MEMORANDUM

TO: Members of the Audit Committee

FROM: Ellen Duffy

SUBJECT: Rating Agency presentations for 2024

DATE: November 18, 2024

The Audit Committee Charter requires that presentations to the rating agencies be reviewed with the Audit Committee. During 2024, the Corporation's executive staff met with Moody's Investors Service ("Moody's"). Moody's reviews credit ratings on the Corporation and its bond issuances. These meetings are usually held annually as part of the rating agency due diligence process.

The meeting with Moody's took place at HDC's offices on September 17, 2024. Attached for your review are the materials presented at the meeting.

Presentation
on

NYC HDC

New York City Housing Development Corporation and Tax-Exempt Bonds for Housing

September 17, 2024

Table of Contents

Overview of NYC Housing Development Corporation

- Established in 1971 under laws of the State of New York as a public benefit corporation for the purpose of financing affordable multi-family housing in the City of New York

- Governed by 7-member Board of Directors appointed by Mayor and Governor; chaired by Commissioner of NYC Department of Housing Preservation and Development

- A staff of 225 manages over $24.5 billion of assets, including a multi-family portfolio of over 280,000 units with $18.8 billion in mortgage loans and loan interests as of October 31, 2023

- **Consistently top-ranked issuer of affordable multi-family housing bonds since 2012**
  - $1.99 billion total bonds issued in 2023
  - $37.45 billion of mortgage revenue bonds issued since inception
  - $16.73 billion of bonds outstanding as of August 31, 2024

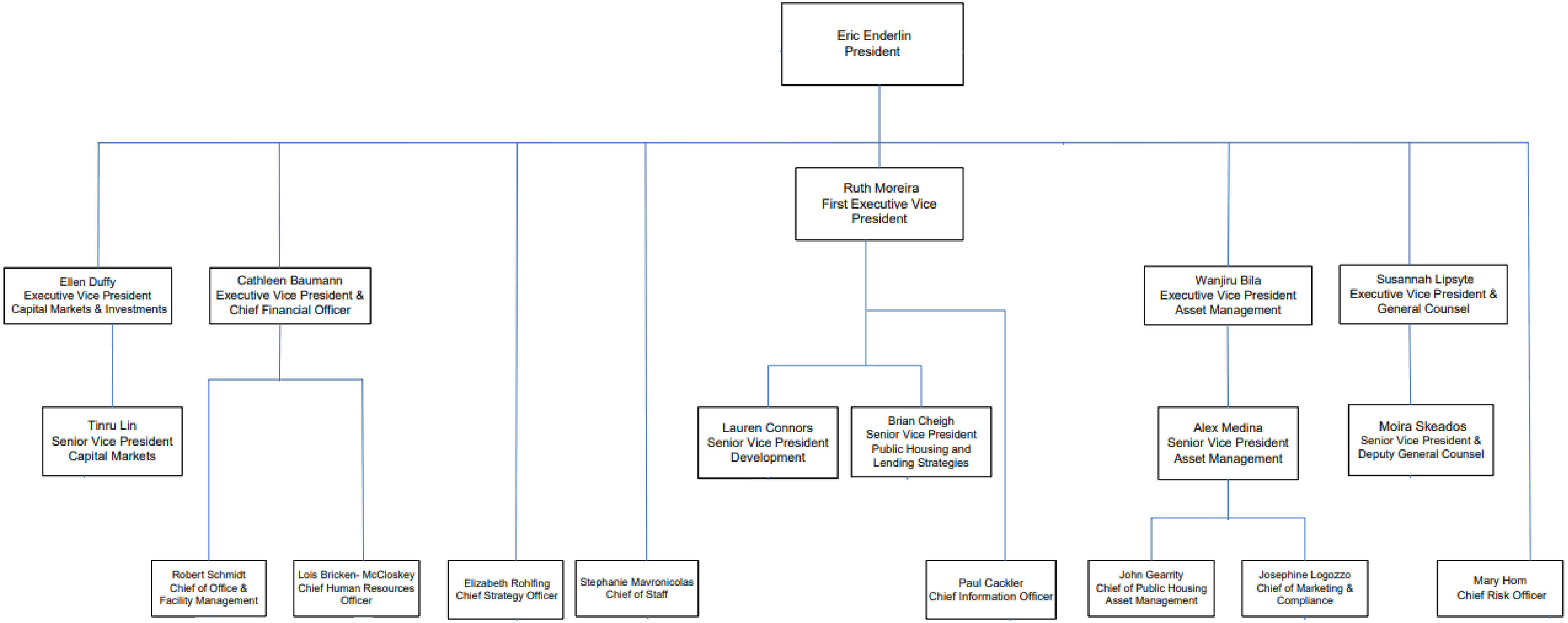
- Recipient of multiple national awards, including Number 1 ranked Housing and Multi-Family Housing bond issuer for 2023, Top 25 muni bond issuer in 2022, Top 8 muni bond issuer in 2021, Environmental Finance Sustainability Bond of Year Award – US Muni category for June 2018 issuance

