



## MEMORANDUM

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To: Members of the Audit Committee

From: Mary Hom  
Chief Risk Officer

Date: May 24, 2023

Re: Counterparty Credit Risk Exposure

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Please find attached an unaudited report detailing the Corporation's counterparty exposure as of April 30, 2023. The previous report to the Audit Committee was dated March 22, 2023.

Subsequent to the date of the report, there were two bank upgrades. The deposit rating for Bank of America was upgraded by Moody's to Aa1 from Aa2. Moody's cited Bank of America's strengthened capital, improved earnings profile, and restrained risk appetite as reasons for the upgrade. Similarly, S&P upgraded the deposit rating for Barclays Bank to A+ from A due to Barclays' strong earnings performance and prudent funding and liquidity profile. There were no new approved counterparties.

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 24 projects.

Investments rated double-A or higher were 56% of total investments, versus 57% at the last report. Investments rated triple-B or not rated were 31% of total investments, versus 28% at the last report. All investments rated triple-B or not rated are fully collateralized by high quality U.S. Treasury/Agency securities and/or FHLB letters-of-credit.

HDC exposure to liquidity providers was up \$58 million to approximately \$542 million due to the remarketing of the 2018 Series L-2 bonds.

Interest rate hedge providers were unchanged since the last report.

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Exposure Report as of April 30, 2023**  
**(UNAUDITED)**

