



## MEMORANDUM

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To: Members of the Audit Committee

From: Mary Hom  
Chief Risk Officer

Date: March 30, 2021

Re: Counterparty Credit Risk Exposure

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Please find attached an unaudited report detailing the Corporation's counterparty exposure as of February 28, 2021. The previous report to the Audit Committee was dated December 31, 2020.

There were no rating agency actions of note, and there were no new approved counterparties.

HDC's counterparty exposure remains diversified with the largest exposures continuing to be with FNMA and FHLMC.

Investments rated double-A or higher were 47% of total investments, versus 44% at the last report. Investments rated triple-B or not rated were 31% of total investments, versus 32% 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 was unchanged at \$348.8 million.

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of February 28, 2021**  
**(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+	\$551,525,000	\$19,200,000			\$570,725,000	3.68%
Bank of New York Mellon NA	Aa1	AA-	\$312,485,000				\$312,485,000	2.02%
Bank OZK	NR	NR			\$4,807,811		\$4,807,811	0.03%
Bayerische Landesbank	Aa3	NR			\$9,242,016		\$9,242,016	0.06%
Bridgehampton National Bank	NR	NR			\$190,419,361		\$190,419,361	1.23%
Capital One Bank	A1	BBB+		\$22,700,000			\$22,700,000	0.15%
Citibank NA	Aa3	A+	\$876,895,000	\$248,984,371	\$29,824,394		\$1,155,703,765	7.46%
Customers Bank	NR	NR			\$449,651,722		\$449,651,722	2.90%
Daiwa Securities	A3	A-			\$105,422,100		\$105,422,100	0.68%
Deutsche Bank	A3	BBB+		\$55,000,000			\$55,000,000	0.36%
Dime Savings Bank	NR	NR			\$92,568,525		\$92,568,525	0.60%
Dormitory Authority of the State of NY (DASNY)	Aa1	AAA			\$26,335,000		\$26,335,000	0.17%
Empire State Development Corp	Aa1	AA+			\$10,000,000		\$10,000,000	0.06%
Flushing Bank	NR	NR			\$47,267		\$47,267	0.00%
Goldman Sachs Bank	A1	A+	\$191,000,000				\$191,000,000	1.23%
Hanover Bank	NR	NR			\$18,028,820		\$18,028,820	0.12%
HDC	Aa2	AA	\$290,859,513				\$290,859,513	1.88%
JPMorgan Chase Bank NA	Aa1	A+	\$692,540,000	\$9,010,000			\$701,550,000	4.53%
Lakeland Bank	NR	NR			\$11,346,237		\$11,346,237	0.07%
Landesbank Baden-Wuerttemberg	Aa3	NR		\$70,000,000			\$70,000,000	0.45%
Mizuho Securities	A1	A			\$89,875,000		\$89,875,000	0.58%
NYC Transitional Finance Authority	Aa1	AAA			\$114,783,900		\$114,783,900	0.74%
NY Community Bank	A3	BBB-			\$727,341,378		\$727,341,378	4.69%
NYS HFA	NR	A			\$2,415,000		\$2,415,000	0.02%
People's United Bank	A2	A-			\$19,052,460		\$19,052,460	0.12%
Promontory (FDIC-insured)	Aaa	AA+			\$67,319,535		\$67,319,535	0.43%
Rabobank	Aa3	A+			\$4,083,636		\$4,083,636	0.03%
REMIC	NR	AA		\$332,294,746			\$332,294,746	2.14%
Royal Bank of Canada	Aa2	AA-				\$125,000,000	\$125,000,000	0.81%
Signature Bank	A2	NR			\$939,780,545		\$939,780,545	6.07%
Societe Generale	A1	A			\$629,755		\$629,755	0.00%
SONYMA	Aaa/Aa1	NR		\$468,468,753	\$42,040,000		\$510,508,753	3.30%
Sterling National Bank	NR	NR			\$104,576,928		\$104,576,928	0.68%
TD Bank NA	Aa2	AA-	\$170,800,000		\$311,673,630	\$80,000,000	\$562,473,630	3.63%
<b>US Agency:</b>	<b>Aaa</b>	<b>AA+</b>	<b>\$79,925,000</b>	<b>\$4,047,874,779</b>	<b>\$1,840,222,965</b>		<b>\$5,968,022,744</b>	<b>38.52%</b>
FFCB					\$489,273,000		\$489,273,000	3.16%
FHA/HUD				\$507,811,986			\$507,811,986	3.28%
FHLB			\$79,925,000		\$444,945,000		\$524,870,000	3.39%
<b>FHLMC</b>				<b>\$1,280,226,731</b>	<b>\$745,464,296</b>		<b>\$2,025,691,027</b>	<b>13.08%</b>
<b>FNMA</b>				<b>\$2,259,836,062</b>	<b>\$132,900,000</b>		<b>\$2,392,736,062</b>	<b>15.44%</b>
GNMA				\$27,640,669	\$27,640,669		\$27,640,669	0.18%
US Treasury	Aaa	AA+			\$9,268,000		\$9,268,000	0.06%
<b>Wells Fargo Bank NA</b>	<b>Aa1</b>	<b>A+</b>	<b>\$1,483,625,007</b>			<b>\$143,780,000</b>	<b>\$1,627,405,007</b>	<b>10.50%</b>
<b>TOTAL</b>			<b>\$4,649,654,520</b>	<b>\$5,273,532,649</b>	<b>\$5,220,755,985</b>	<b>\$348,780,000</b>	<b>\$15,492,723,154</b>	<b>100.00%</b>

