on the Peace Corps Advisory Council from 1964 to 1968 and to serve as the U.S. representative to the U.N. East-West Trade Development Commission from 1967 to 1968. He was appointed by President Carter to serve as Vice Chairman of the U.S. President's Export Council and was a member of the Executive Committee and Chairman of the Export Expansion Subcommittee from 1977 to 1980. He was a National Trustee of the National Symphony Orchestra, Washington, D.C., also serving as a member of its Executive Committee from 1977 to 1999. He was a member of the Board of United Cerebral Palsy Research and Educational Foundation, and the National Multiple Sclerosis Society of New York from 1972 to 1999. He was a Trustee of the Riverdale Country School from 1990 to 1999. Mr. Gould received his Bachelor of Arts degree from Colgate University magna cum laude. He began his M.B.A. studies at Harvard University and received his degree from Columbia Business School.

MELANIE HARTZOG, Member ex-officio. Ms. Hartzog was appointed New York City Budget Director in January, 2018. Prior to the appointment, Ms. Hartzog was the deputy director of the New York City Office of the Deputy Mayor for Health and Human Services. Prior to joining the Mayor's Office, she was the Executive Director at the Children's Defense Fund and served as the Deputy Commissioner for early childhood services at New York City's Administration for Children's Services. Hartzog was also Project Director for the Young Men's Initiative, a public/private partnership aimed at reducing disparities between economic and social outcomes of young men of color and other demographic groups in New York City. Hartzog also led a social services unit in the Mayor's Office of Management and Budget, and was Director of Policy and Advocacy for the Human Services Council of New York City, Inc. She has a Master of Science degree from the New School's Milano School of International Affairs, Management and Urban Policy and Bachelor of Arts from Eckerd College.

JACQUES JIHA, Member ex-officio. Mr. Jacques Jiha Ph.D. was appointed Commissioner of New York City's Department of Finance by Mayor Bill de Blasio on April 8, 2014. Prior to becoming Commissioner, Mr. Jiha was the Executive Vice President / Chief Operating Officer & Chief Financial Officer of Earl G. Graves, Ltd., a multi-media company with properties in print, digital media, television, events and the Internet. He has also served on a number of government and not-for-profit boards including the Ronald McDonald House of New York, Public Health Solutions, the Investment Advisory Committee of the New York Common Retirement Fund and as Secretary of the board of the New York State Dormitory Authority. Previous positions include Deputy Comptroller for Pension Investment and Public Finance in the Office of the New York State Comptroller, where he managed the assets of the New York State Common Retirement Fund – then the nation's second-largest pension fund valued at \$120 billion. Prior to his appointment, he worked for the New York City Office of the Comptroller first as Chief Economist and later as Deputy Comptroller for Budget, with oversight responsibilities over the city's operating budget and four-year capital plan. Mr. Jiha also served as Executive Director of the Legislative Tax Study Commission of New York State and as Principal Economist for the New York State Assembly Committee on Ways and Means. He holds a Ph.D. and a Master's degree in Economics from the New School for Social Research and a Bachelor's degree in Economics from Fordham University.

KYLE KIMBALL, Member. Mr. Kimball is vice president of Government Relations for Consolidated Edison. He joined Con Edison in June 2015. In 2013, Mr. Kimball was appointed president of the New York City Economic Development Corporation (NYCEDC) by Mayor Michael Bloomberg, and was later reappointed by Mayor Bill de

Blasio. In that position, he oversaw billions of dollars in capital infrastructure investments and implemented several commercial and housing real estate development projects in the City. Prior to joining NYCEDC, Mr. Kimball worked at Goldman, Sachs & Co. as vice president in the Americas Financing Group, and at J.P. Morgan, also as a vice president, in corporate capital markets. Mr. Kimball received an undergraduate degree from Harvard University 1995. He also received a master's degree in Public Policy from Harvard's John F. Kennedy School of Government in 1998.

CHARLES G. MOERDLER, Member, serving pursuant to law. Mr. Moerdler is a partner in the law firm of Stroock & Stroock & Lavan LLP. Prior to joining his law firm in 1967, Mr. Moerdler was Commissioner of Buildings for The City of New York from 1966 to 1967, and previously worked with the law firm of Cravath, Swaine & Moore. Mr. Moerdler has served as a member of the Committee on Character and Fitness of Applicants to the Bar of the State of New York, Appellate Division, First Department since 1977 and as a member of the Mayor's Committee on Judiciary since 1994. He has also served on the Editorial Board of the New York Law Journal since 1986. Mr. Moerdler held a number of public service positions, including Chairman of The New York State Insurance Fund from 1995 to March 1997, Commissioner and Vice Chairman of The New York State Insurance Fund from 1978 to 1994, Consultant to the Mayor of The City of New York on Housing, Urban Development and Real Estate from 1967 to 1973, Member of the Advisory Board on Fair Campaign Practices, New York State Board of Elections in 1974, Member of the New York City Air Pollution Control Board from 1966 to 1967 and Special Counsel to the New York State Assembly, Committee on Judiciary in 1961 and Committee on The City of New York in 1960. Mr. Moerdler also serves as a Trustee of St. Barnabas Hospital and served on the Board of Overseers of the Jewish Theological Seminary of America. He served as a Trustee of Long Island University from 1985 to 1991 and on the Advisory Board of the School of International Affairs, Columbia University from 1976 to 1979. Mr. Moerdler is a graduate of Long Island University and Fordham Law School, where he was an Associate Editor of the Fordham Law Review.

DENISE SCOTT, Member, serving pursuant to law. Ms. Scott is Managing Director of the Local Initiatives Support Corporation's New York City program (LISC NYC) since 2001. During her tenure, LISC NYC has invested in the development of over 10,000 units of affordable housing. Ms. Scott served as a White House appointee to the United States Department of Housing and Urban Development (HUD) from 1998 to January 2001 responsible for daily operations of HUD's six New York/New Jersey regional offices. She was the Managing Director/Coordinator responsible for launching the Upper Manhattan Empowerment Zone Development Corporation. Ms. Scott served as the Assistant Vice President of the New York City Urban Coalition after serving as Deputy Director of the New York City Mayor's Office of Housing Coordination from 1990-1992. She held several positions at HPD ultimately serving as the Director of its Harlem preservation office. Ms. Scott serves on the U.S. Department of Treasury's Office of Thrift Supervision Minority Depository Institutions Advisory Committee and also serves on several boards including the National Equity Fund, Supportive Housing Network of New York, Citizens Housing and Planning Council, Neighborhood Restore / Restored Homes and the New York Housing Conference. Ms. Scott has a MS in Urban Planning from Columbia University and has taught at its Graduate School of Architecture, Planning and Preservation as a Visiting Assistant Professor.

Principal Officers

MARIA TORRES-SPRINGER, Chairperson.

HARRY E. GOULD, JR., Vice Chairperson.

ERIC ENDERLIN, President. Mr. Enderlin was appointed President of the Corporation on September 22, 2016, effective October 12, 2016. Prior to joining the Corporation, he served as Deputy Commissioner for Development and Special Advisor at the New York City Department of Housing Preservation and Development (HPD), overseeing divisions including New Construction Finance, Preservation Finance, Housing Incentives, Property Disposition and Finance, Special Needs Housing, Building and Land Development Services, Storm Recovery, and Credit and Underwriting. Prior to his tenure at HPD, Mr. Enderlin was Assistant Director for Asset Management and Private Market Operations at the New York City Housing Authority (NYCHA), worked as a consultant with the Louis Berger Group in its Economics Department, and served as Principal Planner and land use mediator with the New Jersey Council on Affordable Housing (NJ COAH). Mr. Enderlin holds a Bachelor of Arts in economics and a Master of Science in urban planning and policy, both from Rutgers University.

RICHARD M. FROEHLICH, Chief Operating Officer, Executive Vice President and General Counsel. Mr. Froehlich, an attorney and member of the New York State Bar, was appointed Chief Operating Officer of the Corporation on June 9, 2011, and Executive Vice President for Capital Markets of the Corporation on February 27, 2008. Mr. Froehlich is also the General Counsel of the Corporation. He was originally appointed Senior Vice President and General Counsel of the Corporation effective November 17, 2003. Prior to joining the Corporation, he was Counsel at the law firm of O'Melveny & Myers LLP in its New York City office, where Mr. Froehlich's practice focused on real estate, public finance and affordable housing. From 1993 to 1998, Mr. Froehlich was an Assistant Counsel at the New York State Housing Finance Agency. Upon graduation from law school, he was an associate at Skadden, Arps, Slate, Meagher & Flom. Mr. Froehlich received his B.A. degree from Columbia College and his J.D. from Columbia University School of Law. He is an Adjunct Assistant Professor of Urban Planning at Columbia University.

PAULA ROY CARETHERS, Executive Vice President for Real Estate. Ms. Carethers was appointed Executive Vice President of the Corporation on June 10, 2014, effective July 7, 2014. Prior to joining the Corporation, she held senior positions at the Empire State Development Corporation ("ESDC"), including Director of Atlantic Yards Development and President of Queens West Development Corporation. While at ESDC she managed the consolidation of the Mitchell-Lama portfolio from ESDC to the New York State Housing Finance Agency. Prior to such positions, Ms. Carethers worked at CPC Resources, Inc. focusing on the Domino Sugar Redevelopment, at the New York City Economic Development Corporation, and worked in private consulting and non-profit development. Ms. Carethers received a B.S. degree from Michigan State University and a Master in Urban and Regional Planning from the University of Michigan's Taubman College of Architecture and Urban Planning.

CATHLEEN A. BAUMANN, Senior Vice President and Treasurer. Ms. Baumann was appointed Senior Vice President of the Corporation on August 8, 2012 and Treasurer of the Corporation by the President on July 20, 2009. Prior to such appointments, she held

the position of Deputy CFO since September 2004. Ms. Baumann joined the Corporation in 1988 as an Accountant. She has also held the positions of Senior Accountant and Internal Auditor and Vice President of Internal Audit. Ms. Baumann received her bachelor's degree with majors in Accounting and Economics from Queens College of the City University of New York and her MBA in Finance from Baruch College's Zicklin School of Business of the City University of New York.

ELLEN K. DUFFY, Senior Vice President for Debt Issuance and Finance. Ms. Duffy was appointed Senior Vice President of the Corporation on September 15, 2009, effective September 21, 2009. Prior to joining the Corporation, Ms. Duffy was a principal of the housing finance group at Bank of America Securities ("BAS"). At BAS, Ms. Duffy focused on quantitative structuring of transactions and cash flow analysis for state and local housing issuers. Ms. Duffy previously held positions in the housing areas of the public finance groups at CS First Boston, First Union Securities and Citicorp Investment Bank. Ms. Duffy holds a B.A. in Economics from Providence College.

TERESA GIGLIELLO, Senior Vice President—Portfolio Management. Ms. Gigliello was appointed a Senior Vice President of the Corporation on August 3, 1998. Prior to such appointment, Ms. Gigliello held the position of Director of Audit. She began her career with the Corporation in 1985 as an accountant and served as the Corporation's Internal Auditor from 1986 until her appointment as Director of Audit in 1995. Ms. Gigliello received a Bachelor of Science degree from St. John's University.

JIM QUINLIVAN, Senior Vice President of Administration. Mr. Quinlivan was appointed Senior Vice President of the Corporation on April 10, 2013, effective April 15, 2013. Prior to such appointment, Mr. Quinlivan held the position of Vice President and Deputy Director of Asset Management. Mr. Quinlivan began his career with the Corporation in 1996 and held several positions before being promoted to Vice President in 2002. Prior to joining the Corporation, Mr. Quinlivan worked at the U.S. Department of Housing & Urban Development. Mr. Quinlivan received a B.A. from New York University.

ANTHONY R. RICHARDSON, Senior Vice President for Development. Mr. Richardson was appointed Senior Vice President for Development of the Corporation effective September 22, 2014. Prior to joining the Corporation, Mr. Richardson was the Director of Multifamily New Construction Programs at HPD. Prior to joining HPD, Mr. Richardson held financial advisory and sales positions at Ernst & Young, M.R. Beal & Company and Cantor Fitzgerald. Mr. Richardson received a Masters in Public Administration and Public Policy from Columbia's School of International Public Affairs and a Masters in Public Administration and Economic Policy from The London School of Economics & Political Science. Mr. Richardson received a B.A. from Morehouse College.

SUSANNAH LIPSYTE, Deputy General Counsel and Secretary. Ms. Lipsyte, an attorney and member of the New York State Bar, was promoted to Deputy General Counsel on August 1, 2015 and was appointed Secretary of the Corporation on October 7, 2015. Prior to this, she had been an Assistant Secretary of the Corporation since October 2008 and an Associate General Counsel since July 2009. Ms. Lipsyte joined the Corporation in 2006 as an Assistant General Counsel. Before joining the Corporation, Ms. Lipsyte was a public finance associate at Orrick, Herrington & Sutcliffe LLP. Ms. Lipsyte received her B.A. degree from Yale University and her J.D. from Georgetown University Law Center.

Potential Legislative and Regulatory Actions

From time to time, legislation is introduced on the Federal and State levels which, if enacted into law, could affect the Corporation, its operations or its bonds. The Corporation is not able to represent whether such bills will be introduced in the future or become law. In addition, the State undertakes periodic studies of public authorities in the State (including the Corporation) and their financing programs. Any of such periodic studies could result in proposed legislation which, if adopted, could affect the Corporation, its operations and its bonds.

BONDS OUTSTANDING UNDER THE PROGRAM

The first Series of Bonds were issued in 1993 and approximately \$12,970,195,000 principal amount of Bonds has been issued under the General Resolution. As of [October 31, 2017], the following Series of Bonds were Outstanding under the Program.

