



## MEMORANDUM

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To: Members of the Audit Committee

From: Mary Hom  
Chief Risk Officer

Date: January 6, 2023

Re: Counterparty Credit Risk Exposure

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Please find attached an unaudited report detailing the Corporation's counterparty exposure as of December 31, 2022. The previous report to the Audit Committee was dated October 31, 2022.

There were no rating agency actions of note, and there was one new approved counterparty – East West Bank. East West Bank was approved for money market investments, and these investments are collateralized by a FHLB letter-of-credit. East West Bank is rated BBB+ by S&P.

HDC's counterparty exposure remains diversified with the largest exposures being with FNMA, FHLMC, and Wells Fargo. The Wells Fargo exposure is primarily in the form of construction letters-of-credit covering 23 projects.

Investments rated double-A or higher were 56% of total investments, versus 58% at the last report. Investments rated triple-B or not rated were 18% of total investments, versus 14% at the last report, and are fully collateralized by high quality U.S. Treasury/Agency securities and/or FHLB letters-of-credit.

HDC exposure to liquidity providers increased \$100 million to approximately \$484 million due to the issuance of the 2022 Series F-3 bonds.

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of December 31, 2022**  
**(UNAUDITED)**

<b>Counterparty</b>	<b>Moody's</b>	<b>S&amp;P</b>	<b>Construction LOC</b>	<b>Permanent Enhancement</b>	<b>Investment</b>	<b>Liquidity Providers</b>	<b>TOTAL COUNTERPARTY EXPOSURE</b>	<b>% Total Counterparty Exposure</b>
Bank of America NA	Aa2	A+	\$501,290,000	\$19,200,000			\$520,490,000	3.03%
Bank of New York Mellon NA	Aa1	AA-	\$408,965,000				\$408,965,000	2.38%
Bank OZK	A3	NR			\$28,179,140		\$28,179,140	0.16%
Barclays Bank	A1	A				\$178,720,000	\$178,720,000	1.04%
Bayerische Landesbank	Aa3	NR			\$7,640,004		\$7,640,004	0.04%
Bridgehampton National Bank (now Dime Community)	A3	NR			\$335,752,478		\$335,752,478	1.95%
Capital One NA	A1	BBB+		\$22,700,000			\$22,700,000	0.13%
Citibank NA	Aa3	A+	\$1,051,120,000	\$228,230,035	\$29,048,498		\$1,308,398,533	7.61%
Citizens Bank	A1	A-			\$70,000,000		\$70,000,000	0.41%
Customers Bank	NR	NR			\$142,563,386		\$142,563,386	0.83%
Daiwa Securities	A3	A-			\$82,941,000		\$82,941,000	0.48%
Deutsche Bank	A1	A-		\$55,000,000			\$55,000,000	0.32%
Dime Community Bank	A3	NR			\$99,235,650		\$99,235,650	0.58%
Dormitory Authority of the State of NY (DASNY)	Aa2	AA-			\$31,440,000		\$31,440,000	0.18%
East West Bank	NR	BBB+			\$75,000,000		\$75,000,000	0.44%
Flushing Bank	NR	NR			\$44,858,440		\$44,858,440	0.26%
Goldman Sachs Bank	A1	A+	\$439,590,000				\$439,590,000	2.56%
Hanover Bank	NR	NR			\$107,169,377		\$107,169,377	0.62%
HDC	Aa2	AA	\$344,944,513				\$344,944,513	2.01%
JPMorgan Chase Bank NA	Aa1	A+	\$1,028,536,667	\$7,310,000			\$1,035,846,667	6.02%
Landesbank Baden-Wuerttemberg	Aa3	NR		\$70,000,000			\$70,000,000	0.41%
Mizuho Securities	A1	A			\$12,245,000		\$12,245,000	0.07%
NYC GO	Aa2	AA			\$36,940,000		\$36,940,000	0.21%
NYC Transitional Finance Authority	Aa2	AAA			\$49,950,000		\$49,950,000	0.29%
NY Community Bank	A3	BBB-			\$227,598,942		\$227,598,942	1.32%
NYS HFA	Aa2	NR			\$10,440,000		\$10,440,000	0.06%
NYS Urban Development Corp	Aa1	NR			\$20,000,000		\$20,000,000	0.12%
Promontory (FDIC insured)	NR	NR			\$80,229,560		\$80,229,560	0.47%
REMIC	NR	AA		\$401,969,103			\$401,969,103	2.34%
Royal Bank of Canada	Aa1	AA-				\$125,000,000	\$125,000,000	0.73%
Signature Bank	A2	NR			\$745,169,143		\$745,169,143	4.33%
Societe Generale	A1	A			\$288,223		\$288,223	0.00%
SONYMA	Aaa	NR		\$470,599,587	\$1,515,000		\$472,114,587	2.75%
Sterling National Bank (now Webster Bank)	A1	BBB+			\$263,510,006		\$263,510,006	1.53%
TD Bank NA	Aa2	AA-	\$305,205,000		\$192,095,233	\$80,000,000	\$577,300,233	3.36%
UBS	Aa2	AA-				\$100,000,000	\$100,000,000	0.58%
<b>US Agency:</b>	<b>Aaa</b>	<b>AA+</b>		<b>\$3,978,649,982</b>	<b>\$2,580,469,365</b>		<b>\$6,559,119,347</b>	<b>38.14%</b>
FFCB					\$711,105,000		\$711,105,000	4.13%
FHA/HUD				\$655,925,084			\$655,925,084	3.81%
FHLB					\$1,034,330,000		\$1,034,330,000	6.01%
<b>FHLMC</b>				<b>\$1,281,261,903</b>	<b>\$685,066,739</b>		<b>\$1,966,328,642</b>	<b>11.43%</b>
<b>FNMA</b>				<b>\$2,041,462,995</b>	<b>\$132,900,000</b>		<b>\$2,174,362,995</b>	<b>12.64%</b>
GNMA					\$17,067,626		\$17,067,626	0.10%
US Treasury	Aaa	AA+			\$14,555,000		\$14,555,000	0.08%
<b>Wells Fargo Bank NA</b>	<b>Aa1</b>	<b>A+</b>	<b>\$2,092,892,253</b>				<b>\$2,092,892,253</b>	<b>12.17%</b>
<b>TOTAL</b>			<b>\$6,172,543,433</b>	<b>\$5,253,658,707</b>	<b>\$5,288,833,445</b>	<b>\$483,720,000</b>	<b>\$17,198,755,585</b>	<b>100.00%</b>
<i>*Counterparty Exposures Above 10% Are Highlighted</i>								