- General obligation of HDC rated Aa2/AA by Moody's and Standard & Poor's, respectively

- Separately capitalized, mortgage insurer (REMIC) rated AA by S&P

NYC HDC

HDC Organizational Chart



Housing Initiatives, Challenges, and Opportunities

- The Adams Administration has made housing a key priority and committed a historic $23 billion to address the city's affordability crisis
- The City released a housing plan that for the first time looks at the entire housing ecosystem holistically, including the challenges of homelessness and the need to stabilize our public housing stock
  - In addition to the Housing Blueprint, the Mayor has convened a Task Force to streamline the City's building and land use development processes to reduce the time, cost and complexity of building housing
  - Through the "City of Yes," the Administration proposed a series of zoning actions that would facilitate housing opportunity citywide as well as a number of neighborhood rezonings and public site projects
- HDC is helping to advance an ambitious housing agenda amidst a challenging economic environment marked by inflationary pressures, rising interest rates, market volatility, supply chain constraints, and rapidly escalating costs, all of which impact our ability to deliver on the City's critical affordable and public housing goals
- The City's alignment with New York State Governor Kathy Hochul on housing priorities presents a unique opportunity to advocate for more funding and critical reforms at the State level
- On the Federal level, we are working with our many national, state and local partners to advocate for additional resources from Congress and the Administration and leverage historic new funding from the Inflation Reduction Act to help achieve our housing and sustainability goals