<u>Series Designation</u>	<u>Original Par Amount</u>	<u>Outstanding Par Amount</u>	<u>Date of Issue/Remarketing</u>
1998 Series A	\$57,800,000	\$100,000	May 21, 1998
1998 Series B	21,380,000	100,000	September 24, 1998
1999 Series A-1	49,100,000	6,285,000	March 3, 1999
1999 Series C	9,800,000	115,000	September 16, 1999
1999 Series E	10,715,000	100,000	January 13, 2000
2002 Series C	49,500,000	39,110,000	June 20, 2002
2003 Series B-2	33,175,000	100,000	July 16, 2003
2003 Series E-2	28,690,000	100,000	December 22, 2003
2007 Series A	25,690,000	23,505,000	March 22, 2007
2007 Series D	28,265,000	24,875,000	September 28, 2007(11)
2007 Series E-1	24,035,000	21,670,000	December 20, 2007(11)
2008 Series A-1-A	15,665,000	15,665,000	October 26, 2010(1)
2008 Series A-2	3,405,000	1,370,000	April 24, 2008
2008 Series C-2	14,760,000	1,345,000	April 24, 2008
2008 Series E	100,000,000	87,405,000	April 24, 2008
2008 Series F	86,825,000	72,255,000	June 26, 2008
2008 Series H-1	8,060,000	6,615,000	June 26, 2008
2008 Series H-2-A	14,540,000	14,540,000	October 26, 2010(2)
2008 Series J	34,590,000	33,430,000	December 23, 2008
2008 Series K	106,945,000	85,690,000	December 23, 2008
2008 Series L	10,515,000	3,250,000	December 23, 2008
2008 Series M	30,730,000	26,605,000	December 23, 2008
2009 Series A	17,450,000	1,415,000	April 30, 2009
2009 Series C-1	118,200,000	107,115,000	June 25, 2009
2009 Series F	9,000,000	5,410,000	October 1, 2009
2009 Series I-1	50,000,000	50,000,000	October 1, 2009
2009 Series I-2	25,000,000	25,000,000	October 1, 2009
2009 Series J	25,975,000	19,755,000	October 1, 2009
2009 Series K	108,785,000	68,980,000	December 17, 2009
2009 Series L-1	23,590,000	22,295,000	March 16, 2010(3)
2009 Series M	30,945,000	30,215,000	December 17, 2009
2010 Series A-1	25,325,000	25,325,000	March 16, 2010
2010 Series A-2	3,000,000	1,180,000	March 16, 2010
2010 Series C	14,815,000	13,910,000	May 12, 2010
2010 Series D-1-A	43,475,000	30,300,000	June 29, 2010
2010 Series E	10,570,000	2,140,000	June 29, 2010
2010 Series F	4,130,000	3,330,000	June 29, 2010
2010 Series G	50,765,000	36,235,000	October 26, 2010
2010 Series H	74,575,000	53,360,000	October 26, 2010
2010 Series J-1	21,560,000	12,230,000	December 22, 2010
2010 Series K-1	5,165,000	4,710,000	December 22, 2010
2010 Series L-1	12,620,000	10,900,000	April 28, 2011(4)
2010 Series N	5,675,000	2,175,000	December 22, 2010
2011 Series B-1	21,240,000	925,000	April 28, 2011
2011 Series C	1,980,000	1,425,000	April 28, 2011
2011 Series D	23,645,000	2,155,000	June 29, 2011
2011 Series E	72,030,000	15,685,000	June 29, 2011
2011 Series F-1	31,000,000	6,945,000	June 29, 2011
2011 Series F-2	56,460,000	56,460,000	June 29, 2011
2011 Series F-3	12,540,000	12,540,000	June 29, 2011
2011 Series G-2-A	38,925,000	16,035,000	December 22, 2011
2011 Series H-2-A	22,890,000	19,480,000	December 22, 2011

<u>Series Designation</u>	<u>Original Par Amount</u>	<u>Outstanding Par Amount</u>	<u>Date of Issue/Remarketing</u>
2011 Series H-2-B	15,970,000	15,970,000	December 22, 2011
2011 Series H-3-B	11,685,000	7,625,000	December 22, 2011
2011 Series J-1	38,345,000	38,345,000	December 22, 2011
2011 Series J-2	25,550,000	4,915,000	December 22, 2011
2012 Series B	42,650,000	28,595,000	April 24, 2012
2012 Series D-1-A	48,725,000	48,215,000	June 28, 2012
2012 Series D-1-B	85,450,000	78,430,000	June 28, 2012
2012 Series E	72,000,000	58,990,000	August 3, 2012
2012 Series F	80,330,000	38,110,000	October 11, 2012
2012 Series G	31,960,000	31,110,000	October 11, 2012
2012 Series H	21,995,000	1,770,000	October 11, 2012
2012 Series I	89,175,000	58,965,000	October 25, 2012
2012 Series K-1-A	155,750,000	92,100,000	December 19, 2013
2012 Series L-1	12,390,000	12,390,000	December 19, 2013
2012 Series L-2-A	102,825,000	100,710,000	March 8, 2013
2012 Series L-2-B	2,060,000	2,060,000	March 8, 2013
2012 Series M-2	9,745,000	9,655,000	May 3, 2013(5)
2012 Series M-3	10,525,000	10,425,000	June 27, 2013(5)
2013 Series B-1-A	131,880,000	74,150,000	June 27, 2013
2013 Series B-1-B	74,700,000	48,640,000	June 27, 2013
2013 Series D-1	40,135,000	33,500,000	July 31, 2013
2013 Series D-2	55,000,000	55,000,000	June 27, 2013
2013 Series E-1-A	118,660,000	39,720,000	December 19, 2013
2013 Series E-1-B	57,060,000	29,560,000	December 19, 2013
2013 Series E-1-C	78,025,000	45,025,000	December 19, 2013
2013 Series F-1	29,080,000	29,080,000	May 1, 2014(6)
2014 Series A	8,170,000	6,925,000	May 1, 2014
2014 Series B-1	100,000,000	61,585,000	May 1, 2014
2014 Series B-2	50,000,000	50,000,000	May 1, 2014
2014 Series C-1-A	162,345,000	117,750,000	June 26, 2014
2014 Series C-1-B	62,705,000	32,020,000	June 26, 2014
2014 Series C-3	13,000,000	13,000,000	June 26, 2014
2014 Series D-1	38,000,000	27,755,000	July 17, 2014
2014 Series D-2	38,000,000	38,000,000	July 17, 2014
2014 Series C-1-C	30,500,000	30,500,000	September 24, 2014
2014 Series E	39,595,000	39,595,000	September 24, 2014
2014 Series G-1	337,875,000	319,970,000	December 18, 2014
2014 Series G-2	8,330,000	8,290,000	December 18, 2014
2014 Series H-2	50,000,000	50,000,000	December 18, 2014
2014 Series H-1	75,000,000	71,700,000	January 7, 2015
2015 Series A-1	28,000,000	24,100,000	April 29, 2015
2015 Series A-2	6,150,000	6,150,000	April 29, 2015
2015 Series B-1	37,000,000	27,785,000	April 29, 2015
2015 Series B-2	33,000,000	33,000,000	April 29, 2015
2015 Series D-1-A	167,495,000	167,495,000	June 25, 2015
2015 Series D-1-B	322,470,000	289,570,000	June 25, 2015
2015 Series D-2	64,140,000	62,510,000	August 13, 2015
2015 Series D-3	15,000,000	15,000,000	June 25, 2015
2015 Series D-4	13,500,000	13,500,000	June 25, 2015
2014 Series I	3,260,000	3,260,000	June 25, 2015(7)
2015 Series E-1	37,660,000	36,995,000	October 22, 2015
2015 Series E-2	16,025,000	7,315,000	October 22, 2015
2015 Series G-1	129,335,000	129,205,000	December 22, 2015
2015 Series G-2	47,160,000	47,160,000	December 22, 2015
2015 Series H	136,470,000	136,470,000	December 22, 2015
2015 Series I	60,860,000	60,860,000	December 22, 2015
2016 Series A	66,445,000	66,080,000	March 24, 2016
2016 Series D	54,090,000	53,570,000	March 24, 2016
2015 Series K	3,755,000	3,755,000	March 24, 2016(8)
2016 Series C-1-A	119,330,000	119,330,000	June 29, 2016(9)
2016 Series C-1-B	61,020,000	61,020,000	June 29, 2016(9)

<u>Series Designation</u>	<u>Original Par Amount</u>	<u>Outstanding Par Amount</u>	<u>Date of Issue/Remarketing</u>
2016 Series C-2	32,820,000	32,820,000	June 29, 2016(9)
2016 Series E-1-A	82,510,000	81,885,000	June 29, 2016
2016 Series E-1-B	81,340,000	81,340,000	June 29, 2016
2016 Series E-2	48,235,000	48,235,000	June 29, 2016
2016 Series F-1-A	23,675,000	23,675,000	October 18, 2016
2016 Series F-1-B	40,275,000	40,275,000	October 18, 2016
2016 Series F-2	8,120,000	8,120,000	October 18, 2016
2016 Series G-1	30,000,000	27,110,000	October 18, 2016
2016 Series G-2	78,000,000	78,000,000	October 18, 2016
2016 Series I-1-A	111,095,000	111,095,000	December 22, 2016
2016 Series I-1-B	36,300,000	36,300,000	December 22, 2016
2016 Series I-2-A-1	25,185,000	25,185,000	December 22, 2016
2016 Series I-2-A-2	74,840,000	74,840,000	December 22, 2016
2016 Series I-2-B	65,320,000	65,320,000	December 22, 2016
2016 Series J-1	161,500,000	161,500,000	December 22, 2016(10)
2016 Series J-2	29,500,000	29,500,000	December 22, 2016(10)
2017 Series A-1-A	51,610,000	51,610,000	April 5, 2017
2017 Series A-1-B	11,165,000	11,165,000	April 5, 2017
2017 Series A-2-A	48,880,000	48,880,000	April 5, 2017
2017 Series A-2-B	11,285,000	11,285,000	April 5, 2017
2017 Series A-3	50,000,000	50,000,000	April 5, 2017
2017 Series B-1	24,500,000	24,500,000	April 5, 2017
2017 Series B-2	61,500,000	61,500,000	April 5, 2017
2017 Series C-1	139,725,000	139,725,000	June 28, 2017
2017 Series C-2	103,025,000	103,025,000	June 28, 2017
2017 Series C-3-A	40,000,000	40,000,000	June 28, 2017
2017 Series C-3-B	40,000,000	40,000,000	June 28, 2017
2017 Series C-4	57,830,000	57,830,000	June 28, 2017
2017 Series E-1	60,465,000	60,465,000	October 12, 2017
2017 Series E-2	3,535,000	3,535,000	October 12, 2017
2017 Series F	69,915,000	69,915,000	October 12, 2017
TOTAL	\$7,305,020,000	\$6,044,770,000	

- (1) Date of remarketing; Bonds originally issued as 2008 Series A-1-A Bonds on April 24, 2008.
- (2) Date of remarketing; Bonds originally issued as 2008 Series H-2-A Bonds on June 26, 2008.
- (3) Date of remarketing; Bonds originally issued as 2009 Series L Bonds on December 17, 2009.
- (4) Date of remarketing; Bonds originally issued as 2010 Series L-1 Bonds on December 22, 2010.
- (5) Date of remarketing; Bonds originally issued as 2012 Series M Bonds on December 20, 2012.
- (6) Date of remarketing; Bonds originally issued as 2013 Series F Bonds on December 19, 2013.
- (7) Date of remarketing; Bonds originally issued as 2014 Series I Bonds on December 18, 2014.
- (8) Date of remarketing; Bonds originally issued as 2015 Series K Bonds on December 22, 2015.
- (9) Date of remarketing; Bonds originally issued as 2016 Series C Bonds on March 24, 2016.
- (10) The proceeds of the 2016 Series J-1 Bonds and 2016 Series J-2 Bonds are being applied to finance the Mortgage Loan for the Jamaica Crossing High Rise Development. The 2016 Series J Supplemental Resolution provides that on or before April 15, 2022, upon the delivery by Freddie Mac of a Credit Enhancement Agreement in connection with the conversion of the Jamaica Crossing High Rise Mortgage Loan to a permanent Mortgage Loan and satisfaction of other conditions, (i) the Jamaica Crossing High Rise Mortgage Loan will be released from the lien of the General Resolution and will no longer be a "Mortgage Loan" under the General Resolution and (ii) the 2016 Series J-1 Bonds will no longer be secured by the Revenues and assets pledged under the General Resolution but will instead be secured solely by the Mortgage Loan for the Jamaica Crossing High Rise Development and the revenues and mortgage related thereto. If such conditions are not satisfied on or before April 15, 2022, then the Mortgage Loan for the Jamaica Crossing High Rise Development will be in default and the 2016 Series J-1 Bonds and 2016 Series J-2 Bonds will be subject to mandatory tender for purchase on May 1, 2022.
- (11) The Corporation retired this Series of Bonds on November 1, 2017.

None of the Bonds Outstanding are Subordinate Bonds. [As of October 31, 2017, approximately \$4,873,690,000 or eighty-one percent (81%) of the Bonds Outstanding bear interest at a fixed rate (including bonds bearing interest in a term rate term) and approximately \$1,171,080,000 or nineteen percent (19%) of the Bonds Outstanding bear interest at a variable rate.] The Corporation has entered into interest rate cap and swap agreements to hedge a portion of the variable interest rate exposure associated with its variable interest rate bond program. See "SECURITY FOR THE BONDS—Interest Rate Caps and Swaps" and "Appendix F-2—Interest Rate Hedge Agreements" herein. See "Appendix E-4—Cross

Call Provisions and Related Information” for more information regarding the interest rates and final maturities of the Bonds Outstanding. The total principal amount of Bonds Outstanding described above does not include \$100,000,000 principal amount of the Corporation’s Multi-Family Housing Revenue Bonds, 2006 Series J-1 (the “2006 Series J-1 Bonds”) ([all of which are Outstanding as of October 31, 2017]) issued under the General Resolution because the 2006 Series J-1 Bonds are separately secured from all other Bonds issued and to be issued under the General Resolution. See “SECURITY FOR THE BONDS—Additional Obligations Issued Under the General Resolution But Not Secured By the General Resolution.”

The Corporation has issued \$415,000,000 principal amount of NIBP Series 1 Bonds ([\$252,960,000 principal amount of which is Outstanding as of October 31, 2017]) under the NIBP Series 1 Resolution and \$85,000,000 principal amount of NIBP Series 2 Bonds ([\$34,250,000 principal amount of which is Outstanding as of October 31, 2017]) under the NIBP Series 2 Resolution. Additional bonds may also be issued under each NIBP Resolution secured on a parity with the NIBP Series 1 Bonds or NIBP Series 2 Bonds, as applicable (the NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the “NIBP Bonds”). Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure regularly scheduled debt service on the NIBP Bonds on parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds) and the 2017 Pass-Through Bonds. See “SECURITY FOR THE BONDS—Additional Obligations Secured by the General Resolution.”

The Corporation has issued \$59,891,354 principal amount of 2017 Pass-Through Bonds ([\$59,891,354 of which is Outstanding as of October 31, 2017]) under the 2017 Pass-Through Resolution. Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure the payment of regularly scheduled interest on the 2017 Pass-Through Bonds, and the mandatory redemption thereof from loan principal repayments, on parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds) and the NIBP Bonds. See “SECURITY FOR THE BONDS—Additional Obligations Secured by the General Resolution.”

SECURITY FOR THE BONDS

Pledge of the General Resolution

The General Resolution constitutes a contract among the Corporation, the Trustee and the owners of the Bonds issued thereunder and, except as otherwise provided under the General Resolution or in a Supplemental Resolution authorizing a Series of Bonds, its provisions are for the equal benefit, protection and security of the owners of all such Bonds, each of which, regardless of maturity, is to be of equal rank without preference, priority or distinction. The General Resolution authorizes the issuance of Bonds having a charge and lien on the Revenues and other assets pledged under the General Resolution subordinate to the charge and lien of the Bonds (the "Subordinate Bonds"). Prior to the issuance of any Bonds (other than the Subordinate Bonds), the General Resolution requires that the Trustee be provided with confirmation of the then existing ratings on the Bonds (other than the Subordinate Bonds) by each of the Rating Agencies then rating such Bonds. See "Additional Bonds" below.

The Bonds are special revenue obligations of the Corporation payable solely from the Revenues and Accounts described below.

Payment of the principal or Redemption Price of and interest on all Bonds is secured by a pledge of Revenues, which consist of, among other things, unless otherwise provided in a Supplemental Resolution authorizing a Series of Bonds, all payments received by the Corporation from or on account of the Mortgage Loans, including scheduled, delinquent and advance payments of principal of and interest on the Mortgage Loans, proceeds from the sale, assignment, endorsement or other disposition of the Mortgage Loans, amounts received on account of the acceleration of payments due under the Mortgage Loans or other remedial proceedings taken in the event of a default thereon, proceeds of any mortgage insurance or credit enhancement with respect to defaulted Mortgage Loans, proceeds of any hazard insurance or condemnation award, and income derived from the investment of funds held by the Trustee in Accounts established under or pursuant to the General Resolution. Revenues do not, however, include amounts required to be deposited in the Rebate Fund, Escrow Payments, late charges or administrative, financing, extension, servicing or settlement fees on account of any Mortgage Loan. Payment of the Bonds is also secured by a pledge by the Corporation of its right, title and interest in and to the Mortgage Loans and, except as otherwise provided in any Supplemental Resolution authorizing a particular Series of Bonds, of all Accounts established pursuant to the General Resolution (including the investments thereof, if any). Under the General Resolution, the Corporation is not required to subject to the pledge and lien of the General Resolution assets, including mortgage loans, financed by Bonds issued thereunder. In addition, under the General Resolution the Corporation may pledge Accounts created pursuant to a Supplemental Resolution authorizing a particular Series of Bonds solely to the Bonds of such Series or exclude such Accounts from the pledge of the General Resolution. See "Appendix B—Summary of Certain Provisions of the General Resolution."