Counterparty	Moody's	S&P	Construction LOC	Permanent Enhancement	Investment	Liquidity Providers	Interest Rate Hedges (Notional Amount)	TOTAL	% Total
								COUNTERPARTY EXPOSURE	Counterparty Exposure
Bank of America NA	Aa2	A+	\$294,110,000	\$19,200,000				\$313,310,000	1.70%
Bank of New York Mellon NA	Aa1/Aa2	AA-	\$408,965,000				\$200,000,000	\$608,965,000	3.31%
Bank OZK (FHLB LOC)	A3	NR			\$129,140,000			\$129,140,000	0.70%
Barclays Bank	A1	A				\$178,720,000		\$178,720,000	0.97%
Bayerische Landesbank	Aa3	NR			\$4,882,637			\$4,882,637	0.03%
Capital One NA	A1	BBB+		\$22,700,000				\$22,700,000	0.12%
Citibank NA	Aa3	A+	\$929,960,000	\$222,417,257	\$29,048,498		\$232,182,227	\$1,413,607,982	7.68%
Citizens Bank (FHLB LOC)	A1	A-			\$11,647,829			\$11,647,829	0.06%
Customers Bank (FHLB LOC)	NR	NR			\$319,582,876			\$319,582,876	1.74%
Daiwa Securities (TSY/AGCY)	A3	A-			\$61,337,000			\$61,337,000	0.33%
Deutsche Bank	A1	A-		\$55,000,000				\$55,000,000	0.30%
Dime Community/Bridgehampton Nat'l Bank (FHLB LOC)	A3	NR			\$424,633,227			\$424,633,227	2.31%
Dormitory Authority of the State of NY (DASNY)	Aa2	AA-			\$31,440,000			\$31,440,000	0.17%
East West Bank (FHLB LOC)	NR	BBB+			\$48,645,543			\$48,645,543	0.26%
Flushing Bank (FHLB LOC)	NR	NR			\$3,715,335			\$3,715,335	0.02%
Goldman Sachs Bank/Goldman Sachs Mitsui Marine	A1/Aa2	A+/AA-	\$439,590,000				\$75,275,000	\$514,865,000	2.80%
Hanover Bank (FHLB LOC)	NR	NR			\$135,181,535			\$135,181,535	0.73%
HDC	Aa2	AA	\$348,300,893					\$348,300,893	1.89%
JPMorgan Chase Bank NA	Aa1	A+	\$922,806,667	\$7,310,000				\$930,116,667	5.05%
Landesbank Baden-Wuerttemberg	Aa3	NR		\$70,000,000				\$70,000,000	0.38%
Mizuho Securities (TSY/AGCY)	A1	A			\$12,948,000			\$12,948,000	0.07%
NYC GO	Aa2	AA			\$36,940,000			\$36,940,000	0.20%
NYC Transitional Finance Authority	Aa2	AAA			\$49,950,000			\$49,950,000	0.27%
NY Community Bk (Flagstar Bk) (FHLB LOC/TSY/AGCY)	A3	BBB-			\$831,089,817			\$831,089,817	4.51%
NYS HFA	Aa2	NR			\$10,440,000			\$10,440,000	0.06%
NYS Urban Development Corp	Aa1	NR			\$20,000,000			\$20,000,000	0.11%
PNC Bank	Aa3/A2	A					\$413,720,000	\$413,720,000	2.25%
Promontory (FDIC-insured)	NR	NR			\$135,147,448			\$135,147,448	0.73%
REMIC	NR	AA		\$428,987,601				\$428,987,601	2.33%
Royal Bank of Canada	Aa1	AA-				\$125,000,000	\$334,000,000	\$459,000,000	2.49%
Societe Generale	A1	A			\$798,111			\$798,111	0.00%
SONYMA	Aaa	NR		\$453,891,557	\$1,640,000			\$455,531,557	2.47%
TD Bank NA	Aa2	AA-	\$305,205,000		\$124,865,579	\$138,100,000		\$568,170,579	3.09%
UBS	Aa2	AA-				\$100,000,000		\$100,000,000	0.54%
<b>US Agency:</b>	<b>Aaa</b>	<b>AA+</b>		<b>\$4,035,705,270</b>	<b>\$2,581,553,922</b>			<b>\$6,617,259,192</b>	<b>35.94%</b>
FFCB					\$753,605,000			\$753,605,000	4.09%
FHA/HUD				\$794,291,410				\$794,291,410	4.31%
FHLB					\$989,490,000			\$989,490,000	5.37%
<b>FHLMC</b>				<b>\$1,209,427,349</b>	<b>\$688,766,325</b>			<b>\$1,898,193,674</b>	<b>10.31%</b>
<b>FNMA</b>				<b>\$2,031,986,511</b>	<b>\$132,900,000</b>			<b>\$2,164,886,511</b>	<b>11.76%</b>
GNMA					\$16,792,597			\$16,792,597	0.09%
US Treasury	Aaa	AA+			\$12,717,000			\$12,717,000	0.07%
Webster Bank (formerly Sterling Nat'l Bk) (TSY/AGCY)	A1	BBB+			\$124,421,091			\$124,421,091	0.68%
<b>Wells Fargo Bank NA</b>	<b>Aa1/Aa2</b>	<b>A+</b>	<b>\$2,246,162,253</b>				<b>\$261,447,469</b>	<b>\$2,507,609,722</b>	<b>13.62%</b>
<b>TOTAL</b>			<b>\$5,895,099,813</b>	<b>\$5,315,211,685</b>	<b>\$5,141,765,448</b>	<b>\$541,820,000</b>	<b>\$1,516,624,696</b>	<b>\$18,410,521,642</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 April 30, 2023**  
**(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			\$1,640,000						
<b>Total Municipal Investments</b>			<b>\$150,410,000</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 (FHLB LOC)*	Money Market		\$129,140,000	0.70%					
Capital One Bank	Permanent Enhancement		\$22,700,000	0.12%					
Citizens Bank (FHLB LOC)*	Money Market		\$11,647,829	0.06%					
Customers Bank (FHLB LOC)*	Money Market		\$319,582,876	1.74%					
Daiwa Securities (TSY/AGCY)*	Repo		\$61,337,000	0.33%					
Deutsche Bank	Perm Enhancement		\$55,000,000	0.30%					
Dime Community Bk/Bridgehampton Nat'l Bk (FHLB LOC)*	Money Market		\$424,633,227	2.31%					
East West Bank (FHLB LOC)*	Money Market		\$48,645,543	0.26%					
Flushing Bank (FHLB LOC)*	Money Market		\$3,715,335	0.02%					
Hanover Bank (FHLB LOC)*	Money Market		\$135,181,535	0.73%					
NY Community Bk/Flagstar Bk (FHLB LOC/TSY/AGCY)*	Money Market		\$831,089,817	4.51%					
Promontory (FDIC-insured)	Money Market		\$135,147,448	0.73%					
Webster Bank (formerly Sterling Nat'l Bk) (TSY/AGCY)*	Money Market		\$124,421,091	0.68%					
<b>TOTAL</b>			<b>\$2,302,241,701</b>	<b>12.51%</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		\$1,027,170,579	5.58%					
France (Societe Generale)	GIC		\$798,111	0.00%					
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC		\$129,882,637	0.71%					
Japan (Daiwa/Mizuho)	RP		\$74,285,000	0.40%					
UK (Barclays Bank)	Liq		\$178,720,000	0.97%					
Switzerland (UBS)	Liq		\$100,000,000	0.54%					
<b>TOTAL</b>			<b>\$1,510,856,327</b>	<b>8.21%</b>					