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of December 31, 2022**  
**(UNAUDITED)**

<b>Municipal Investments:</b>			
<b>Issuer</b>		<b>Amount</b>	
Dormitory Authority of the State of NY		\$31,440,000	
NYC GO		\$36,940,000	
NYC TFA		\$49,950,000	
NYS HFA		\$10,440,000	
NYS Urban Dev Corp		\$20,000,000	
SONYMA		\$1,515,000	
<b>Total Municipal Investments</b>		<b>\$150,285,000</b>	
<b>Exposure to Counterparties Rated A-Minus and Below, or Not-Rated:</b>			
<b>Counterparty</b>	<b>Type of Exposure</b>	<b>Amount</b>	<b>% Total Counterparty Exposure</b>
Bank OZK*	Money Market	\$28,179,140	0.16%
Bridgehampton National Bank*	Money Market	\$335,752,478	1.95%
Capital One Bank	Permanent Enhancement	\$22,700,000	0.13%
Citizens Bank	Money Market	\$70,000,000	0.41%
Customers Bank*	Money Market	\$142,563,386	0.83%
Daiwa Securities*	Repo	\$82,941,000	0.48%
Deutsche Bank*	Repo/Perm Enhancement	\$55,000,000	0.32%
Dime Community Bank*	Money Market	\$99,235,650	0.58%
East West Bank*	Money Market	\$75,000,000	0.44%
Flushing Bank*	Money Market	\$44,858,440	0.26%
Hanover Bank*	Money Market	\$107,169,377	0.62%
NY Community Bank*	Money Market	\$227,598,942	1.32%
Promontory (FDIC insured)	Money Market	\$80,229,560	0.47%
Sterling National Bank*	Money Market	\$263,510,006	1.53%
<b>TOTAL</b>		<b>\$1,634,737,979</b>	<b>9.50%</b>
<i>*Fully- or over-collateralized by FHLB LOC and/or US Treasury/Agency securities</i>			
<b>Country Exposure (Ex-U.S.):</b>			
<b>Country</b>	<b>Type</b>	<b>\$ Amount</b>	<b>% Total Counterparty Exposure</b>
Canada (TD Bank/Royal Bank of Canada)	LOC/GIC/Liq	\$702,300,233	4.08%
France (Societe Generale)	GIC	\$288,223	0.00%
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC	\$132,640,004	0.77%
Japan (Daiwa/Mizuho)	RP	\$95,186,000	0.55%
UK (Barclays Bank)	Liq	\$178,720,000	1.04%
Switzerland (UBS)	Liq	\$100,000,000	0.58%
<b>TOTAL</b>		<b>\$1,209,134,460</b>	<b>7.03%</b>

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Credit Enhancement Diversification as of December 31, 2022**  
**(UNAUDITED)**