The foregoing pledges are also subject to the terms and provisions of the General Resolution requiring transfers of amounts to the Rebate Fund and permitting the application of the Revenues and amounts in such Accounts for certain purposes, including financing Mortgage Loans, funding the Debt Service Reserve Account in order to maintain such Account at its required level, paying certain amounts to the Trustee, the Corporation and Credit Facility Providers, if any, and paying certain investment fees, if any. The Corporation is also authorized under the General Resolution to withdraw surplus revenues and any Mortgage Loans, free and clear of the pledge and lien of the General Resolution, upon filing a Cash Flow Statement with the Trustee. See "Cash Flow Statements and Cash Flow Certificates" below and "Appendix B—Summary of Certain Provisions of the General Resolution—Revenue Account."

Mortgage Loans

Under the General Resolution, the Corporation is authorized to issue Bonds to finance any of its corporate purposes for which the Corporation may issue bonds under the Act, or any other applicable law now or hereafter enacted. Such corporate purposes include, but are not limited to, financing one or more Mortgage Loans. The term Mortgage Loan is defined under the General Resolution as a loan for a Project, evidenced by a note, secured by a Mortgage (but such Mortgage need not create a first mortgage lien on such Project) and specified in a Supplemental Resolution as being subject to the lien of the General Resolution. The term Mortgage Loan also includes a participation by the Corporation with another party or parties, public or private, in a loan made to a Mortgagor with respect to a Project, or pool of such loans, and any instrument evidencing an ownership in any such loan or the cash flow therefrom, including, but not limited to, guaranteed mortgage-backed securities. In addition to Mortgage Loans, the Corporation may finance mortgage loans and other assets that are not subject to the pledge of the General Resolution. See "THE PROGRAM—General" and "Appendix E-1—Developments and Mortgage Loans Outstanding Under the Program" for a description of the Mortgage Loans financed under the Program to date.

If Mortgage Loans are financed under the General Resolution, such Mortgage Loans may, but are not required to, be subject to Supplemental Security insuring or securing against Mortgage Loan default losses. Such Supplemental Security, if any, may be in the form of, among other things, a policy of mortgage insurance, a guaranteed mortgage-backed security, a letter of credit, a surety bond or an escrow deposit, any or all of which may be obtained pursuant to one or more programs of the Federal, State or local government.

In the case of most of its programs, the Corporation has not assumed sole responsibility for the underwriting of mortgage loans financed thereunder. For certain Mortgage Loans in the Program, the Corporation relies on the underwriting criteria and expertise of other parties, including HUD, FHA, Fannie Mae, Freddie Mac, REMIC, SONYMA, credit facility providers and/or HPD. For certain other Mortgage Loans in the Program, the Corporation, in conjunction with conventional lenders, credit facility providers and/or HPD, has underwritten such Mortgage Loans. For certain Mortgage Loans in the Program, the Corporation may determine to undertake such underwriting responsibility by itself. In the General Resolution, the Corporation has covenanted to retain and employ competent personnel for the purposes of carrying out its powers thereunder.

Except as otherwise provided in a Supplemental Resolution authorizing Bonds, the Corporation shall do all acts and things necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Mortgage Loans) and shall diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Corporation to protect its rights with respect to or to maintain any Supplemental Security on Mortgage Loans or any Subsidy Programs in connection with the Projects securing the Mortgage Loans or the occupancy thereof and to enforce all terms, covenants and conditions of the Mortgage Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made. See "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans."

Cash Flow Statements and Cash Flow Certificates

The General Resolution provides that the Corporation shall file with the Trustee a current Cash Flow Statement: (i) whenever any Series of Bonds is issued; (ii) upon purchase or redemption of Bonds of a Series in a manner other than (a) as contemplated in the last Cash Flow Statement filed by the Corporation with the Trustee or (b) on a basis whereby the Bonds of each maturity of such Series are purchased or redeemed in the proportion that the amount Outstanding of such maturity bears to the total amount of all Bonds Outstanding of such Series, when such purchases or redemptions are to be made in connection with Recoveries of Principal; (iii) prior to withdrawing monies for payment to the Corporation, pursuant to the General Resolution, free and clear of the pledge and lien of the General Resolution, in an amount in excess of the amounts determined to be available for such purpose in the last Cash Flow Statement filed with the Trustee; (iv) prior to selling Mortgage Loans not in default; (v) prior to the financing of or amending Mortgage Loans to contain terms that would adversely affect the cash flow projections contained in the last Cash Flow Statement filed with the Trustee; (vi) prior to the releasing of any Mortgage Loan from the pledge and lien of the General Resolution; (vii) prior to the application of Recoveries of Principal to any use other than the purchase or redemption of Bonds; (viii) prior to the purchase of Bonds pursuant to certain provisions of the General Resolution at prices in excess of those specified in the General Resolution; or (ix) prior to the application of monies in the Redemption Account resulting from Recoveries of Principal derived from or with respect to any Mortgage Loans to the purchase or redemption of Bonds of a Series other than the Series issued to finance such Mortgage Loans. A Cash Flow Statement is not required in connection with the release of the 2014 Series B Mortgage Loan at such time as the Corporation's Multi-Family Housing Revenue Bonds, 2014 Series B-1 and Multi-Family Housing Revenue Bonds, 2014 Series B-2 (collectively, the "2014 Series B Bonds") are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2014 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2014 Series B Participant Interest available for the redemption of 2014 Series B Bonds been applied to redeem the 2014 Series B Bonds. A Cash Flow Statement is also not required for the release of funds in payment of the fee payable to the Corporation pursuant to the Participation Agreements with respect to the 2014 Series B Participant Interest (equal to 1.25% of the principal amount deemed to be Outstanding of the 2014 Series B Bonds). A Cash Flow Statement is also not required in connection with the release of the 2005 Series F Participant Interest, the 2005 Series J Participant Interest, the 2011 Participant Interest and certain of the subordinate Mortgage Loans originated pursuant to the ML Restructuring Program when the Mitchell-Lama Restructuring Bonds are no longer Outstanding. In addition, a Cash Flow Statement is not required in connection with the release of the Lexington Gardens II 2017 Series C Mortgage Loan financed with the proceeds of the 2017 Series C-4 Bonds upon receipt by the Trustee from the Corporation of funds equal to the outstanding principal amount of the Lexington Gardens II 2017 Series C Mortgage Loan at the time of such release and notice to redeem the outstanding 2017 Series C-4 Bonds. In addition, a Cash Flow Statement is not required in connection with the release of the 2018 Series B Mortgage Loan at such time as the 2018 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2018 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2018 Series B Participant Interest available for the redemption of 2018 Series B Bonds been applied to redeem the 2018 Series B Bonds. A Cash Flow Statement is also not required for the release of funds in payment of the fee payable to the Corporation pursuant to the Participation Agreement with respect to the 2018 Series B Participant Interest (equal to [1.25]% of the outstanding principal amount of the 2018 Series B Bonds).

In addition, the Corporation shall not take any of the actions described in clauses (ii) through (ix) of the preceding paragraph unless subsequent to such action the amount of monies and Investment Securities held in the Bond Proceeds Account, the Redemption Account, the Revenue Account and the Debt Service Reserve Account (valued at their cost to the Corporation, as adjusted by amortization of the

discount or premium paid upon purchase of such obligations ratably to their respective maturities), together with accrued but unpaid interest thereon, and the outstanding principal balance of Mortgage Loans, together with accrued but unpaid interest thereon, and any other assets, valued at their realizable value, pledged for the payment of the Bonds will exceed the aggregate principal amount of and accrued but unpaid interest on Bonds Outstanding; provided, however, that in the event that a Supplemental Resolution authorizing the issuance of a Series of Bonds specifies that, for purposes of the requirements of this paragraph, the Mortgage Loans financed by such Series of Bonds shall be valued at other than their outstanding principal balance, then, with respect to such Mortgage Loans, such other value shall be used in the calculations required by this paragraph. Each Supplemental Resolution assigns or provides for the assignment of a valuation to the Mortgage Loans financed thereunder. The Corporation may change such valuation with respect to any such Mortgage Loan by furnishing to the Trustee a Certificate of an Authorized Officer specifying the new valuation. Copies of the Supplemental Resolutions and any such Certificates are on file with the Corporation and the Trustee.

A Cash Flow Statement consists of a statement of an Authorized Officer giving effect to actions proposed to be taken and demonstrating in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding that amounts then expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the General Resolution to be on deposit in the Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement. However, a Supplemental Resolution may provide that an Account established in such Supplemental Resolution not be taken into account when preparing the Cash Flow Statement. The Cash Flow Statement shall set forth the assumptions upon which the estimates therein are based, which assumptions are to be based upon the Corporation's reasonable expectations and must not adversely affect any of the Rating Agencies' ratings on the Bonds. In calculating the amount of interest due in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding on Bonds bearing interest at a variable rate, the interest rate used shall be assumed to be the fixed rate, which in the judgment of the remarketing agents for such Bonds, or such other financial consultant selected by the Corporation and experienced in the sale of municipal securities (having due regard to the prevailing market conditions), would be necessary to enable such Bonds to be sold at par in the secondary market on the date of such calculation or such higher or lower rate which does not adversely affect any of the Rating Agencies' ratings on the Bonds. Upon filing a Cash Flow Statement with the Trustee, the Corporation is to perform its obligations under the General Resolution in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to a date not more than 180 days prior to the date of delivery of such statement.

In lieu of filing a Cash Flow Statement, a Cash Flow Certificate may be filed in order to take the actions described in (1) clause (iii) of the first paragraph of this subsection or (2) clause (v) of the first paragraph of this subsection relating to amending Mortgage Loans but only if, in the judgment of the Corporation, such amendments do not materially adversely affect the cash flow projections contained in the last Cash Flow Statement. A Cash Flow Certificate shall consist of a statement of an Authorized Officer to the effect of one of the following:

- (a) The proposed action is consistent with the assumptions set forth in the latest Cash Flow Statement; or
- (b) After giving effect to the proposed action, in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, amounts expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the General Resolution to be on deposit in such Accounts for the payment of the principal and Redemption

Price of and interest on the Bonds, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement, except that to the extent specified in a Supplemental Resolution an Account established in said Supplemental Resolution shall not be taken into account in connection with such Cash Flow Certificate; or

(c) The proposed action will not in and of itself adversely affect the amounts expected to be on deposit in the Accounts in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, except that the Cash Flow Certificate shall not consider any Accounts which a Supplemental Resolution specifies shall not be taken into account in connection with the delivery of a Cash Flow Certificate.

Debt Service Reserve Account

The Corporation is required to establish a Debt Service Reserve Account for the Bonds pursuant to the General Resolution. If on any Interest Payment Date or Redemption Date the amount available in the Revenue Account and Redemption Account, as applicable, is insufficient to pay Principal Installments and interest due on any Bonds, the Trustee must apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency.

Under the General Resolution, the Debt Service Reserve Account Requirement is the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in a Supplemental Resolution authorizing the issuance of such Series of Bonds. There is no minimum Debt Service Reserve Account Requirement under the General Resolution. The General Resolution further provides that the Debt Service Reserve Account Requirement for any Series of Bonds may be funded, in whole or in part, through Cash Equivalents if so provided in a Supplemental Resolution authorizing such Series. See "Appendix B—Summary of Certain Provisions of the General Resolution—Debt Service Reserve Account." As of July 31, 2017, the Debt Service Reserve Account had a balance of \$118,127,265 including a payment obligation of \$7,500,000 by the Corporation which constitutes a general obligation of the Corporation; the aggregate Debt Service Reserve Account Requirement for all of the Bonds Outstanding was met as of such date. See "Appendix F-1—Certain Investments under the General Resolution—Debt Service Reserve Account."

Mortgage Loan Reserve Account

In 2005, the Corporation established a Mortgage Loan Reserve Account for a specified pool of Mortgage Loans that receive credit enhancement from Fannie Mae (the "Fannie Mae Credit Enhanced Mortgage Loans"). Funds in the Mortgage Loan Reserve Account may be used by the Trustee at the direction and discretion of the Corporation to pay a portion of the debt service on the Fannie Mae Credit Enhanced Mortgage Loans. As of July 31, 2017, the Mortgage Loan Reserve Account had a balance of \$1,414,291. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Fannie Mae—Fannie Mae Pool Credit Enhancement Instrument."

Interest Rate Caps and Swaps

In connection with its variable interest rate bond program, the Corporation has entered into interest rate cap agreements to manage its exposure to variable interest rate risk (the "Interest Rate Cap Agreements") under which, in exchange for an upfront payment from the Corporation, the counterparties to such Interest Rate Cap Agreements agree to pay an amount equal to interest on specified amortizing notional amounts calculated using the amount by which a specified index (the "Index") exceeds a specified interest rate (the "Strike Rate"). Under certain Interest Rate Cap Agreements, the counterparty is not obligated to pay the Corporation with respect to such notional amounts, the amount by which the

Index exceeds a specified ceiling rate (the “Ceiling Rate”). The Corporation has pledged the payments, if any, received from the counterparties pursuant to the Interest Rate Cap Agreements to the General Resolution for the benefit of the Bond owners.

The table titled “Interest Rate Caps” in Appendix F-2 hereto sets forth the following information with respect to each Interest Rate Cap Agreement into which the Corporation has entered: counterparty, Index, Strike Rate, Ceiling Rate, effective date and termination date. See “Appendix F-2—Interest Rate Hedge Agreements.”

The Corporation has also entered into certain interest rate exchange agreements (“Interest Rate Exchange Agreements”) to manage its exposure to variable interest rate risk. Under the terms of each Interest Rate Exchange Agreement, the Corporation will receive a payment to the extent an amount based on a variable rate calculated on a notional amount exceeds an amount based on a fixed rate calculated on the notional amount, and the Corporation will be obligated to make a payment to the extent the amount based on the fixed rate exceeds the amount based on the variable rate. The Corporation has pledged the payments, if any, received from the counterparty pursuant to each Interest Rate Exchange Agreement to the General Resolution for the benefit of the Bond owners (reserving the right to remove such payments from such pledge upon filing a Cash Flow Statement or Cash Flow Certificate with the Trustee). However, the obligation of the Corporation under each Interest Rate Exchange Agreement is a general obligation of the Corporation and is not secured under the General Resolution.

The table titled “Interest Rate Exchange Agreements” in Appendix F-2 hereto sets forth the following information with respect to the Interest Rate Exchange Agreements: counterparty, Index, rate payable, rate received, Ceiling Rate, effective date and termination date. See “Appendix F-2—Interest Rate Hedge Agreements.”

From time to time, the Corporation considers entering into additional interest rate cap agreements and interest rate exchange agreements in order to manage its exposure to variable interest rate risk.