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Credit Enhancement Diversification as of April 30, 2023*  
**(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+	5	\$294,110,000	4.99%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	8	\$408,965,000	6.94%	0	\$0	0.00%
Citibank	Aa3	A+	13	\$929,960,000	15.78%	0	\$0	0.00%
FHA	Aaa	AA+	0	\$0	0.00%	29	\$1,590,857,000	71.91%
FHLMC*	Aaa	AA+	0	\$0	0.00%	4	\$312,128,500	14.11%
Goldman Sachs Bank	A1	A+	4	\$439,590,000	7.46%	0	\$0	0.00%
HDC	Aa2	AA	17	\$348,300,893	5.91%	0	\$0	0.00%
JPMorgan Chase	Aa1	A+	10	\$922,806,667	15.65%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	0	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	53	\$187,087,779	8.46%
SONYMA	Aaa	NR	0	\$0	0.00%	8	\$122,122,500	5.52%
TD Bank NA	Aa2	AA-	6	\$305,205,000	5.18%	0	\$0	0.00%
Wells Fargo	Aa1	A+	24	\$2,246,162,253	38.10%	0	\$0	0.00%
<b>TOTAL</b>			<b>89</b>	<b>\$5,895,099,813</b>	<b>100.00%</b>	<b>94</b>	<b>\$2,212,195,779</b>	<b>100.00%</b>

In Construction:	
Rating	% of Total
AAA	0.00%
AA	18.02%
A	81.98%
<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	0.36%
Capital One	A1	BBB+	1	\$22,700,000	\$22,700,000	0.43%
Citibank	Aa3	A+	22	\$222,417,257	\$222,417,257	4.18%
Deutsche Bank	A1	A-	1	\$55,000,000	\$55,000,000	1.03%
FHA	Aaa	AA+	49	\$1,176,568,912	\$794,291,410	14.94%
FHLMC	Aaa	AA+	28	\$1,258,666,421	\$1,209,427,349	22.75%
FNMA	Aaa	AA+	35	\$2,031,986,511	\$2,031,986,511	38.23%
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	1.32%
REMIC*	NR	AA	271	\$2,123,302,194	\$428,987,601	8.07%
SONYMA	Aaa	NR	74	\$746,315,187	\$453,891,557	8.54%
<b>TOTAL</b>			<b>485</b>	<b>\$7,733,466,482</b>	<b>\$5,315,211,685</b>	<b>100.00%</b>

In Permanent:	
Rating	% of Total
AAA	0.00%
AA	93.85%
A	5.72%
BBB	0.43%
<b>TOTAL</b>	<b>100.00%</b>

\*Unenhanced portion totals approximately \$1.7 billion

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Investment Summary as of April 30, 2023*  
**(UNAUDITED)**