\*Counterparty Exposures Above 10% Are Highlighted

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of February 28, 2021**  
**(UNAUDITED)**

<b>Municipal Investments:</b>			
<b>Issuer</b>		<b>Amount</b>	
Dormitory Authority of the State of NY		\$26,335,000	
Empire State Development Corp		\$10,000,000	
NYC TFA		\$114,783,900	
NYS HFA		\$2,415,000	
SONYMA		\$42,040,000	
<b>Total Municipal Investments</b>		<b>\$195,573,900</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	\$4,807,811	0.03%
Bridgehampton National Bank*	Money Market	\$190,419,361	1.23%
Capital One Bank	Permanent Enhancement	\$22,700,000	0.15%
Customers Bank*	Money Market	\$449,651,722	2.90%
Daiwa Securities*	Repo	\$105,422,100	0.68%
Deutsche Bank*	Repo/Perm Enhancement	\$55,000,000	0.36%
Dime Savings Bank*	Money Market	\$92,568,525	0.60%
Flushing Bank*	Money Market	\$47,267	0.00%
Hanover Bank*	Money Market	\$18,028,820	0.12%
Lakeland Bank*	Money Market	\$11,346,237	0.07%
NY Community Bank*	Money Market	\$727,341,378	4.69%
People's United Bank*	Money Market	\$19,052,460	0.12%
Sterling National Bank*	Money Market	\$104,576,928	0.68%
<b>TOTAL</b>		<b>\$1,800,962,609</b>	<b>11.62%</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	\$687,473,630	4.44%
France (Societe Generale)	GIC	\$629,755	0.00%
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC	\$134,242,016	0.87%
Japan (Daiwa/Mizuho)	RP	\$195,297,100	1.26%
Netherlands (Rabobank Nederland)	GIC	\$4,083,636	0.03%
<b>TOTAL</b>		<b>\$1,021,726,137</b>	<b>6.59%</b>

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Credit Enhancement Diversification as of February 28, 2021*  
**(UNAUDITED)**