Additional Bonds

Additional Bonds, subordinate to or on parity with the Bonds then Outstanding, may be issued by the Corporation pursuant to the General Resolution. Prior to the issuance of any such additional Bonds (other than the Subordinate Bonds), the General Resolution requires that the Trustee be provided with, among other things, confirmation of the then existing rating on the Bonds (other than the Subordinate Bonds) by each of the Rating Agencies then rating such Bonds. See “Appendix B—Summary of Certain Provisions of the General Resolution—Provisions for Issuance of Bonds” for a description of the requirements that must be met under the General Resolution prior to the issuance of additional Bonds.

Bonds Not a Debt of the State or the City

The Bonds are not a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall the Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

Summary of Program Assets and Revenues

Accompanying the audited financial statements of the Corporation for the fiscal year ended October 31, 2016 is supplemental information related to the Program (referred to therein as the “Housing Revenue Bond Program”) which is specifically set forth in Schedule 3, all as set forth in Appendix C hereto. Schedule 3 is supplemental information primarily related to the Program for the Corporation’s

fiscal years ended October 31, 2016 and 2015. Said schedule includes (i) a balance sheet with assets, liabilities and net assets substantially related to the assets pledged under the General Resolution and (ii) a schedule of revenues, expenses and changes in fund net assets substantially related to the revenues pledged under the General Resolution. Said schedule does not include financial information with respect to activities under the General Resolution subsequent to October 31, 2016, including the issuance of Bonds or the making of Mortgage Loans after such date.

Schedule 3 contains a schedule of balance sheet information which reflects such net assets of approximately \$1,091,987,000 as of October 31, 2016, an increase of 20.1% from October 31, 2015. This schedule also provides information pertaining to revenues, expenses and changes in fund net assets that reflects an increase in such net assets of approximately \$182,643,000 during the fiscal year ended October 31, 2016, an increase from net assets of \$909,344,000 as of October 31, 2015.

The Corporation may withdraw assets and surplus revenues from the pledge and lien of the General Resolution upon the filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate as more fully described in "Cash Flow Statements and Cash Flow Certificates" above. Since the inception of the Program, the Corporation has made withdrawals of surplus revenues. During the fiscal year ended October 31, 2016, the Corporation withdrew \$42,070,339 of surplus revenues from the General Resolution and \$5,000,000 of surplus revenues from the NIBP Series 1 Resolution. Subsequent to October 31, 2016, the Corporation withdrew approximately \$67,282,040 of surplus revenues from the General Resolution, \$5,347,943 of surplus revenues from the NIBP Series 1 Resolution and \$957,017 of surplus revenues from the NIBP Series 2 Resolution.

Certain Investments

Notwithstanding anything to the contrary contained in the General Resolution, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to the General Resolution must, as of the date of such purchase, be rated by each of the Rating Agencies in a category at least equal to the rating category of the Bonds (other than Subordinate Bonds) (or "A-1+" or "P-1," as applicable, if the Investment Security has a remaining term at the time it is provided not exceeding one (1) year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds (other than Subordinate Bonds) by any of the Rating Agencies. A change in the rating of any Investment Securities purchased by the Trustee, subsequent to the date of purchase, would not require the Trustee to sell such Investment Securities. If a Rating Agency were to downgrade or withdraw the rating on any Investment Securities previously purchased by the Trustee, the rating on the Bonds could be negatively affected. See "RATINGS" in Part I of this Official Statement. Investment earnings on Accounts are to be transferred to the Revenue Account except as otherwise provided by the General Resolution. See "Appendix B—Summary of Certain Provisions of the General Resolution—Deposits and Investments" and "—Revenue Account."

The tables in Appendix F-1 hereto set forth for each Series of Bonds: the type of investment, the investment agreement, the counterparties to the respective investment agreements with the Corporation and the Trustee, the amount of investment (except with respect to the Revenue Account), and the interest rate and the maturity date for such investments, for the Debt Service Reserve Account, the Bond Proceeds Account and certain of the amounts deposited in the Revenue Account.

Liquidity Facilities for Bonds Bearing Variable Rates of Interest

The Corporation has four outstanding Series of Bonds supported by a liquidity facility, with an outstanding principal balance of \$172,280,000 as of [January 31, 2018], that currently bear interest at a variable interest rate and that are subject to optional or mandatory tender (the "Variable Rate Bonds"). Each of the banks identified below (each, a "Liquidity Facility Provider") has provided a standby bond purchase agreement (each, a "Liquidity Facility") with respect to the specified Series of Variable Rate Bonds. Each Liquidity Facility requires the Liquidity Facility Provider to provide funds to pay the Purchase Price of any Variable Rate Bonds of the applicable Series that are tendered for purchase and not remarketed.

Outstanding Liquidity Facilities

Bonds	Development	Liquidity Facility Provider	Par Amount of Liquidity Facility	Expiration Date
2015 Series D-3	Essex Crossing Site 2	Citibank, N.A.	\$15,000,000	February 14, 2019
2015 Series D-4	Essex Crossing Site 5	Wells Fargo Bank, National Association	\$13,500,000	August 14, 2018
2017 Series C-4	Lexington Gardens II	Wells Fargo Bank, National Association	\$57,830,000	December 28, 2020
2017 Series G-3	La Central Building A and B	Wells Fargo Bank, National Association	\$85,950,000	March 28, 2021
TOTAL			\$172,280,000	

Any Variable Rate Bond purchased by the Liquidity Facility Provider pursuant to the terms of the Liquidity Facility becomes a "Bank Bond" until such Bank Bond is either remarketed to a purchaser (other than the Liquidity Facility Provider) or retired. Interest on any Bank Bond will be due and payable at the rate provided for the Variable Rate Bonds of the applicable Series set forth in the applicable Supplemental Resolution and the principal of any Bank Bond will be payable at the times and amounts set forth for the Variable Rate Bonds of the applicable Series in the applicable Supplemental Resolution.

Each Liquidity Facility expires prior to the maturity date of the related Variable Rate Bonds. In connection with any scheduled expiration as stated in the above table, the Corporation may extend the scheduled expiration, provide an alternate liquidity facility to replace the expiring standby bond purchase agreement, or convert the interest rates on the applicable Series of Variable Rate Bonds to fixed interest rates or to an interest rate mode that does not require a liquidity facility. Each Series of Variable Rate Bonds is subject to mandatory tender for purchase prior to the expiration of the applicable Liquidity Facility. There can be no assurance that the Corporation will be able to extend any expiration date or to obtain an alternate liquidity facility on terms substantially similar to the terms of the expiring standby bond purchase agreement. Under certain circumstances, the Liquidity Facility Provider may terminate a standby bond purchase agreement without affording the applicable Variable Rate Bond owners a right to tender their Bonds.

Additional Obligations Secured by the General Resolution

NIBP Bonds

The Corporation has issued \$415,000,000 principal amount of NIBP Series 1 Bonds ([\$252,960,000 principal amount of which is Outstanding as of October 31, 2017]) under the NIBP Series 1 Resolution and \$85,000,000 principal amount of NIBP Series 2 Bonds ([\$34,250,000 principal amount of which is Outstanding as of October 31, 2017]) under the NIBP Series 2 Resolution. Additional bonds

may also be issued under each NIBP Resolution secured on a parity with the NIBP Series 1 Bonds or NIBP Series 2 Bonds, as applicable (the NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the "NIBP Bonds"). Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure regularly scheduled payments of principal of and interest on the NIBP Bonds, including the sinking fund payments thereon, on a parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds) and the 2017 Pass-Through Bonds. No other funds and Accounts under the General Resolution other than the Revenue Account are pledged to secure the NIBP Bonds. Payment of the principal or Redemption Price of and interest on the NIBP Bonds is also secured by the funds and accounts established under and the revenues and assets pledged under the applicable NIBP Resolution. However, the funds, accounts, revenues and assets pledged under the NIBP Resolutions are not security for the Bonds or the 2017 Pass-Through Bonds.

The Second Supplement to each NIBP Resolution provides that the regularly scheduled principal of and interest on the applicable NIBP Bonds, including sinking fund payments thereon, shall be paid first with revenues available under such NIBP Resolution, second with amounts withdrawn from the debt service reserve fund held under such NIBP Resolution and third, but only to the extent that such sources are not sufficient, with amounts in the Revenue Account under the General Resolution. Amounts held in the Debt Service Reserve Account and other funds and Accounts under the General Resolution (other than the Revenue Account) are not available to pay any amounts with respect to the NIBP Bonds. Any projected transfers from the Revenue Account for the payment of NIBP Bonds, as described above, will be taken into account in all Cash Flow Statements.

Each NIBP Resolution contains its own events of default and does not provide that an event of default under the General Resolution is an event of default under the NIBP Resolution. If an event of default under a NIBP Resolution occurs but no event of default has occurred under the General Resolution, then the holders of the applicable NIBP Bonds will be entitled to pursue remedies under the related NIBP Resolution (but not under the General Resolution). Such remedies may include acceleration of the applicable NIBP Bonds but the Revenues and amounts held in the funds and Accounts under the General Resolution shall not be available to pay any accelerated amounts. If an event of default under the General Resolution occurs but no event of default has occurred under a NIBP Resolution, then the holders of Bonds (excluding the NIBP Bonds) may direct remedies under the General Resolution including the acceleration of Bonds other than the NIBP Bonds. However, so long as there is no event of default under a NIBP Resolution, the NIBP Bonds issued thereunder shall not be accelerated and no remedies may be pursued by the holders of such NIBP Bonds. If an event of default occurs under the General Resolution and an event of default also occurs under a NIBP Resolution, the holders of Bonds may pursue remedies under the General Resolution, the holders of applicable NIBP Bonds may pursue remedies under the related NIBP Resolution and such remedies are not required to be coordinated. In no event may holders of NIBP Bonds direct remedies under the General Resolution. However, since certain mortgage loans and the payments thereunder are allocated between the General Resolution and the NIBP Series 1 Resolution and under certain circumstances the trustee under the NIBP Series 1 Resolution may direct remedies with respect to such mortgage loans, the exercise of remedies under the NIBP Series 1 Resolution by the trustee thereunder or by the holders of the applicable NIBP Bonds may impact the security and Revenues under the General Resolution.

The NIBP Bonds were issued as part of the New Issue Bond Program of the United States Department of the Treasury and the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation purchased the NIBP Bonds. The proceeds of each Series of the NIBP Bonds have been advanced to fund advances of mortgage loans and for certain other purposes.

2017 Pass-Through Bonds

The Corporation has issued \$59,891,354 principal amount of 2017 Pass-Through Bonds ([extract_itex]59,891,354 principal amount of which is Outstanding as of October 31, 2017]) under the 2017 Pass-Through Resolution. Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure the payment of regularly scheduled interest on the 2017 Pass-Through Bonds, and the mandatory redemption thereof from loan principal repayments, on a parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds) and the NIBP Bonds. No other funds and Accounts under the General Resolution other than the Revenue Account are pledged to secure the 2017 Pass-Through Bonds. Payment of the principal or Redemption Price of and interest on the 2017 Pass-Through Bonds is also secured by the funds and accounts established under and the revenues and assets pledged under the 2017 Pass-Through Resolution. However, the funds, accounts, revenues and assets pledged under the 2017 Pass-Through Resolution are not security for the Bonds or the NIBP Bonds.

The 2017 Pass-Through Resolution provides that regularly scheduled interest on the 2017 Pass-Through Bonds, and the mandatory redemption thereof from loan principal repayments, shall be paid first with revenues available under the 2017 Pass-Through Resolution, second with amounts withdrawn from the debt service reserve fund held under the 2017 Pass-Through Resolution and third, but only to the extent that such sources are not sufficient (and only if and for so long as no Event of Default has occurred and is continuing under the General Resolution), with amounts in the Revenue Account under the General Resolution. Amounts held in the Debt Service Reserve Account and other funds and Accounts under the General Resolution (other than the Revenue Account) are not available to pay any amounts with respect to the 2017 Pass-Through Bonds. Any projected transfers from the Revenue Account for the payment of 2017 Pass-Through Bonds, as described above, will be taken into account in all Cash Flow Statements.

The 2017 Pass-Through Resolution contains its own events of default and does not provide that an event of default under the General Resolution is an event of default under the 2017 Pass-Through Resolution. If an event of default under the 2017 Pass-Through Resolution occurs but no event of default has occurred under the General Resolution, then the holders of 2017 Pass-Through Bonds will be entitled to pursue remedies under the 2017 Pass-Through Resolution (but not under the General Resolution). Such remedies may include acceleration of the 2017 Pass-Through Bonds but the Revenues and amounts held in the funds and Accounts under the General Resolution shall not be available to pay any accelerated amounts. If an event of default under the General Resolution occurs but no event of default has occurred under the 2017 Pass-Through Resolution, then the holders of Bonds (excluding the 2017 Pass-Through Bonds) may direct remedies under the General Resolution including the acceleration of Bonds other than the 2017 Pass-Through Bonds. However, so long as there is no event of default under the 2017 Pass-Through Resolution, the 2017 Pass-Through Bonds issued thereunder shall not be accelerated and no remedies may be pursued by the holders of such 2017 Pass-Through Bonds. If an event of default occurs under the General Resolution and an event of default also occurs under the 2017 Pass-Through Resolution, the holders of Bonds may pursue remedies under the General Resolution, the holders of 2017 Pass-Through Bonds may pursue remedies under the 2017 Pass-Through Resolution and such remedies are not required to be coordinated. In no event may holders of 2017 Pass-Through direct remedies under the General Resolution.

Additional Obligations Issued Under the General Resolution But Not Secured By the General Resolution

On December 21, 2006, the Corporation issued \$100,000,000 principal amount of the 2006 Series J-1 Bonds ([all of which is Outstanding as of October 31, 2017]) pursuant to the General Resolution and a supplemental resolution entitled "Eighty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2006 Series J-1" (the "2006 Series J-1 Supplemental Resolution")

adopted by the Members of the Corporation on December 8, 2006. Pursuant to an amendment and restatement of the 2006 Series J-1 Supplemental Resolution (the "Amended and Restated 2006 Series J-1 Supplemental Resolution"), on July 13, 2012, the 2006 Series J-1 Bonds became a Series of Bonds that is separately secured from all other Bonds issued and to be issued under the General Resolution such that no Revenues or assets pledged under the General Resolution are available for the payment of the principal or Redemption Price of or interest on the 2006 Series J-1 Bonds and no revenues or assets pledged under the Amended and Restated 2006 Series J-1 Supplemental Resolution shall under any circumstances (including, but not limited to, the occurrence of an Event of Default under the General Resolution) be available for the payment of the principal or Redemption Price of or Sinking Fund Payments or interest on any Bonds (other than the 2006 Series J-1 Bonds) issued or to be issued under the General Resolution. The Amended and Restated 2006 Series J-1 Supplemental Resolution contains its own events of default and provides that an event of default under the General Resolution is not an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution and that an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution is not an Event of Default under the General Resolution. If an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution occurs, the holders of the 2006 Series J-1 Bonds will be entitled to pursue remedies only under the Amended and Restated 2006 Series J-1 Supplemental Resolution (but not under the General Resolution). If an Event of Default under the General Resolution occurs, the holders of Bonds (excluding the 2006 Series J-1 Bonds) will be entitled to pursue remedies under the General Resolution (but not under the Amended and Restated 2006 Series J-1 Supplemental Resolution).

Additional Pledged Receipts

The Corporation has agreed to deposit in the Revenue Account revenues from the senior mortgage loans for two multi-family housing developments that are in excess of amounts due to the holder of participation interests in such mortgage loans.