**CONSTRUCTION PROJECTS**

Provider	Moody's	S&P	Enhancement During Construction:			Expected Permanent Enhancement:		
			Number of Projects	Enhanced Amount	% of Total During Construction	Number of Projects	Expected Permanent Enhanced or Insured Amount	% of Total During Permanent
Bank of America	Aa2	A+	9	\$501,290,000	8.12%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	8	\$408,965,000	6.63%	0	\$0	0.00%
Citibank	Aa3	A+	16	\$1,051,120,000	17.03%	0	\$0	0.00%
FHA	Aaa	AA+	0	\$0	0.00%	32	\$1,644,477,500	71.80%
FHLMC*	Aaa	AA+	0	\$0	0.00%	4	\$312,128,500	13.63%
Goldman Sachs Bank	A1	A+	4	\$439,590,000	7.12%	0	\$0	0.00%
HDC	Aa2	AA	16	\$344,944,513	5.59%	0	\$0	0.00%
JPMorgan Chase	Aa1	A+	14	\$1,028,536,667	16.66%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	0	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	59	\$211,610,503	9.24%
SONYMA	Aa1	NR	0	\$0	0.00%	8	\$122,122,500	5.33%
TD Bank NA	Aa2	AA-	6	\$305,205,000	4.94%	0	\$0	0.00%
Wells Fargo	Aa1	A+	23	\$2,092,892,253	33.91%	0	\$0	0.00%
<b>TOTAL</b>			<b>98</b>	<b>\$6,172,543,433</b>	<b>100.00%</b>	<b>103</b>	<b>\$2,290,339,003</b>	<b>100.00%</b>

In Construction:	
Rating	% of Total
AAA	0.00%
AA	17.16%
A	82.84%
<b>TOTAL</b>	<b>100.00%</b>

\*Three projects with FHLMC are risk share with HDC

**PERMANENT LOANS WITH ENHANCEMENT**

Provider	Moody's	S&P	Number of Projects	Current Principal Amount	Enhanced Amount	% of Total
						Permanent Enhanced Amount
Bank of America	Aa2	A+	1	\$19,200,000	\$19,200,000	0.37%
Capital One	A1	BBB+	1	\$22,700,000	\$22,700,000	0.43%
Citibank	Aa3	A+	22	\$228,230,035	\$228,230,035	4.34%
Deutsche Bank	A1	A-	1	\$55,000,000	\$55,000,000	1.05%
FHA	Aaa	AA+	44	\$960,317,821	\$655,925,084	12.49%
FHLMC	Aaa	AA+	31	\$1,330,632,204	\$1,281,261,903	24.39%
FNMA	Aaa	AA+	35	\$2,041,462,995	\$2,041,462,995	38.86%
JPMorgan Chase	Aa1	A+	2	\$7,310,000	\$7,310,000	0.14%
Landesbank Baden Wuer	Aa3	NR	1	\$70,000,000	\$70,000,000	1.33%
REMIC*	NR	AA	264	\$1,987,963,941	\$401,969,103	7.65%
SONYMA	Aa1	NR	75	\$765,098,312	\$470,599,587	8.96%
<b>TOTAL</b>			<b>477</b>	<b>\$7,487,915,308</b>	<b>\$5,253,658,707</b>	<b>100.00%</b>

In Permanent:	
Rating	% of Total
AAA	0.00%
AA	93.67%
A	5.90%
BBB	0.43%
<b>TOTAL</b>	<b>100.00%</b>

\*Unenhanced portion totals approximately \$1.6 billion

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Investment Summary as of December 31, 2022*  
**(UNAUDITED)**

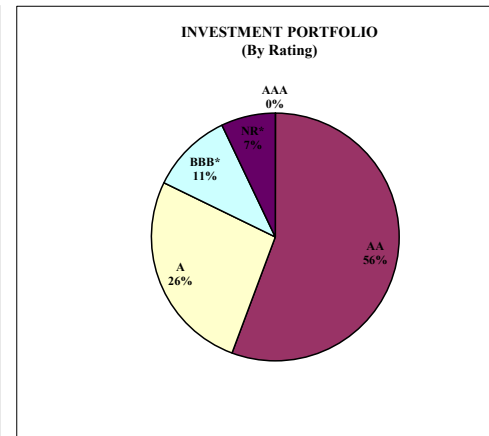
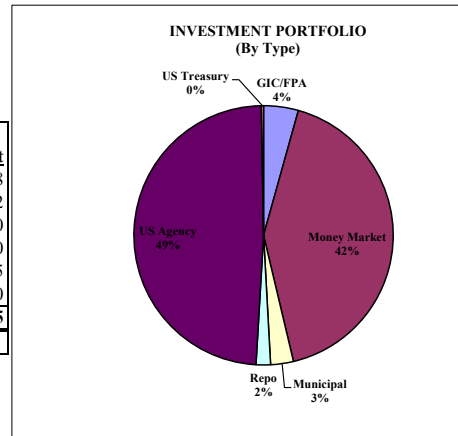
**Investment Securities & Repo-By Rating:**