Advancing the City’s Housing Goals

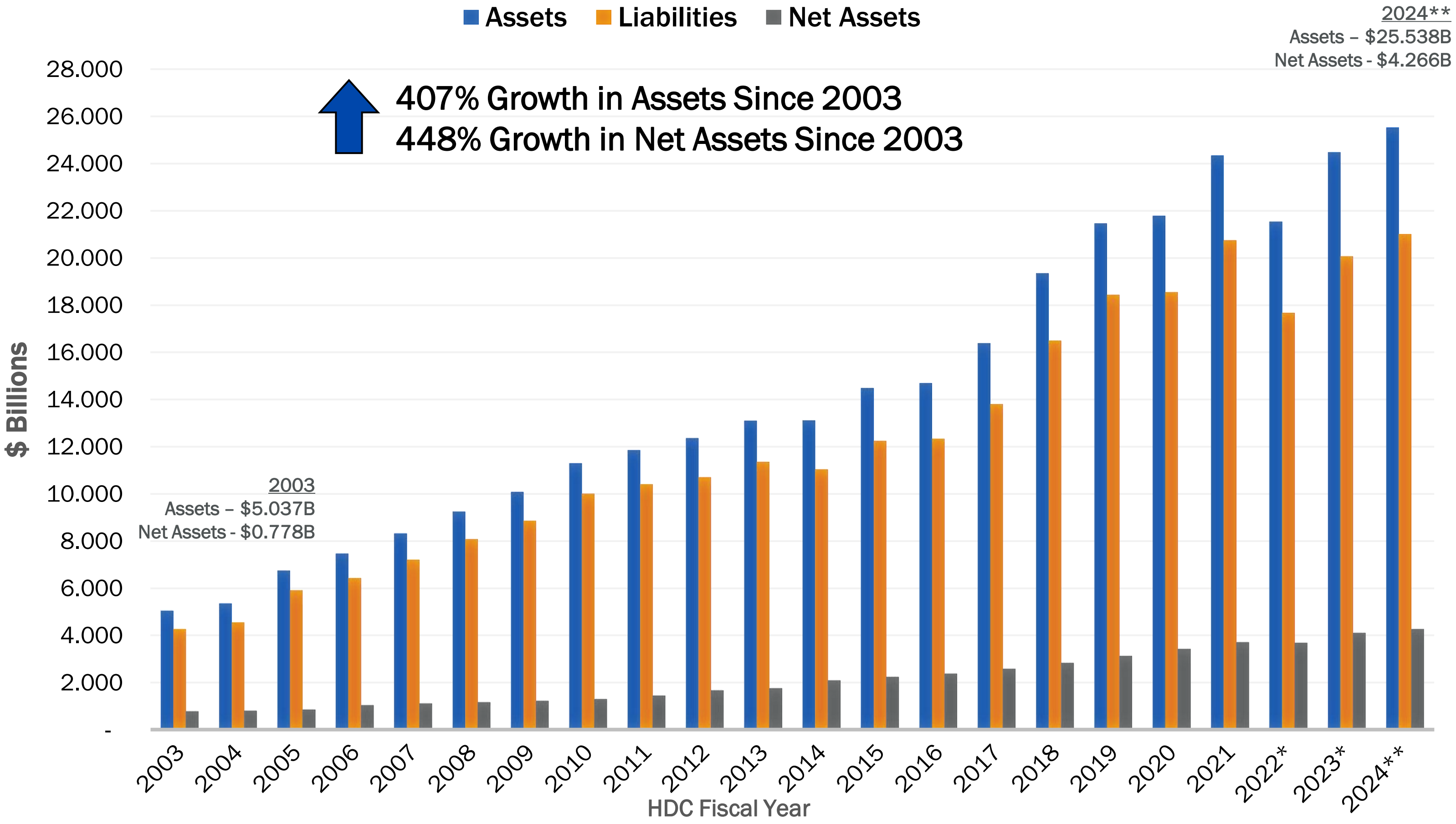
Housing Our Neighbors: A Blueprint for Housing and Homelessness

Mayor Eric Adams’ Housing Our Neighbors Blueprint takes a unified approach to tackling the city’s affordable housing crisis by tying together the work of HDC, the New York City Department of Housing Preservation and Development (HPD), New York City Housing Authority (NYCHA), New York City Department of Homeless Services (DHS), and others.

HDC’s Strategic Priorities

- **Transforming NYCHA**
  - Serve as key financing partner to NYCHA as the agency rehabilitates public housing units through the PACT program
  - Create financing programs and structures to support the new Public Preservation Trust
- **Creating and Preserving Affordable Housing**
  - Serve as key partner to HPD to further the City’s housing goals
- **Focusing on Equity**
  - Launched MBE Guaranty Facility and Shelter Acquisition Fund
- **Advancing the City’s Sustainability Goals**
- **Leveraging Federal Funding Opportunities**