With respect to the first of such mortgage loans, the amount of such excess revenues is expected to be approximately \$1.3 million per year, declining to approximately \$980,000 per year, but would be reduced to zero in the event of a prepayment in full of the mortgage loan or a default under the mortgage loan. In addition, the Corporation has agreed to deposit in the Revenue Account any amounts received after October 15, 2024 as a prepayment of a related subordinate mortgage loan in connection with a full prepayment of such senior mortgage loan, not to exceed a specified amount (declining from approximately \$10 million in 2024 to zero in 2034). The Corporation's agreement to make the deposits terminates on October 31, 2034, and may be terminated at any earlier time upon the filing of a Cash Flow Statement or a Cash Flow Certificate with the Trustee.

With respect to the second of such mortgage loans, the amount of such excess revenues is expected to be approximately \$1.7 million per year, declining to approximately \$1.08 million per year, but would be reduced to zero in the event of a prepayment in full of the mortgage loan or a default under the mortgage loan. The Corporation's agreement to make the deposits terminates on July 31, 2032, and may be terminated at any earlier time upon the filing of a Cash Flow Statement or a Cash Flow Certificate with the Trustee.

With respect to the third of such mortgage loans, the amount of such excess revenues is expected to be approximately \$348,000 per year, declining to approximately \$196,000 per year, but would be reduced to zero in the event of a prepayment in full of the mortgage loan or a default under the mortgage loan. The Corporation's agreement to make the deposits terminates on December 31, 2032, and may be terminated at any earlier time upon the filing of a Cash Flow Statement or a Cash Flow Certificate with the Trustee.

All such amounts deposited in the Revenue Account shall constitute Pledged Receipts. The mortgage loans themselves will not be pledged as security under the General Resolution.

THE PROGRAM

General

Under the Program, the Corporation may issue Bonds to finance any corporate purpose for which bonds may be issued under the Act or any other applicable law now or hereafter enacted. The Bonds have been issued to, among other things, finance construction Mortgage Loans (the “Construction Mortgage Loans”), finance permanent Mortgage Loans and/or finance the acquisition of permanent Mortgage Loans (collectively, the “Permanent Mortgage Loans”), for certain newly constructed or rehabilitated Developments. Construction Mortgage Loans and Permanent Mortgage Loans are referred to herein, collectively, as the “Mortgage Loans.”

The General Resolution provides for the issuance of additional Bonds to be used for financing any corporate purpose including the financing of Mortgage Loans and Developments which are neither secured by Supplemental Security nor subsidized pursuant to a Subsidy Program. The General Resolution does not require Mortgage Loans to be secured by first mortgage liens on their respective Developments. A Mortgage Loan also may represent the Corporation’s participation interest in a mortgage loan or the cash flow therefrom (see “2005 Series F Participant Interest and the 2005 Series J Participant Interest,” “2011 Participant Interest” and “2014 Series B Participant Interest” below). Moreover, the Corporation may withdraw Mortgage Loans and surplus revenues from the pledge and lien of the General Resolution upon the filing with the Trustee of a Cash Flow Statement or Cash Flow Certificate or, with respect to certain fees and Mortgage Loans, without the filing of a Cash Flow Statement or a Cash Flow Certificate. See “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates.” The information below is as of July 31, 2017. Subsequent to July 31, 2017, the Corporation has financed or acquired additional Mortgage Loans. See “Appendix E-1—Table 7: Developments and Mortgage Loans Outstanding Under the Program—Developments and Mortgage Loans Financed Under the Program Subsequent to July 31, 2017.”

Mortgage Loans

General

The Mortgage Loans financed Developments located throughout the City. Approximately 200 Developments have more than one Mortgage Loan. The following table summarizes all of the Mortgage Loans outstanding under the Program as of July 31, 2017 other than the “ML Restructuring Subordinate Mortgage Loans” which are described under “ML Restructuring Mortgage Loans” below and listed in “Appendix E-1—Table 3: ML Restructuring Subordinate Mortgage Loans Outstanding Under the Program as of July 31, 2017.” Subsequent to July 31, 2017, the Corporation has financed or acquired additional Mortgage Loans. See “Appendix E-1—Table 7: Developments and Mortgage Loans Outstanding Under the Program—Developments and Mortgage Loans Financed Under the Program Subsequent to July 31, 2017.” In addition, certain Construction Loans have converted to Permanent Mortgage Loans. See “Appendix E-1—Table 2: Developments and Construction Mortgage Loans Outstanding Under the Program as of July 31, 2017.” Furthermore, since July 31, 2017, the Corporation has received principal prepayments as well as scheduled prepayments. See “Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments” and “—Prepayment Notifications.”

Summary of All Mortgage Loans

	Number of Mortgage Loans	Outstanding Principal Balance of Mortgage Loans	Percentage of Total Outstanding Principal Balance of Mortgage Loans
Permanent Mortgage Loans	788	\$4,108,725,362	75.77%
Construction Mortgage Loans	129	\$1,313,779,536	24.23%
TOTAL†	917	\$5,422,504,898	100.00%

† May not add due to rounding.

See “Appendix E-1—Developments and Mortgage Loans Outstanding under the Program.”

Approximately one hundred sixty-five (165) of the Permanent Mortgage Loans relate to the 2014 Series B Participant Interest and are subject to a participation interest (see “2014 Series B Participant Interest” below).

There have been no material monetary defaults on any of the Mortgage Loans (generally loans that are sixty (60) to ninety (90) days delinquent in payment of debt service) other than temporary financial difficulties with respect to certain Developments, which have since been cured or are in the process of being cured. There are two (2) Developments with an aggregate outstanding senior Mortgage Loan balance of \$87,086 as of July 31, 2017 that have had debt service payment delinquencies of over ninety (90) days. The Mortgagors of these Developments have entered into compliance and repayment agreements with the Corporation to cure these delinquencies. See “Appendix E-1—Table 1: Developments and Permanent Mortgage Loans Outstanding Under the Program as of July 31, 2017.” In addition, the Corporation is currently aware that four (4) Developments with Section 236 Subsidy Contracts, with an aggregate outstanding permanent senior mortgage loan balance of \$37,912,934 as of July 31, 2017, have each received a Notice of Default of the Agreement for Interest Reduction Payments or HAP Contract, as applicable, from HUD because of its low inspection ratings. In addition, one (1) Development, with an outstanding construction loan balance of \$9,700,014 as of July 31, 2017, has received a notice of default for failure to timely complete the Project. Such Development received financing from an additional Mortgage Loan in the principal amount of \$2,000,000 funded with the proceeds of the Corporation’s Multi-Family Housing Revenue Bonds, 2016 Series E. The Mortgagor entered into an amended Commitment with the Corporation to address the construction delays giving rise to the notice and the Construction LOC provider increased the existing Construction LOC.

The mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, the 2011 Participant Interest, the ML Restructuring Subordinate Mortgage Loans and certain of the mortgage loans underlying the 2014 Series B Participant Interest are secured by second or third mortgage liens on their respective Developments. The majority of the other outstanding Mortgage Loans under the Program are secured by first mortgage liens on their respective Developments. As further security, as of July 31, 2017, approximately three hundred twenty (320) Permanent Mortgage Loans, with an aggregate outstanding principal balance of approximately \$2,555,217,899, and ninety-two (92) Construction Mortgage Loans, with an aggregate outstanding principal balance of \$1,140,783,404, were subject to Supplemental Security. The balance of the Mortgage Loans are not secured by Supplemental Security. In the event of a default on the Mortgage Loans that are not secured by Supplemental Security, the related mortgage liens would likely be the sole security for repayment (see “Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures” below). The information in this paragraph with respect to Supplemental Security excludes information relating to the mortgage loans underlying the ML Restructuring Subordinate Mortgage Loans.

In addition, Developments related to most of the Mortgage Loans outstanding under the Program are beneficiaries of one or more Subsidy Programs. However, Developments relating to approximately fifteen (15) Permanent Mortgage Loans, with an aggregate outstanding principal balance of approximately \$33,721,429 as of July 31, 2017, six (6) of which, with an aggregate outstanding principal balance of approximately \$3,014,332, are regulated by HPD under the Mitchell-Lama Law, are neither secured by Supplemental Security nor subsidized through Subsidy Programs. Each Supplemental Security program and Subsidy Program is implemented under different Federal, State or local statutes, and is subject to its own rules and guidelines. See Appendix E-1—Developments and Mortgage Loans Outstanding Under the Program” and “Appendix G—Description of Supplemental Security and Subsidy Programs.”

Permanent Mortgage Loans

A majority of the Developments with Permanent Mortgage Loans, as measured by outstanding principal balance, have been in operation since at least 2009. As of July 31, 2017, three hundred fifty-two (352) of the Developments (which Developments represent approximately ninety-three percent (93%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with five hundred twenty-five (525) Mortgage Loans were at least ninety-five percent (95%) occupied. Twenty-five (25) of the Developments (which Developments represent approximately seven percent (7%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with forty-four (44) Mortgage Loans were at least ninety percent (90%) and less than ninety-five percent (95%) occupied. Two (2) of the Developments (which Developments represent less than one percent (0.3%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with two (2) Mortgage Loans were less than ninety percent (90%) occupied. The information contained in this paragraph excludes information relating to thirty-five (35) Developments with forty-three (43) Mortgage Loans because occupancy data has not yet been collected. In addition, the information contained in this paragraph excludes information relating to the mortgage loans underlying the 2011 Participant Interest, the ML Restructuring Subordinate Mortgage Loans, the 2014 Series B Participant Interest and the related Developments, which are generally seasoned Mortgage Loans with Developments that have been in operation on average for more than 19 years.

The following table summarizes the Supplemental Security and Subsidy Programs, if any, relating to the completed Developments and Permanent Mortgage Loans (excluding the ML Restructuring Subordinate Mortgage Loans) outstanding under the Program as of July 31, 2017. Since July 31, 2017, the Corporation has financed or acquired certain Permanent Mortgage Loans and certain Construction Mortgage Loans have converted to Permanent Mortgage Loans. See “Appendix E-1—Table 2: Developments and Construction Mortgage Loans Outstanding Under the Program as of July 31, 2017.” In addition, since July 31, 2017, the Corporation has received principal prepayments of Permanent Mortgage Loans as well as scheduled repayments of Permanent Mortgage Loans. See “Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments” and “—Prepayment Notifications” below.

Summary of Permanent Mortgage Loans

Supplemental Security	Subsidy Program	Number of Permanent Mortgage Loans	Outstanding Principal Balance of Permanent Mortgage Loans	Percentage of Total Outstanding Principal Balance of Permanent Mortgage Loans
FHA	Section 8	5	\$ 16,809,248	0.41%
FHA	Section 236	1	603,723	0.01%
FHA	ML Restructuring, Section 236 [†]	4	13,063,418	0.32%
FHA	ML Restructuring [†]	2	311,269	0.01%
FHA	LAMP	3	9,252,935	0.23%
FHA	LAMP/Section 8	1	9,191,621	0.22%
GNMA	LAMP/Section 8	2	19,244,285	0.47%
SONYMA	New HOP, New HOP/HTF	3	44,616,254	1.09%
SONYMA	N/A	2	32,122,327	0.78%
SONYMA	LAMP	6	70,199,835	1.71%
SONYMA	Lamp/Section 236	1	6,114,596	0.15%
SONYMA	Preservation	6	63,736,967	1.55%
SONYMA	Preservation/Section 8	21	198,179,216	4.82%
SONYMA	LAMP/Section 8	13	94,425,990	2.30%
SONYMA	ML Restructuring	1	40,588,433	0.99%
SONYMA	Section 236	2	5,183,025	0.13%
REMIC	LAMP*	99	491,365,709	11.96%
REMIC	Preservation	11	72,959,966	1.78%
REMIC	Preservation/Section 8	1	2,473,286	0.06%
REMIC	N/A	10	45,392,061	1.10%
REMIC	Mixed Income	1	8,895,064	0.22%
REMIC	ML Restructuring [†]	3	14,656,721	0.36%
REMIC	ML Restructuring and Repair Loan [†]	2	48,707,870	1.19%
REMIC	ML Restructuring, Section 236 [†]	1	12,740,358	0.31%
REMIC	New HOP	61	446,791,516	10.87%
REMIC	PLP	6	744,914	0.02%
REMIC	Section 8	4	13,215,100	0.32%
Fannie Mae	Preservation	9	205,139,571	4.99%
Fannie Mae	Mixed Income	2	197,330,000	4.80%
Fannie Mae	ML Restructuring, Section 236 [†]	9	67,422,193	1.64%
Fannie Mae	Preservation/Section 8	1	15,633,191	0.38%
Freddie Mac	LAMP	2	32,197,789	0.78%
Freddie Mac	Preservation	1	2,931,365	0.07%
Freddie Mac	LAMP/Section 8	5	22,113,321	0.54%
Freddie Mac	Preservation/Section 8	6	52,333,999	1.27%
Freddie Mac	ML Restructuring, Section 236 [†]	1	37,188,294	0.91%
Freddie Mac	N/A	1	84,620,675	2.06%
LOC-Long Term	LAMP/Section 8	9	48,279,656	1.18%
LOC-Long Term	LAMP	2	8,442,136	0.21%

N/A	Article 8-A	35	5,591,803	0.14%
N/A	Certificate Program	5	14,129,564	0.34%
N/A	HoDAG/PLP	3	9,372,905	0.23%
N/A	HTF	5	11,291,101	0.27%
N/A	LAMP**	126	701,679,582	17.08%
N/A	ML Repair Loan [†]	13	41,011,557	1.00%
N/A	ML Restructuring [†]	23	68,087,938	1.66%
N/A	ML Restructuring and Repair Loan [†]	1	1,301,094	0.03%
N/A	ML Restructuring, Section 236 [†]	14	107,005,772	2.60%
N/A	PLP, PLP/LAMP	141	133,855,206	3.26%
N/A	Preservation	1	11,500,000	0.28%
N/A	Section 236	7	40,968,573	1.00%
N/A	Section 8	1	618,182	0.02%
N/A	New HOP, New HOP/HTF	75	350,853,063	8.54%
N/A	Mixed Income	3	22,519,694	0.55%
N/A	N/A	15	33,721,429	0.82%
TOTAL ^{††}		788	\$4,108,725,362	100.00%

[†] The Mortgagors of the majority of these Mortgage Loans are regulated by HPD pursuant to the Mitchell-Lama Law. See Appendix E-1 and Appendix G hereto.

^{††} May not add due to rounding.

* Includes the following subsidy program types: LAMP/HAC, LAMP/HTF, LAMP/MIRP, LAMP/LIRP, LAMP Section 8.

** Includes the following subsidy program types: LAMP/Certificate Program, LAMP/HTF, LAMP/MIRP.

See “Appendix E-1—Table 1: Developments and Permanent Mortgage Loans Outstanding under the Program as of July 31, 2017.”

Construction Mortgage Loans

The following table summarizes the Supplemental Security and Subsidy Programs, if any, relating to the Developments under construction and Construction Mortgage Loans outstanding under the Program as of July 31, 2017. See “Appendix E-1—Table 2: Developments and Construction Mortgage Loans Outstanding Under the Program as of July 31, 2017.” Subsequent to July 31, 2017, the Corporation has financed or acquired additional Mortgage Loans and certain Construction Mortgage Loans have converted to Permanent Mortgage Loans. See “Appendix E-1—Table 7: Developments and Mortgage Loans Outstanding Under the Program—Developments and Mortgage Loans Financed Under the Program Subsequent to July 31, 2017” and “Appendix E-1—Table 2: Developments and Construction Mortgage Loans Outstanding under the Program as of July 31, 2017.”