**CONSTRUCTION PROJECTS**

Provider	Moody's	S&P	Enhancement During Construction:			Expected Permanent Enhancement:		
			Number of Projects	LOC Amount	% of Total During Construction	Number of Projects	Expected Permanent Enhanced or Insured Amount	% of Total During Permanent
Bank of America	Aa2	A+	12	\$551,525,000	11.86%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	7	\$312,485,000	6.72%	0	\$0	0.00%
Citibank	Aa3	A+	18	\$876,895,000	18.86%	0	\$0	0.00%
FHA	Aaa	AA+	0	\$0	0.00%	28	\$988,069,000	59.21%
FHLB	Aaa	AA+	3	\$79,925,000	1.72%	0	\$0	0.00%
FHLMC*	Aaa	AA+	0	\$0	0.00%	4	\$312,128,500	18.70%
Goldman Sachs Bank	A1	A+	1	\$191,000,000	4.11%	0	\$0	0.00%
HDC	Aa2	AA	14	\$290,859,513	6.26%	0	\$0	0.00%
JPMorgan Chase	Aa1	A+	17	\$692,540,000	14.89%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	0	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	56	\$190,178,503	11.40%
SONYMA	Aa1	NR	0	\$0	0.00%	11	\$178,512,500	10.70%
TD Bank NA	Aa2	AA-	3	\$170,800,000	3.67%	0	\$0	0.00%
Wells Fargo	Aa1	A+	19	\$1,483,625,007	31.91%	0	\$0	0.00%
<b>TOTAL</b>			<b>96</b>	<b>\$4,649,654,520</b>	<b>100.00%</b>	<b>99</b>	<b>\$1,668,888,503</b>	<b>100.00%</b>

In Construction:	
Rating	% of Total
AAA	0.00%
AA	18.37%
A	81.63%
<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	Enhanced Amount	% of Total Permanent Enhanced	In Permanent:	
					Amount	Rating	% of Total
Bank of America	Aa2	A+	1	\$19,200,000	0.36%	AAA	0.00%
Capital One	A1	BBB+	1	\$22,700,000	0.43%	AA	93.27%
Citibank	Aa3	A+	25	\$248,984,371	4.72%	A	5.26%
Deutsche Bank	A3	BBB+	1	\$55,000,000	1.04%	BBB	1.47%
FHA	Aaa	AA+	35	\$507,811,986	9.63%	<b>TOTAL</b>	<b>100.00%</b>
FHLMC	Aaa	AA+	33	\$1,280,226,731	24.28%		
FNMA	Aaa	AA+	45	\$2,259,836,062	42.85%		
JPMorgan Chase	Aa1	A+	2	\$9,010,000	0.17%		
Landesbank Baden Wuer	Aa3	NR	1	\$70,000,000	1.33%		
REMIC*	NR	AA	245	\$332,294,746	6.30%		
SONYMA	Aa1	NR	74	\$468,468,753	8.88%		
<b>TOTAL</b>			<b>463</b>	<b>\$5,273,532,649</b>	<b>100.00%</b>		

\*Unenhanced portion totals approximately \$1.3 billion

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Investment Summary as of February 28, 2021*  
**(UNAUDITED)**