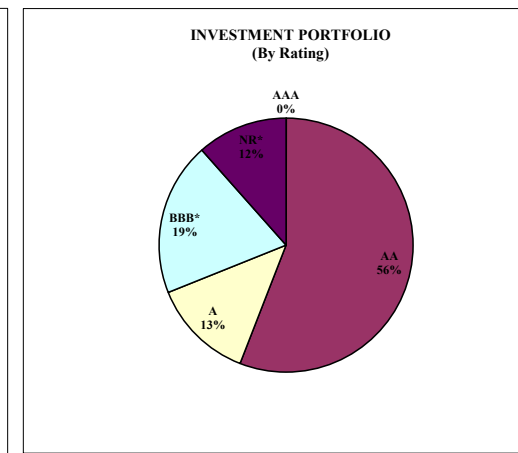
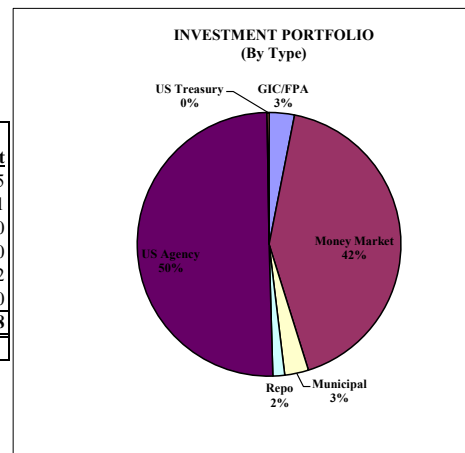
**Investment Securities & Repo-By Rating:**

Counterparty	Type	Amount	NRSRO Rating-April 30, 2023:				
			AAA	AA	A	BBB*	NR*
Bank OZK (FHLB LOC)*	MM	\$129,140,000			\$129,140,000		
Bayerische Landesbank	GIC	\$4,882,637		\$4,882,637			
Citibank NA	FPA	\$29,048,498			\$29,048,498		
Citizens Bank (FHLB LOC)*	MM	\$11,647,829			\$11,647,829		
Customers Bank (FHLB LOC)*	MM	\$319,582,876					\$319,582,876
Daiwa Securities (TSY/AGCY)*	REPO	\$61,337,000			\$61,337,000		
Dime Community Bank/Bridgehampton Natl Bank (FHLB LOC)*	MM	\$424,633,227			\$424,633,227		
Dormitory Authority of the State of NY	MUNI	\$31,440,000		\$31,440,000			
East West Bank (FHLB LOC)*	MM	\$48,645,543				\$48,645,543	
Flushing Bank (FHLB LOC)*	MM	\$3,715,335					\$3,715,335
Hanover Bank (FHLB LOC)*	MM	\$135,181,535					\$135,181,535
Mizuho Securities (TSY/AGCY)*	REPO	\$12,948,000			\$12,948,000		
NYC GO	MUNI	\$36,940,000		\$36,940,000			
NYC TFA	MUNI	\$49,950,000		\$49,950,000			
NY Community Bank/Flagstar Bank (FHLB LOC/TSY/AGCY)*	MM	\$831,089,817				\$831,089,817	
NYS HFA	MUNI	\$10,440,000		\$10,440,000			
NYS Urban Development Corp	MUNI	\$20,000,000		\$20,000,000			
Promontory (FDIC-insured)	MM	\$135,147,448					\$135,147,448
Societe Generale	GIC	\$798,111			\$798,111		
SONYMA	MUNI	\$1,640,000	\$1,640,000				
TD Bank	GIC	\$124,865,579		\$124,865,579			
US Agency	US Agency	\$2,581,553,922		\$2,581,553,922			
US Treasury	US Treasury	\$12,717,000		\$12,717,000			
Webster Bank (formerly Sterling National Bank) (TSY/AGCY)*	MM	\$124,421,091				\$124,421,091	
		<b>\$5,141,765,448</b>	<b>\$1,640,000</b>	<b>\$2,872,789,138</b>	<b>\$669,552,665</b>	<b>\$1,004,156,451</b>	<b>\$593,627,194</b>
<b>% of Total</b>		<b>100.00%</b>	<b>0.03%</b>	<b>55.87%</b>	<b>13.02%</b>	<b>19.53%</b>	<b>11.55%</b>