Summary of Construction Mortgage Loans

Anticipated Permanent Mortgage Loan Supplemental Security	Subsidy Program	Number of Construction Mortgage Loans	Anticipated Amount of Permanent Mortgage Loans	Amount of Construction Mortgage Loans	Outstanding Principal Balance of Construction Mortgage Loans Advanced
N/A	LAMP, Preservation	1	-	\$ 13,000,000	\$ 12,171,749
N/A	ELLA	8	68,350,000	68,350,000	38,864,789
N/A	ELLA/Section 8	4	30,364,201	30,364,201	20,965,682
N/A	ML Restructuring	6	7,927,885	15,157,885	8,522,893
N/A	ML Restructuring/ Section 8	2	8,990,000	8,990,000	8,989,600
N/A	ML Restructuring/ Section 236	7	9,170,000	9,170,000	6,566,857
N/A	Mix/Match	5	52,933,828	110,763,828	29,530,611
N/A	Mixed-Middle	3	50,367,855	50,367,855	34,298,386
N/A	Mixed Income	2	-	28,500,000	14,613,137
Freddie Mac	Mixed-Middle	1	158,000,000	191,000,000	30,649,476
FHA Risk Share	ELLA/Section 8	9	123,240,000	324,085,000	78,439,473
FHA Risk Share	LAMP	1	7,610,000	34,000,000	33,999,600
FHA Risk Share	Mix/Match	1	15,100,000	33,030,000	3,445,926
FHA Risk Share	Mixed-Middle	1	30,030,000	30,030,000	4,976,621
FHA Risk Share	ML Restructuring	1	10,640,000	10,640,000	10,640,000
FHA Risk Share	ML Restructuring/ Section 236	2	23,550,000	34,155,000	29,642,954
FHA Risk Share	ML Restructuring/ Section 8	2	84,290,000	84,290,000	81,099,456
REMIC	ELLA	22	170,170,000	617,260,000	223,806,882
REMIC	LAMP, Preservation	9	55,155,000	138,365,000	133,356,150
REMIC	Mix/Match	9	137,525,000	261,610,000	81,479,677
REMIC	Mixed Income	2	20,055,000	44,635,000	32,109,134
REMIC	Mixed-Middle	3	24,660,000	24,660,000	9,871,303
REMIC	N/A	1	5,300,000	5,300,000	5,299,600
REMIC	New HOP	6	59,365,000	64,615,000	48,143,714
REMIC	LAMP/Certificate Program	1	4,900,000	4,900,000	4,899,800
REMIC	ML Restructuring	2	10,945,000	16,570,000	12,881,774
REMIC	Preservation	4	45,245,000	170,765,000	75,724,749
SONYMA	ELLA	1	1,225,000	22,300,000	14,220,254

SONYMA	ELLA/Section 8	3	29,850,000	96,445,000	61,856,753
SONYMA	LAMP	1	12,425,000	30,500,000	29,973,328
SONYMA	Preservation/ Section 8	1	5,950,000	9,300,000	9,187,345
SONYMA	LAMP/Section 8	2	14,520,000	58,000,000	48,919,826
SONYMA	Mix/Match	3	80,370,000	125,720,000	28,447,975
SONYMA	ML Restructuring	3	48,767,000	54,917,000	46,184,064
TOTAL†		129	\$1,406,990,769	\$2,821,755,769	\$1,313,779,536

† May not add due to rounding.

As of July 31, 2017, eighty-four (84) Construction Mortgage Loans with an aggregate outstanding principal balance of \$981,820,442 are secured by standby letters of credit; such letters of credit need not meet the requirements under the General Resolution for Credit Facilities. Such letters of credit may be drawn upon by the Corporation if a Mortgagor fails to make the required payments of interest and principal on the related Construction Mortgage Loan. Such letters of credit are not pledged to the owners of the Bonds; however, any payments relating to the applicable Mortgage Loan received by the Corporation from the letter of credit providers pursuant to such letters of credit will be pledged for the benefit of the owners of the Bonds. See “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Construction LOCs.” It is anticipated that upon conversion of the Construction Mortgage Loans secured by letters of credit to Permanent Mortgage Loans, the letters of credit will be released and such Permanent Mortgage Loans will be secured by REMIC Insurance, SONYMA Insurance, FHA Risk-Sharing Insurance, GNMA or a Long-term LOC or will not be secured by Supplemental Security, as shown in the table above. See “Appendix E-1—Table 2: Developments and Construction Mortgage Loans Outstanding Under the Program as of July 31, 2017.”

2005 Series F Participant Interest and the 2005 Series J Participant Interest

In connection with the issuance of the Corporation’s Multi-Family Housing Revenue Bonds, 2005 Series F-2 (the “2005 Series F-2 Bonds”), the Corporation entered into a Participation Agreement (the “2005 Series F Participation Agreement”) with the City and purchased a 100% participation interest in twelve (12) second mortgage loans. In connection with the issuance of the Corporation’s Multi-Family Housing Revenue Bonds, 2005 Series J-2 (the “2005 Series J-2 Bonds”), the Corporation entered into a Participation Agreement (the “2005 Series J Participation Agreement”) with the City and purchased a 100% participation interest in eleven (11) second mortgage loans. The mortgage notes relating to such mortgage loans are held by the City and secured by second mortgage liens on the applicable Developments (the “2005 Series F Participant Interest Developments” and the “2005 Series J Participant Interest Developments,” respectively). Such mortgage loans are not secured by Supplemental Security (see “THE PROGRAM—Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures” and “Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to the Mortgage Loans”). HPD services all of such second mortgage loans. All of the 2005 Series F Participant Interest Developments and 2005 Series J Participant Interest Developments have first mortgage loans that are held and serviced by the Corporation.

The aggregate number of dwelling units in the 2005 Series F Participant Interest Development is approximately one hundred seventy-one (171) in one (1) development. The aggregate outstanding principal balance of the second mortgage loan underlying the 2005 Series F Participant Interest is approximately \$3,845,400 as of July 31, 2017. The accrued and unpaid interest on the mortgage loan is

approximately \$10,285,667 as of July 31, 2017. Approximately \$25,524 of additional interest is scheduled to accrue to the commencement date of the payment of debt service on the mortgage loan absent any prepayments and without taking into account certain interest earnings for which the mortgagors receive credit. Debt service payments are expected to commence in December 2017. The mortgage loan matures on October 1, 2027 and the interest rate for the mortgage loan is 7.85%. The aggregate number of dwelling units in the 2005 Series J Participant Interest Developments is approximately three hundred eighty (380) in two (2) developments. The aggregate outstanding principal balance of the second mortgage loans underlying the 2005 Series J Participant Interest is approximately \$4,004,844 as of July 31, 2017. The current accrued and unpaid interest on the mortgage loans is approximately \$5,651,742 as of July 31, 2017. Approximately \$33,067 of additional interest is scheduled to accrue to the commencement date of the payment of debt service on the mortgage loans absent any prepayments and without taking into account certain interest earnings for which the mortgagors receive credit. Debt service payments are expected to commence in October 2018. The mortgage loans mature on October 1, 2028 and the weighted average interest rate for the mortgage loans is 5.17%.

All of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest contain provisions permitting the mortgagors thereof to prepay the applicable mortgage loan, in whole or in part, at any time (see "Appendix E-2—Mortgage Loan Prepayment Provisions—Category 1"). If any of such mortgagors do not participate in the ML Restructuring Program but obtain other sources of prepayment of their mortgage loans, such payments will be paid as a cash distribution under the 2005 Series F Participant Interest or 2005 Series J Participant Interest, as applicable, and will constitute a Recovery of Principal under the General Resolution which the Corporation can determine to apply to the redemption of Mitchell-Lama Restructuring Bonds. The Corporation has offered to each of the mortgagors of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest the opportunity to receive new mortgage financing under the ML Restructuring Program of the Corporation, which new mortgage financing will cause prepayment of the related mortgages and be paid as a cash distribution under the 2005 Series F Participant Interest or the 2005 Series J Participant Interest, as applicable. The Supplemental Resolutions pursuant to which the 2005 Series F-2 Bonds and the 2005 Series J-2 Bonds were issued each provides that any such cash distributions under the 2005 Series F Participant Interest or the 2005 Series J Participant Interest, as applicable, will not constitute Recoveries of Principal under the General Resolution and the Corporation expects to cause the release of such amounts from the lien of the General Resolution (in accordance with the requirements of the General Resolution) to reimburse it for funds advanced by the Corporation for the restructuring.

The 2005 Series F Participant Interest and the 2005 Series J Participant Interest shall be automatically released from the lien of the General Resolution when no Mitchell-Lama Restructuring Bonds are Outstanding without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate.

Pursuant to the 2005 Series F Participation Agreement and the 2005 Series J Participation Agreement, notwithstanding the acquisition of a 100% participation interest by the Corporation, legal title to the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest will remain with the City.

For additional information regarding the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, see "Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments" and "—Prepayment Notifications" below and "Appendix E-1—Table 4: Developments and Mortgage Loans Outstanding under the Program—Mortgage Loans Underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest Outstanding Under the Program as of July 31, 2017."

2011 Participant Interest

In connection with the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2004 Series D, the Corporation entered into a Participation Agreement (the "2004 Participation Agreement") with the City and purchased a 100% beneficial ownership interest (the "2004 Participant Interest") in all cash flow (with certain exceptions) to be paid to the City as owner of the Multifamily Mortgage Pass-Through Certificates, Series 1996, Class B (the "Class B Certificates") issued pursuant to the REMIC Pooling and Servicing Agreement, dated as of June 1, 1996, among the City, as depositor, the Corporation, as servicer, and State Street Bank and Trust Company, as trustee (collectively, the "Certificates Trust"). The Certificates Trust consisted of a trust fund made up primarily of Section 236 Contracts (the "Section 236 Contracts") related to nine (9) permanent second mortgage loans (the "Participated 2004 Second Lien Loans"). On June 27, 2011, the Certificates Trust was dissolved and the Corporation and the City amended and restated the 2004 Participation Agreement (as amended and restated, the "2011 Participation Agreement") and replaced the 2004 Participant Interest with the 2011 Participant Interest (defined below). A portion of the proceeds of the Corporation's Multi-Family Housing Revenue Bonds, 2011 Series F-1 and Multi-Family Housing Revenue Bonds, 2011 Series F-2 were used to reimburse the Corporation for amounts paid by the Corporation in connection therewith. The Corporation pledged the 2011 Participant Interest (net of certain amounts to be paid to the Corporation) for the benefit of the Holders of the Bonds, and the 2011 Participant Interest is a "Mortgage Loan" under the General Resolution. However, the 2011 Participant Interest will be automatically released from the lien of the General Resolution on the date that no Mitchell-Lama Restructuring Bonds remain Outstanding under the General Resolution, and such release shall not require a Cash Flow Statement or a Cash Flow Certificate.

Under the 2011 Participation Agreement, the Corporation holds a 100% participation interest (the "2011 Participant Interest") in the 2004 Participated Second Lien Loans and the Section 236 Contracts. As of July 31, 2017, the 2004 Participated Second Lien Loans had an aggregate outstanding principal balance of approximately \$25,109,494 and accrued interest of \$14,279,745. Subject to prepayments of the 2004 Participated Second Lien Loans, the monthly payments under the Section 236 Contracts are projected to be made through September 1, 2025. Payments on the 2004 Participated Second Lien Loans are scheduled to be made after the related first mortgage loans are satisfied, commencing April 1, 2017 through September 1, 2029, and are expected to be satisfied in part by payments under the Section 236 Contracts.

The 2004 Participated Second Lien Loans contain terms permitting prepayment thereof at the option of the mortgagors at any time. The Corporation has offered to each of the mortgagors of a 2004 Participated Second Lien Loan the opportunity to receive new mortgage financing under the ML Restructuring Program of the Corporation, which new mortgage financing will cause a prepayment of the related 2004 Participated Second Lien Loan and, to the extent of any such prepayment, be paid to the Corporation pursuant to the 2011 Participation Agreement. Any such amounts paid under the 2011 Participant Interest will not constitute Recoveries of Principal under the General Resolution and the Corporation expects to cause the release of such amounts from the lien of the General Resolution (in accordance with the requirements of the General Resolution) to reimburse it for funds advanced by the Corporation for the restructuring. To the extent that any of such mortgagors with 2004 Participated Second Lien Loans do not participate in the ML Restructuring Program but obtain other sources for prepayment of their 2004 Participated Second Lien Loans, any prepayment of the related 2004 Participated Second Lien Loans by such mortgagors, to the extent of any such prepayment and less any amounts owed to the Corporation, will be paid to the Corporation under the 2011 Participant Agreement and will constitute a Recovery of Principal under the General Resolution and may only be used to redeem Mitchell-Lama Restructuring Bonds. See "Appendix E-4—Cross-Call Provisions and Related

Information.” The Corporation expects that there will be significant prepayments of the 2004 Participated Second Lien Loans.

The 2004 Participated Second Lien Loans included in the 2011 Participant Interest are not supported by any Supplemental Security (see “THE PROGRAM—Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures” and “Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to the Mortgage Loans”). The 2004 Participated Second Lien Loans have a weighted average mortgage interest rate of 8.03% and a weighted average remaining time to maturity of 10.12 years. The weighted average remaining time until the expiration of the Section 236 Contracts is 8.09 years. The Developments financed with the 2004 Participated Second Lien Loans include an aggregate of 2,498 units.

For additional information regarding the 2004 Participated Second Lien Loans underlying the 2011 Participant Interest, see “Appendix E-1—Table 5: 2004 Participated Second Lien Loans Underlying the 2011 Participant Interest as of July 31, 2017.”

2014 Series B Participant Interest

In connection with the issuance of the 2014 Series B Bonds, the Corporation amended and restated a Participation Agreement (the “2002 Participation Agreement”) with the New York City Mortgage Sale Facilitation Trust 2002-2, a Delaware statutory trust (the “2002 Facilitation Trust”) and a Participation Agreement (the “2003 Participation Agreement”) with the New York City Mortgage Sale Facilitation Trust 2003-1, a Delaware statutory trust (the “2003 Facilitation Trust,” and together with the 2002 Facilitation Trust, the “Facilitation Trusts”) formerly associated with the Corporation’s Multi-Family Housing Revenue Bonds, 2006 Series A (the “2006 Series A Bonds”) and relating to a certain participation interest referred to as the “2006 Participant Interest.” Upon the final redemption of the 2006 Series A Bonds and the issuance of the 2014 Series B Bonds, (i) the 2006 Participant Interest was re-designated as the “2014 Series B Participant Interest” and (ii) the 2002 Participation Agreement and the 2003 Participation Agreement were further amended and restated. The 2002 Participation Agreement and the 2003 Participation Agreement, as so amended and restated, are referred to as the “2014 Participation Agreements.” The 2014 Series B Participant Interest constitutes a “Mortgage Loan” under the General Resolution and is also referred to herein as the “2014 Series B Mortgage Loan.”