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

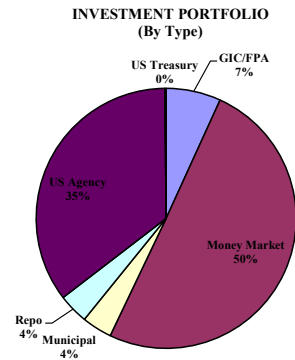
Counterparty	Type	Amount	NRSRO Rating-February 28, 2021:				
			AAA	AA	A	BBB*	NR*
Bank OZK	MM	\$4,807,811					\$4,807,811
Bayerische Landesbank	GIC	\$9,242,016		\$9,242,016			
Bridgehampton National Bank	MM	\$190,419,361					\$190,419,361
Citibank NA	FPA	\$29,824,394			\$29,824,394		
Customers Bank	MM	\$449,651,722					\$449,651,722
Daiwa Securities	REPO	\$105,422,100			\$105,422,100		
Dime Savings Bank	MM	\$92,568,525					\$92,568,525
Dormitory Authority of the State of NY	MUNI	\$26,335,000		\$26,335,000			
Empire State Development Corp	MUNI	\$10,000,000		\$10,000,000			
Flushing Bank	MM	\$47,267					\$47,267
Hanover Bank	MM	\$18,028,820					\$18,028,820
Lakeland Bank	MM	\$11,346,237					\$11,346,237
Mizuho Securities	REPO	\$89,875,000			\$89,875,000		
NYC TFA	MUNI	\$114,783,900		\$114,783,900			
NY Community Bank	MM	\$727,341,378				\$727,341,378	
NYS HFA	MUNI	\$2,415,000			\$2,415,000		
People's United Bank	MM	\$19,052,460			\$19,052,460		
Promontory	MM	\$67,319,535		\$67,319,535			
Rabobank	GIC	\$4,083,636			\$4,083,636		
Signature Bank	MM	\$939,780,545			\$939,780,545		
Societe Generale	GIC	\$629,755			\$629,755		
SONYMA	MUNI	\$42,040,000	\$42,040,000				
Sterling National Bank	MM	\$104,576,928					\$104,576,928
TD Bank	GIC	\$311,673,630		\$311,673,630			
US Agency	US Agency	\$1,840,222,966		\$1,840,222,966			
US Treasury	US Treasury	\$9,268,000		\$9,268,000			
		<b>\$5,220,755,986</b>	<b>\$42,040,000</b>	<b>\$2,388,845,047</b>	<b>\$1,191,082,890</b>	<b>\$727,341,378</b>	<b>\$871,446,671</b>
<i>% of Total</i>		<i>100.00%</i>	<i>0.81%</i>	<i>45.76%</i>	<i>22.81%</i>	<i>13.93%</i>	<i>16.69%</i>

\*BBB and NR exposures are fully-collateralized

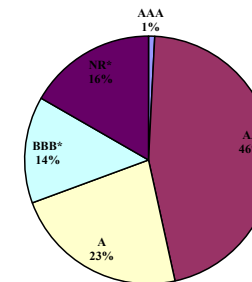
**Weighted Average Maturity (Years):** **3.34**

**Investment Portfolio-By Type of Investment:**

	<u>% Total</u>	<u>Amount</u>
GIC/FPA	6.81%	\$355,453,431
Money Market	50.28%	\$2,624,940,589
Municipal	3.75%	\$195,573,900
Repo	3.74%	\$195,297,100
US Agency	35.25%	\$1,840,222,966
US Treasury	0.18%	\$9,268,000
<b>Total</b>	<b>100.00%</b>	<b>\$5,220,755,986</b>



**INVESTMENT PORTFOLIO (By Rating)**



**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Liquidity Providers as of February 28, 2021*  
**(UNAUDITED)**

**ROYAL BANK OF CANADA**

<u>Issue</u>	<u>Amount</u>
2019 A-4	\$30,000,000
2019 E-3	\$45,000,000
2020 E	\$11,510,000
2020 F-2	\$38,490,000
	<b>\$125,000,000</b>

**TD BANK**

<u>Issue</u>	<u>Amount</u>
2020 I-3	\$80,000,000
	<b>\$80,000,000</b>

**WELLS FARGO BANK**

<u>Issue</u>	<u>Amount</u>
2017 C-4	\$57,830,000
2017 G-3	\$85,950,000
	<b>\$143,780,000</b>

<b>Diversification:</b>	<u>Amount</u>	<u>% Total</u>
Royal Bank of Canada	\$125,000,000	35.84%
TD Bank	\$80,000,000	22.94%
Wells Fargo Bank	\$143,780,000	41.22%
<b>TOTAL</b>	<b>\$348,780,000</b>	<b>100.00%</b>