Counterparty	Type	Amount	NRSRO Rating-December 31, 2022:				
			AAA	AA	A	BBB*	NR*
Bank OZK	MM	\$28,179,140			\$28,179,140		
Bayerische Landesbank	GIC	\$7,640,004		\$7,640,004			
Bridgehampton National Bank	MM	\$335,752,478			\$335,752,478		
Citibank NA	FPA	\$29,048,498			\$29,048,498		
Citizens Bank	MM	\$70,000,000			\$70,000,000		
Customers Bank	MM	\$142,563,386					\$142,563,386
Daiwa Securities	REPO	\$82,941,000			\$82,941,000		
Dime Community Bank	MM	\$99,235,650			\$99,235,650		
Dormitory Authority of the State of NY	MUNI	\$31,440,000		\$31,440,000			
East West Bank	MM	\$75,000,000				\$75,000,000	
Flushing Bank	MM	\$44,858,440					\$44,858,440
Hanover Bank	MM	\$107,169,377					\$107,169,377
Mizuho Securities	REPO	\$12,245,000			\$12,245,000		
NYC GO	MUNI	\$36,940,000		\$36,940,000			
NYC TFA	MUNI	\$49,950,000		\$49,950,000			
NY Community Bank	MM	\$227,598,942				\$227,598,942	
NYS HFA	MUNI	\$10,440,000		\$10,440,000			
NYS Urban Development Corp	MUNI	\$20,000,000		\$20,000,000			
Promontory (FDIC insured)	MM	\$80,229,560					\$80,229,560
Signature Bank	MM	\$745,169,143			\$745,169,143		
Societe Generale	GIC	\$288,223			\$288,223		
SONYMA	MUNI	\$1,515,000	\$1,515,000				
Sterling National Bank	MM	\$263,510,006				\$263,510,006	
TD Bank	GIC	\$192,095,233		\$192,095,233			
US Agency	US Agency	\$2,580,469,365		\$2,580,469,365			
US Treasury	US Treasury	\$14,555,000		\$14,555,000			
		<b>\$5,288,833,445</b>	<b>\$1,515,000</b>	<b>\$2,943,529,602</b>	<b>\$1,402,859,132</b>	<b>\$566,108,948</b>	<b>\$374,820,763</b>
<b>% of Total</b>		<b>100.00%</b>	<b>0.03%</b>	<b>55.66%</b>	<b>26.52%</b>	<b>10.70%</b>	<b>7.09%</b>

\*BBB and NR exposures are fully-collateralized

**Weighted Average Maturity (Years): 3.29**

Investment Portfolio-By Type of Investment:		
	% Total	Amount
GIC/FPA	4.33%	\$229,071,958
Money Market	41.96%	\$2,219,266,122
Municipal	2.84%	\$150,285,000
Repo	1.80%	\$95,186,000
US Agency	48.79%	\$2,580,469,365
US Treasury	0.28%	\$14,555,000
<b>Total</b>	<b>100.00%</b>	<b>\$5,288,833,445</b>



**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Liquidity Providers as of December 31, 2022*  
**(UNAUDITED)**

<b>BARCLAYS BANK</b>		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2021 F-3	6/23/2026	\$100,000,000
2021 K-3	12/21/2026	\$50,000,000
2022 C-3	6/18/2027	\$28,720,000
		<u>\$178,720,000</u>

<b>ROYAL BANK OF CANADA</b>		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2019 A-4	4/18/2024	\$30,000,000
2019 E-3	6/25/2024	\$45,000,000
2020 E	8/19/2025	\$11,510,000
2020 F-2	8/19/2025	\$38,490,000
		<u>\$125,000,000</u>

<b>TD BANK</b>		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2020 I-3	12/15/2023	\$80,000,000
		<u>\$80,000,000</u>

<b>UBS</b>		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2022 F-3	12/15/2027	\$100,000,000
		<u>\$100,000,000</u>

<b>Diversification:</b>	<b>Amount</b>	<b>% Total</b>
Barclays Bank	\$178,720,000	36.95%
Royal Bank of Canada	\$125,000,000	25.84%
TD Bank	\$80,000,000	16.54%
UBS	\$100,000,000	20.67%
<b>TOTAL</b>	<u><b>\$483,720,000</b></u>	<u><b>100.00%</b></u>