Such participation interests in the aggregate consist of (i) a 100% participation interest in certain permanent mortgage loans for multi-family housing developments (the “2014 Series B Purchased Mortgage Loans”), (ii) a 100% participation interest in a portion of the cash flow derived from the Class B-1 Sheridan Trust II Multifamily Mortgage Pass-Through Certificate, Series 1996M-1 (the “Class B-1 Sheridan Trust II Certificate”), at a pass-through rate of 0.83% as of July 31, 2017, which certificate evidences a beneficial ownership interest in the Class B Sheridan Trust Multifamily Mortgage Pass-Through Certificate, Series 1995M-1 (the “Class B Sheridan Trust Certificate”), which certificate, in turn, represents a beneficial ownership interest in certain permanent mortgage loans (the “2014 Series B Trust Mortgage Loans”) excluding certain voting rights with respect to the Class B-1 Sheridan Trust II Certificate, (iii) all rights, but not the obligations, of the “owner” of the 2014 Series B Purchased Mortgage Loans under the servicing agreements with respect to the 2014 Series B Purchased Mortgage Loans, and (iv) all rights of the Facilitation Trusts under the Purchase and Sale Agreements between the City and each Facilitation Trust (collectively, the “Purchase and Sale Agreements”), pursuant to which the City assigned the 2014 Series B Purchased Mortgage Loans and the Class B-1 Sheridan Trust II Certificate to the applicable Facilitation Trust (such interests, net of certain amounts payable to the Corporation and other servicers for servicing the underlying mortgage loans are referred to collectively as the “2014 Series B Participant Interest”).

The Corporation has pledged the 2014 Series B Participant Interest for the benefit of the Holders of the Bonds; provided that such 2014 Series B Participant Interest shall be automatically released from the lien of the General Resolution when no [2018 Series B Bonds] are Outstanding or as otherwise described below and such release shall not require the provision of a Cash Flow Statement or a Cash Flow Certificate. Most of the mortgage loans underlying the 2014 Series B Participant Interest contain provisions permitting the prepayment thereof at the option of the mortgagors at any time. The 2014 Series B Bonds are subject to special mandatory redemption from revenues (including prepayments) relating to the mortgage loans underlying the 2014 Series B Participant Interest in excess of scheduled debt service on the 2014 Series B Bonds and other related fees, expenses and payments.

Approximately 62% of the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Mortgage Loan are secured by a first mortgage lien on the applicable Development and approximately 38% of the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Mortgage Loan are secured by a second mortgage lien on the applicable Development. The mortgage loans underlying the 2014 Series B Mortgage Loan are generally seasoned mortgage loans with Developments that have been in operation on average for more than 19.28 years.

The mortgage loans underlying the 2014 Series B Mortgage Loan were originated and underwritten by parties other than the Corporation.

Pursuant to the Purchase and Sale Agreements, legal title to the 2014 Series B Purchased Mortgage Loans remained with the City. In addition, with respect to the 2014 Series B Purchased Mortgage Loans that are regulated pursuant to the Mitchell-Lama Law, HPD remained the supervising agency. The Corporation, the Facilitation Trusts and HPD have entered into agreements pursuant to which HPD agreed to pursue certain remedies with respect to any defaulted mortgage loan underlying the 2014 Series B Purchased Mortgage Loans as directed by the Corporation. In the event title to any Development related to the 2014 Series B Purchased Mortgage Loans is acquired as a result of proceedings instituted upon a default on a 2014 Series B Purchased Mortgage Loan, such Development shall constitute an "Acquired Project" for purposes of the General Resolution (see "Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures" below). In addition, if a monetary default on such 2014 Series B Purchased Mortgage Loan was caused by a breach of a representation or warranty given by the City, HPD or Community Preservation Corporation ("CPC") with respect to such 2014 Series B Purchased Mortgage Loan, or, if such breach prevents the Corporation from realizing on the security provided by such 2014 Series B Purchased Mortgage Loan, the City has agreed to correct such breach, repurchase such 2014 Series B Purchased Mortgage Loan or substitute mortgages of equal value.

The Corporation's rights as to the 2014 Series B Trust Mortgage Loans are limited by (i) the terms of the trust related to the Class B Sheridan Trust Certificate and (ii) the fact that voting rights with respect to said trust, including the right to amend or terminate said trust, have been retained by the City and not granted to the Corporation. The City has agreed, however, to consult with the Corporation prior to the exercise of such rights and not to exercise any such rights in a manner that shall have a material adverse effect on the rights of the Corporation to receive payments on the Class B-1 Sheridan Trust II Certificate without the prior written consent of the Corporation.

Revenues from the 2014 Series B Participant Interest remaining after the payment of regularly scheduled debt service on the 2014 Series B Bonds and, if necessary, other Bonds Outstanding under the General Resolution may be used to redeem the 2014 Series B Bonds or, with the delivery of a Cash Flow Statement or a Cash Flow Certificate, may be used by the Corporation for any purpose permitted under the General Resolution. The [2018 Series B Participant Interest] shall be automatically released from the

lien of the General Resolution without the delivery of a Cash Flow Statement or a Cash Flow Certificate at such time as the 2014 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2014 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2014 Series B Participant Interest available for the redemption of 2014 Series B Bonds been applied to redeem the 2014 Series B Bonds. As of July 31, 2017, the Corporation has used \$44,335,000 of excess revenues from the mortgage loans underlying the 2014 Series B Participant Interest for other purposes permitted under the General Resolution.

For additional information regarding the mortgage loans underlying the 2014 Series B Participant Interest, see “Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments” and “Prepayment Notifications” below and “Appendix E-1—Table 6: 2014 Series B Purchased Mortgage Loans and 2014 Series B Trust Mortgage Loans as of July 31, 2017.”

ML Restructuring Mortgage Loans

The proceeds of certain of the Mitchell-Lama Restructuring Bonds were used to finance mortgage loans, each of which was evidenced by a mortgage note payable to the Corporation and secured by a first mortgage lien on the applicable Development (the “ML Restructuring First Mortgage Loans”). The term to maturity for most of the ML Restructuring First Mortgage Loans is thirty (30) years. Most of the ML Restructuring First Mortgage Loans contain provisions prohibiting prepayment by the Mortgagor of the applicable Development for approximately ten to fifteen years following the execution of such ML Restructuring First Mortgage Loans.

The proceeds of certain of the Mitchell-Lama Restructuring Bonds were also used to finance mortgage loans to the Mortgagors of the ML Restructuring First Mortgage Loans each of which was evidenced by a mortgage note payable to the Corporation, secured by a subordinate mortgage lien on the applicable Development and subject to a residual right to ownership held by the City (the “ML Restructuring Subordinate Mortgage Loans”). The Corporation sold to the City a residual right to ownership of the ML Restructuring Subordinate Mortgage Loans, which will be transferred to the City on the date when no Mitchell-Lama Restructuring Bonds remain Outstanding under the General Resolution or other Mitchell-Lama Restructuring Bonds outside of the General Resolution as defined in the 2011 Participation Agreement with the City remain outstanding. Such transfer of the ML Restructuring Subordinate Mortgage Loans on such date will be made automatically and without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate. The interest rate for most ML Restructuring Subordinate Mortgage Loans is 0% and the term to maturity for most of the ML Restructuring Subordinate Mortgage Loans is thirty (30) years. Most of the ML Restructuring Subordinate Mortgage Loans do not amortize and the balloon payment is due within ninety (90) days after maturity of the related ML Restructuring First Mortgage Loan. Most of the ML Restructuring Subordinate Mortgage Loans contain provisions prohibiting prepayment by the Mortgagor of the applicable Development for approximately fifteen years following the execution of such ML Restructuring First Mortgage Loans.

Prepayments of the ML Restructuring First Mortgage Loans and ML Restructuring Subordinate Mortgage Loans may be used to redeem only Mitchell-Lama Restructuring Bonds. See “Appendix E-4—Cross-Call Provisions and Related Information.” For additional information regarding the ML Restructuring Subordinate Mortgage Loans, see “Appendix E-1—Table 3: Developments and Mortgage Loans Outstanding Under the Program— ML Restructuring Subordinate Mortgage Loans Outstanding under the Program as of July 31, 2017.”

Servicing

All of the Mortgage Loans are serviced by the Corporation except for (i) the Mortgage Loans financed through the acquisition of GNMA Securities which are serviced by the applicable Mortgage Banker, (ii) certain mortgage loans underlying the 2014 Series B Participant Interest which are serviced by private third-party servicers as described below, (iii) certain Construction Mortgage Loans which are serviced by the bank issuing the letter of credit during construction and (iv) the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest. Servicing by the Corporation includes the collection of mortgage payments from the Mortgagors of the applicable Developments.

With respect to Mortgage Loans serviced by the Corporation and not regulated by HPD, an escrow account for the payment of taxes, hazard insurance and mortgage insurance, if any, is maintained by the Corporation for each Development and is funded from the monthly revenues of each such Development. FHA and GNMA regulations impose similar obligations on the Mortgage Banker in connection with the Mortgage Loans financed through the acquisition of GNMA Securities. However, with respect to Mortgage Loans regulated by HPD pursuant to the Mitchell-Lama Law and not insured by FHA, there is no such escrow requirement. With respect to Mortgage Loans serviced by the Corporation and not regulated by HPD, each Mortgagor is also required to maintain a reserve fund for replacements with the Corporation. These reserve funds for replacements are funded from the monthly revenues of their respective Development. With respect to Mortgage Loans regulated by HPD pursuant to the Mitchell-Lama Law and not insured by FHA, each Mortgagor is required to maintain a reserve fund for replacements. In general, the applicable escrows and reserves for the Developments serviced by the Corporation were funded at the required levels. The Corporation requires financial statements for each Development serviced by the Corporation to be furnished to the Corporation annually.

The Corporation conducts an annual site review of each Development with a Permanent Mortgage Loan serviced by the Corporation to monitor its physical condition; however, Developments with FHA-insured Mortgage Loans having a superior inspection rating need only be inspected by the Corporation every three (3) years and the Corporation does not inspect Developments for which the Corporation holds only a subordinate lien mortgage (the NYCHA Public Housing Preservation I LLC Development or the NYCHA Public Housing Preservation II LLC Development). During this review, the Corporation undertakes various procedures to monitor the exterior and interior physical condition of the Developments. See "Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings."

The Corporation's inspection ratings for the Developments, which incorporate HUD's inspection ratings for FHA-insured mortgage loans, include five rating levels: superior (HUD score: 90-100), above average (HUD score: 80-89), satisfactory (HUD score: 60-79), below average (HUD score: 46-59) and unsatisfactory (HUD score: 0-45). Developments with FHA-insured mortgage loans with a physical condition that is below average or unsatisfactory may be subject to certain actions by HUD (see "FHA-Insured Mortgage Loans with Low Inspection Ratings" below). As of July 31, 2017, the physical condition of the inspected Developments (other than those related to the 2014 Series B Participant Interest), based upon the aggregate outstanding principal balance of Permanent Mortgage Loans, was approximately 13% superior, 25% above average, 59% satisfactory and 3% below average. As of July 31, 2017, the physical condition of the inspected Developments related to the 2014 Series B Participant Interest, based upon the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Participant Interest, was approximately 17% superior, 54% satisfactory, 11% below average and 1% unsatisfactory. Developments subject to approximately 18% in outstanding principal balance of mortgage loans underlying the 2014 Series B Participant Interest have not been inspected recently.

Any Development with an FHA-insured mortgage loan which receives a score under 60 according to HUD's inspection ratings may be subject to foreclosure by HUD. Any Development that receives HUD assistance such as Section 236 or Section 8 which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. See "FHA-Insured Mortgage Loans and HUD Assisted Developments with Low Inspection Ratings" below and "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Section 236 Program" and "—Section 8 Program."

The Corporation's inspection reviews include recommendations for curing deficiencies. The Corporation monitors those Developments which receive below average and unsatisfactory ratings in order to determine whether (i) required reports have been made and/or (ii) curative work has been undertaken and completed within a prescribed time frame. In order to cure deficiencies and thus improve the ratings of such Developments, the Corporation may advise the Mortgagor to request a drawdown on its respective reserve fund for replacements. If the reserves are not sufficient to cover the work required to improve a Development's rating or if the Corporation has determined that the low rating is due to Mortgagor neglect, the Corporation will meet with the Mortgagor to discuss corrective actions in all review reporting areas which include management practices, financial operations and vouchering procedures, as well as physical condition. For additional information concerning the Permanent Mortgage Loans and the related Developments, their respective physical inspection ratings, and the Corporation's inspection procedures and rating categories, see "Appendix E-1—Table 1: Developments and Permanent Mortgage Loans Outstanding under the Program as of July 31, 2017" and "Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings." In addition, the Corporation conducts an annual review of (i) the inspected Developments to monitor their financial condition and (ii) the Developments subsidized through the Section 8 program to monitor their financial management controls.

In addition to the Corporation, CPC and Wells Fargo Bank, National Association ("Wells Fargo"), both of which are experienced mortgage loan servicers, service the mortgage loans underlying the 2014 Series B Participant Interest. As of July 31, 2017, approximately 80 of the mortgage loans underlying the 2014 Series B Participant Interest (representing \$87,409,759 of the outstanding principal balance) are serviced by CPC, 3 of the mortgage loans underlying the 2014 Series B Participant Interest (representing \$485,884 of the outstanding principal balance) are serviced by Wells Fargo and 82 of the mortgage loans underlying the 2014 Series B Participant Interest are serviced by the Corporation (representing \$53,160,350 of the outstanding principal balance). In addition to collecting mortgage payments, required escrows and reserves from the Mortgagors of the applicable Developments, CPC and Wells Fargo currently conduct annual physical inspections of the Developments that are subject to the mortgage loans underlying the 2014 Series B Participant Interest that they service. The Corporation currently conducts annual inspections of the Developments that it services that are subject to first mortgage liens.

In addition to insurance coverage required by FHA, the Corporation requires property, liability, boiler and machinery, and fidelity insurance for the Mortgage Loans that it services (see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—FHA Insurance Program—General"). Property insurance must cover at least the outstanding Mortgage Loan amount and lost rental value of at least one year's rental income at the Development. As of July 31, 2017, all such Developments were in compliance with the Corporation's insurance requirements. With respect to the mortgage loans underlying the 2014 Series B Participant Interest serviced by CPC, CPC has agreed to monitor, pursuant to servicing agreements, compliance by the applicable Mortgagor with the insurance requirements set forth in the loan documents related to such mortgage loans underlying the 2014 Series B Participant Interest.

Certain Factors Affecting the Mortgage Loans

Scheduled Payments of Principal and Interest

The ability of the Corporation to pay the principal or Redemption Price of and interest on the Bonds is dependent on the Revenues derived from the assets pledged to secure the Bonds, including the Mortgage Loans, and with respect to such Mortgage Loans, the proceeds under the applicable Supplemental Security program, if any, in the event of a default on a Mortgage Loan, and the full and timely receipt of subsidy payments under the applicable Subsidy Program, if any. The ability of each Mortgagor to make the required payments under its Mortgage Loan is and will be affected by a variety of factors, including the maintenance of a sufficient level of occupancy, the maintenance of the physical condition of its Development, the level of operating expenses, sound management of its Development, timely receipt of subsidy payments, as applicable, the ability to achieve and maintain rents sufficient to cover payments under such Mortgage Loan and operating expenses (including taxes, utility rates and maintenance costs), any changes in the amount of subsidy payments, if any, changes in applicable laws and governmental regulations, and the financial condition of the Mortgagor. In addition, the continued feasibility of a Development may depend in part upon general economic conditions and other factors in the surrounding area of a Development.