\*Fully-collateralized by US Treasury/Agency securities and/or FHLB LOC

**Weighted Average Maturity (Years):** **3.15**

Investment Portfolio-By Type of Investment:		
	% Total	Amount
GIC/FPA	3.10%	\$159,594,825
Money Market	42.07%	\$2,163,204,701
Municipal	2.93%	\$150,410,000
Repo	1.44%	\$74,285,000
US Agency	50.21%	\$2,581,553,922
US Treasury	0.25%	\$12,717,000
<b>Total</b>	<b>100.00%</b>	<b>\$5,141,765,448</b>



**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Liquidity Providers as of April 30, 2023*  
**(UNAUDITED)**

<b>BARCLAYS BANK (A1/A)</b>		
<b>Issue</b>	<b>Expiration</b>	<b>Amount</b>
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
		<b>\$178,720,000</b>

<b>ROYAL BANK OF CANADA (Aa1/AA-)</b>		
<b>Issue</b>	<b>Expiration</b>	<b>Amount</b>
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
		<b>\$125,000,000</b>

<b>TD BANK (Aa2/AA-)</b>		
<b>Issue</b>	<b>Expiration</b>	<b>Amount</b>
2018 L-2	4/5/2028	\$58,100,000
2020 I-3	4/5/2028	\$80,000,000
		<b>\$138,100,000</b>

<b>UBS (Aa2/AA-)</b>		
<b>Issue</b>	<b>Expiration</b>	<b>Amount</b>
2022 F-3	12/15/2027	\$100,000,000
		<b>\$100,000,000</b>

<b>Diversification:</b>	<b>Amount</b>	<b>% Total</b>
Barclays Bank	\$178,720,000	32.99%
Royal Bank of Canada	\$125,000,000	23.07%
TD Bank	\$138,100,000	25.49%
UBS	\$100,000,000	18.46%
<b>TOTAL</b>	<b>\$541,820,000</b>	<b>100.00%</b>

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Interest Rate Hedges as of April 30, 2023*

<b>BANK OF NEW YORK (Aa2/AA-)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
12/1/2022	12/1/2042	\$50,000,000
7/1/2025	7/1/2045	\$150,000,000
		<b>\$200,000,000</b>

<b>CITIBANK (Aa3/A+)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
1/1/2021	11/1/2038	\$133,287,227
7/1/2022	5/1/2051	\$98,895,000
		<b>\$232,182,227</b>

<b>GOLDMAN SACHS MITSUI MARINE (Aa2/AA-)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
12/2/2005	5/1/2027	\$10,680,000
12/2/2005	11/1/2032	\$64,595,000
		<b>\$75,275,000</b>

<b>PNC BANK (A2/A)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
11/1/2014	11/1/2033	\$50,000,000
5/1/2018	11/1/2042	\$85,000,000
2/1/2019	5/1/2046	\$100,000,000
12/15/2022	12/1/2042	\$78,720,000
11/1/2024	5/1/2052	\$100,000,000
		<b>\$413,720,000</b>

<b>ROYAL BANK OF CANADA (Aa1/AA-)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
12/1/2022	11/1/2042	\$150,000,000
5/1/2024	5/1/2050	\$184,000,000
		<b>\$334,000,000</b>

<b>WELLS FARGO (Aa2/A+)</b>		
<u>Effective</u>	<u>Termination</u>	
<u>Date</u>	<u>Date</u>	<u>Notional Amount</u>
2/1/2019	2/1/2036	\$68,357,803
5/1/2019	5/1/2059	\$75,000,000
8/1/2019	5/1/2047	\$63,963,345
2/1/2021	5/1/2050	\$54,126,321
		<b>\$261,447,469</b>

<u>Diversification:</u>	<u>Notional Amount</u>	<u>% Total</u>
Bank of New York	\$200,000,000	13.19%
Citibank	\$232,182,227	15.31%
Goldman Sachs	\$75,275,000	4.96%
PNC Bank	\$413,720,000	27.28%
Royal Bank of Canada	\$334,000,000	22.02%
Wells Fargo	\$261,447,469	17.24%
<b>TOTAL</b>	<b>\$1,516,624,696</b>	<b>100.00%</b>