Accordingly, in the event of the occurrence of substantial increases in operating costs without corresponding increases in rent levels on a timely basis, substantial reductions in occupancy or a reduction, loss or termination of subsidy payments, there may be a default with regard to one or more of the Mortgage Loans. In the event of any such default, the Corporation is required to apply for payment of proceeds under the applicable Supplemental Security program, if any, due with regard to any such Mortgage Loan. In the event of any such default where such Mortgage Loan is not secured by Supplemental Security, such mortgage lien would likely be the sole security for repayment of such Mortgage Loan (see “New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures” below and “Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans”). Such proceeds, when received, together with other monies available under or pursuant to the General Resolution may be applied to redeem an allocable portion of certain Bonds. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see “Appendix E-4—Cross-Call Provisions and Related Information.” For a discussion of Supplemental Security and Subsidy Programs, see Appendix G hereto.

Prepayments of Principal

General. The Corporation may receive amounts relating to the principal of the Mortgage Loans financed with the proceeds of the Bonds prior to the scheduled due date of such principal. Generally, principal prepayments, at the option of the applicable Mortgagor, are either (A) permitted, (B) not permitted at all, (C) permitted after a prescribed time period (which prescribed time period may have ended), or (D) permitted only with the approval of FHA and/or the Corporation. All of the Mortgage Loans and the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest are subject to prepayment of principal in whole or in part from proceeds of insurance or condemnation. For a more detailed discussion of the prepayment terms and conditions for all of the outstanding Mortgage Loans under the Program, see “Appendix E-1—Developments and Mortgage Loans Outstanding under the Program” which identifies the applicable categories of prepayment provisions for each Mortgage Loan and Appendix E-2 hereto which sets forth each of the Mortgage Loan prepayment categories. Prepayments of principal may be subject to the payment of certain fees and expenses and other terms and conditions, including the payment of penalties and premiums. Any prepayment premium or penalty does not constitute a Pledged Receipt or Recovery of Principal unless otherwise specified in a Supplemental Resolution. There may be certain other restrictions outside the

Mortgage Loan documents that limit the ability of the applicable Mortgagor to prepay. In addition, prior written notice of any optional prepayment to the Corporation or the Mortgage Banker, as applicable, generally is required. Any such prepayment could result in the special redemption from Recoveries of Principal of certain Bonds at any time. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see “Appendix E-4—Cross-Call Provisions and Related Information.”

Under the General Resolution, advance payments of amounts to become due pursuant to a Mortgage Loan, including those made at the option of a Mortgagor, shall be deposited in the Redemption Account. Unless specifically directed otherwise by written instructions of an Authorized Officer and accompanied by a Cash Flow Statement, any monies in the Redemption Account resulting from such Recoveries of Principal shall be applied to the purchase or redemption of Bonds of the Series issued to finance the Mortgage Loans which gave rise to the Recoveries of Principal. See “THE PROGRAM—2005 Series F Participant Interest and the 2005 Series J Participant Interest” for a discussion of the application of prepayments of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, respectively.

Notwithstanding the preceding paragraph, if the Corporation files a Cash Flow Statement with the Trustee, it may deposit such Recoveries of Principal in the Bond Proceeds Account or the Revenue Account in lieu of applying such monies to purchase or redeem Bonds. See “Appendix B—Summary of Certain Provisions of the General Resolution—Bond Proceeds Account,” “—Revenue Account” and “—Disposition of Recoveries of Principal” with respect to the right of the Corporation to apply prepayments of the Mortgage Loans for purposes other than the purchase or redemption of Bonds, and the right of the Corporation to withdraw surplus revenues in the Revenue Account from the pledge and lien of the General Resolution. See the description of the redemption provisions for the applicable series of Bonds in Part I of this Official Statement. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see “Appendix E-4—Cross-Call Provisions and Related Information.”

Subsequent Prepayments

Subsequent to July 31, 2017, two (2) Mortgage Loans relating to Kingsbridge Apartments and 1514 Sedgwick Avenue have been prepaid. Such Mortgage Loans were prepayable at the option of the Mortgagor.

Subsequent to July 31, 2017, six (6) Mortgage Loans underlying the 2014 Series B Participation Interest have been prepaid, having an outstanding principal balance of \$1,570,141. Such Mortgage Loans were prepayable at the option of the Mortgagor.

Prepayment Notifications

The Corporation has also received notifications from the Mortgagors of six (6) Mortgage Loans relating to Freeman Simpson, 201 West 146th Street, Harmony House, Carol Gardens, and East 119th Street Coop of their intent to prepay. There can be no assurance as to whether these prepayments will occur. See “Appendix E-1—Table 1: Developments and Permanent Mortgage Loans Outstanding Under the Program as of July 31, 2017.” For a description of redemption provisions of the Bonds in the event of a prepayment, see “General” above.

From time to time the Corporation has received inquiries or expressions of interest from Mortgagors regarding the possible prepayment, refinancing or restructuring of their respective Mortgage

Loans. There can be no assurance as to whether any such prepayment, refinancing or restructuring will occur.

New York Foreclosure Procedures and Bankruptcy

Below are descriptions of current foreclosure procedures in New York State and current bankruptcy provisions for mortgage loans generally. Such descriptions are relevant for Mortgage Loans under the Program not fully secured by Supplemental Security.

New York Foreclosure Procedures. In order to recover the debt due on a defaulted mortgage loan, the holder of the mortgage loan may either commence an action on the mortgage debt or commence an action to foreclose the mortgage. New York law restricts the ability of the holder of a mortgage loan to simultaneously bring an action to recover the mortgage debt and foreclose the mortgage. For purposes of these restrictions, actions to recover the mortgage debt include actions against the party primarily liable on the mortgage debt, actions against any guarantor of the mortgage debt and actions on insurance policies insuring the mortgaged premises. If an election is made to commence an action to foreclose the mortgage, no other action on the mortgage debt may be commenced to recover any part of the mortgage debt without leave of court. If an election is made to commence an action on the mortgage debt, where final judgment has been rendered in such an action, an action may not be commenced to foreclose the mortgage unless the sheriff has been issued an execution against the property of the defendant, which has been returned wholly or partially unsatisfied. In addition, there is New York case law indicating that if an action is commenced on the mortgage debt where final judgment has not been rendered and a subsequent action is commenced to foreclose the mortgage, then the action on the mortgage debt must be stayed or discontinued to prevent the mortgagee from pursuing both actions simultaneously.

Where a foreclosure action is brought, every person having an estate or interest in possession or otherwise in the property whose interest is claimed to be subject and subordinate to the mortgage must be made a party defendant to the action in order to have its interest in the property extinguished. At least twenty (20) days before a final judgment directing a sale is rendered, the mortgagee must file, in the clerk's office for the county where the mortgaged property is located, a notice of the pendency of the action. Judicial foreclosure in New York is a lengthy process, as judicial intervention is required at all stages, including but not limited to (1) the appointment of a referee to compute the amount due, (2) the appointment of a receiver to operate the property during the pendency of the action, (3) the confirmation of the referee's oath and report, (4) the issuance of the judgment of foreclosure and sale, (5) the confirmation of the sale, and (6) the issuance of a deficiency judgment and/or rights to surplus monies. If during the pendency of the action the mortgagor pays into court the amount due for principal and interest and the costs of the action together with the expenses of the proceedings to sell, if any, the court will (i) dismiss the complaint without costs against the mortgagee if the payment is made before judgment directing the sale or (ii) stay all proceedings upon judgment if the payment is made after judgment directing sale but before sale.

Where the mortgage debt remains partly unsatisfied after the sale of the property, the court, upon application, may award the mortgagee a deficiency judgment for the unsatisfied portion of the mortgage debt, or as much thereof as the court may deem just and equitable, against a mortgagor who has appeared or has been personally served in the action. Prior to entering a deficiency judgment, the court determines the fair and reasonable market value of the mortgaged premises as of the date such premises were bid in at auction or such nearest earlier date as there shall have been any market value thereof. In calculating the deficiency judgment, the court will reduce the amount to which the mortgagee is entitled by the higher of the sale price of the mortgaged property and the fair market value of the mortgaged property as determined by the court.

The mortgagee may also, at its discretion, negotiate with the delinquent mortgagor to offer a deed in lieu of foreclosure to the mortgagee, where appropriate. In some situations this would allow the mortgagee to reduce the cost of, and the time involved in, acquiring the property.

Most of the Mortgage Loans under the Program are non-recourse to the Mortgagor. Therefore, the Corporation may only have limited rights to pursue the enforcement of an action on the debt or seek a deficiency judgment post-foreclosure. Consequently, with respect to such Mortgage Loans, the above provisions relating to an action on the mortgage debt or seeking a deficiency judgement are not applicable.

Section 236 Contracts may provide that the HUD Payments under a Section 236 Contract shall terminate if the related Development is acquired by the Corporation or by any ineligible owner, and that the Secretary of HUD (the "Secretary") may terminate HUD Payments if an action of foreclosure is instituted, unless the Secretary approves a plan providing for continuity of eligibility of the related Development for receiving HUD Payments. It may not be possible, under New York foreclosure procedures, to complete a foreclosure sale subject to the continuing lien of the mortgage being foreclosed. Under Pub. L. 98-473, enacted in 1984, contract authority which would otherwise be subject to recapture by HUD at the time of termination of a contract for Section 236 interest reduction payments as a result of a foreclosure of the mortgage loan on a development shall remain available for such development for the balance of the contract term, and the Secretary is directed to offer to execute new Section 236 Contracts with the new owners of such projects, subject to satisfaction of statutory eligibility requirements. On this basis the Corporation believes that, notwithstanding the language of the Section 236 Contracts, in the event of a foreclosure of a Mortgage Loan secured by a Section 236 Contract not subject to FHA Insurance (which also would include 2014 Series B Trust Mortgage Loans with Section 236 Contracts), the Secretary would enter into a contract for Section 236 interest reduction payments with the new owner, subject to the satisfaction of statutory eligibility requirements, the availability of appropriations and the willingness of the mortgagee to enter into a new contract for interest reduction payments.

With respect to the 2014 Series B Purchased Mortgage Loans, the Corporation entered into a special servicing agreement with HPD and the Facilitation Trusts which sets forth procedures to be followed with regard to any 2014 Series B Purchased Mortgage Loan subject to foreclosure.

For a description of provisions regarding enforcement and foreclosure of the Mortgage Loans under the General Resolution, see "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans."

Bankruptcy. If a petition for relief under Federal bankruptcy law were filed voluntarily by a mortgagor, or involuntarily against a mortgagor by its creditors, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceedings, including, without limitation, foreclosure proceedings, against such mortgagor and its property. If a bankruptcy court so ordered, the mortgagor's property, including its revenues, could be used for the benefit of the mortgagor, despite the rights granted the mortgagee or a trustee. Certain provisions of the mortgage that make the initiation of bankruptcy and related proceedings by or against the mortgagor an event of default thereunder are not enforceable in the mortgagor's bankruptcy proceeding.

In addition, if a bankruptcy court concludes that a mortgagee is "adequately protected," it might (A) substitute other security for the property presently pledged and (B) subordinate the lien of the mortgagee or a trustee to (i) claims by persons supplying goods and services to the mortgagor after commencement of such bankruptcy proceedings, (ii) the administrative expenses of the bankruptcy proceedings and (iii) a lien granted a lender providing funds to the mortgagor during the pendency of the bankruptcy case.

In bankruptcy proceedings initiated by the filing of a petition under Chapter 11 of the United States Bankruptcy Code, a mortgagor or another party-in-interest could elect to file a plan of reorganization that seeks to modify the rights of creditors generally, or any class of creditors, including secured creditors. In the event a mortgagor files under Chapter 11, the mortgagor may seek to modify the terms of the mortgage note and the mortgage in a plan of reorganization. In a reorganization case, a mortgagee holds a secured claim equal to the lesser of the value of the mortgaged premises or the debt. If the adjusted value is less than the pre-petition debt, then the mortgagee is not entitled to post-petition interest and the deficiency will be treated as an unsecured claim. With respect to the mortgagee's secured claim, if the debtor intends to retain the premises, the debtor will generally propose to treat the mortgage as unimpaired by curing any monetary defaults and reinstating the terms of the mortgage. Alternatively, the debtor may seek to alter the terms, however, the mortgagee is entitled to retain its lien under a plan and must receive deferred cash payments totaling the amount of the claim with a present value not less than the value of the mortgaged premises. If the premises are to be sold by the debtor, the mortgagee can bid at the bankruptcy court sale and offset its claim against the selling price at such sale.

FHA-Insured Mortgage Loans and HUD Assisted Developments with Low Inspection Ratings

Pursuant to HUD regulations and administrative procedures for physical inspections of FHA-insured properties that score less than 60 total points, properties scoring 30 and under are automatically referred to HUD's Departmental Enforcement Center ("DEC"). Those scoring between 31 and 59 may be referred to DEC and will be evaluated for enforcement by local HUD Office of Housing Staff. A Notice of Violation/Default of Regulatory Agreement and Housing Assistance Payment Contract is then issued. The property owner has sixty (60) days to certify that all repairs have been completed. HUD will then re-inspect the property, either following such sixty (60) day period or, in certain cases with respect to properties being evaluated for enforcement by local HUD Office of Housing Staff, the following year. If the property scores above 60 (a satisfactory rating and above), normal monitoring resumes. If the score is below 60 (a below average or unsatisfactory rating), HUD may consider the owner in default and may pursue available remedies. Available remedies may include termination of subsidy payments under the affected Housing Assistance Payment Contract or requiring that the mortgagee accelerate and assign the FHA-insured mortgage loan to HUD as a result of the default under the Project's Regulatory Agreement in exchange for FHA Insurance benefits. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—FHA Insurance Program."

Any Development subsidized through the Section 8 program which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. In addition, HUD may reduce the Section 236 subsidy in certain cases if a unit or units in a Development subsidized through the Section 236 program become not habitable for any reason. In the event such payments were reduced, suspended or terminated in respect of a Permanent Mortgage Loan subsidized by a HAP Contract or a Section 236 Contract, such reduced, suspended or terminated payments would not be available to pay debt service on such Mortgage Loan, which could result in a default on such Mortgage Loan. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Section 236 Program" and "—Section 8 Program."

The Corporation is currently aware that three (3) Developments with Fannie Mae insured Mortgage Loans and one (1) Development with an uninsured Mortgage Loan (other than those that relate to the 2014 Series B Mortgage Loan), with an aggregate outstanding permanent senior Mortgage Loan balance of \$37,912,934 as of July 31, 2017, have each received a Notice of Default of the Section 236 Agreement for Interest Reduction Payments or HAP Contract, as applicable, from HUD because of its low inspection ratings. These Developments are required to maintain certain reserves for replacements for capital improvements; such reserves could be applied to rectify the applicable Notice of Default. However, the Corporation can give no assurance as to whether such loan proceeds and reserves will, in

fact, be used by the Mortgagor in such manner or whether the amount of such reserves will be sufficient to correct all violations.

AGREEMENT OF THE STATE

Section 657 of the Act provides that the State pledges to and agrees with the holders of obligations of the Corporation, including owners of the Bonds, that it will not limit or alter the rights vested by the Act in the Corporation to fulfill the terms of any agreements made with the owners of the Bonds, or in any way impair the rights and remedies of such owners until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such owners of the Bonds, are fully met and discharged.

LEGALITY OF THE BONDS FOR INVESTMENT AND DEPOSIT

Under the provisions of Section 662 of the Act, the Bonds are securities in which 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, all administrators, guardians, executors, trustees and 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, may properly and legally invest funds, including capital, in their control or belonging to them. The Bonds are also securities which may be deposited with and may be received by all public officers and bodies of the State and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or hereafter authorized.

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