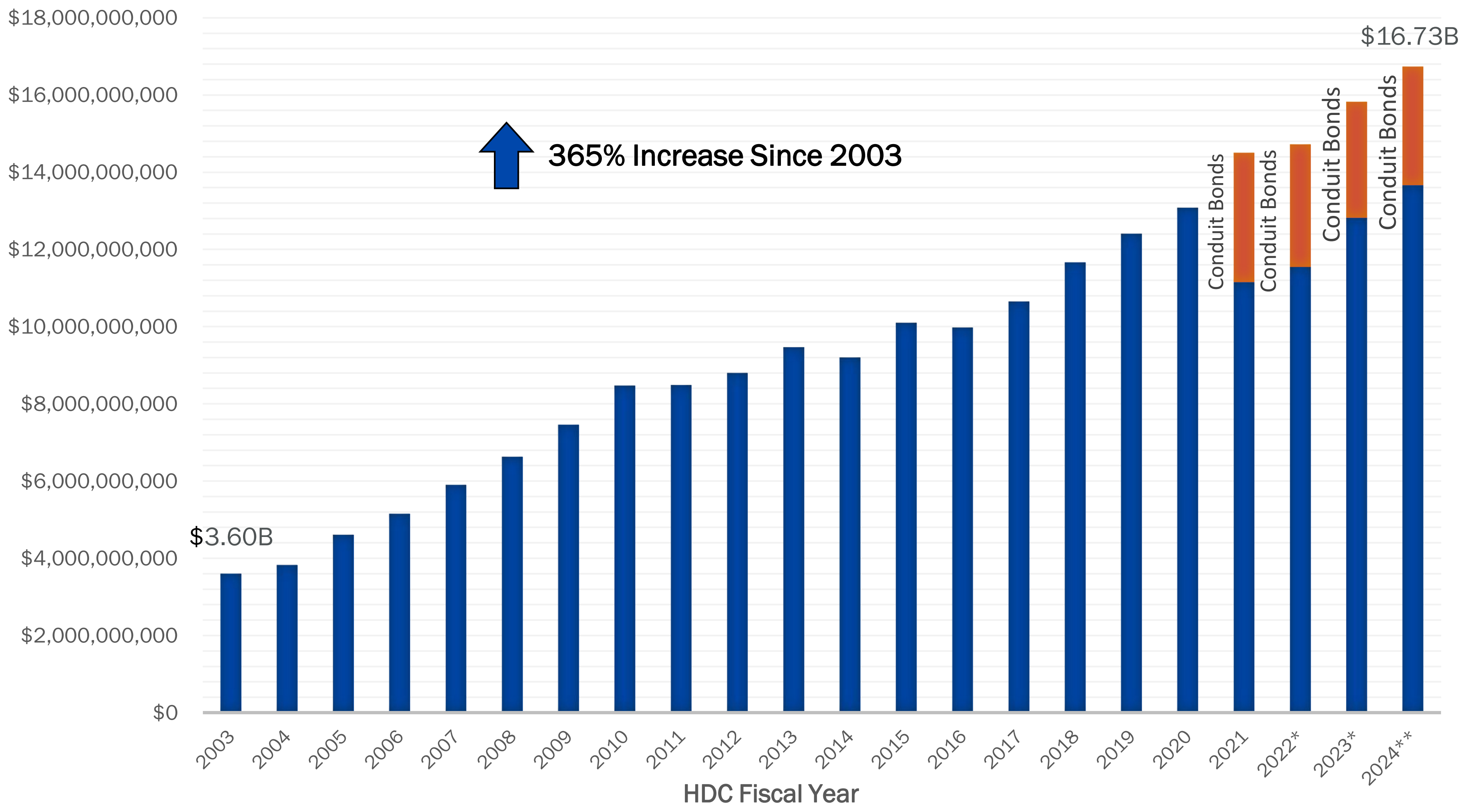
HDC Balance Sheet



Fiscal Year Basis (11/1-10/31)
*In FY 2022, the Corporation has adopted GASB No. 91. As a result, there was a reduction of $3.6B of conduit bond assets and liabilities in the Corporation's Financial Statements. There was no change in the net position as a result of the adoption.
** As of Q2 Fiscal Year (11/1-4/30).

NYC HDC

HDC Bonds Outstanding



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** As of 08/31/2024

NYC HDC

Overview of HDC's Reserves

- HDC reviews reserve amounts on a consistent basis to ensure adequate risk levels for our programs

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Bond Reserve[1]	180,000,000	183,600,000	187,271,720	191,017,294	194,837,860	198,734,837
Bond Debt Service Reserve	9,826,000	9,326,000	8,826,000	8,326,000	7,826,000	7,326,000
Working Capital Reserve[2]	33,277,502	34,327,500	35,357,325	36,418,045	37,510,587	38,635,904
Financial Guaranty Reserves:						
NYCHA Tax Credit Reserve[3]	6,155,556	4,555,556	2,955,556	1,355,556	377,778	-
FHA Risk Sharing Reserve[4]	3,720,102	5,000,000	6,500,000	16,000,000	16,000,000	16,000,000
Co-op City Guarantee Reserve[5]	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Totals for HDC	**247,979,160**	**251,809,056**	**255,901,601**	**268,116,895**	**271,552,225**	**275,696,741**
REMIC Reserve and Premium Income[6]	**153,613,810**	**166,221,992**	**174,298,946**	**182,739,301**	**191,540,289**	**200,695,212**

1) Bond Reserve – 1.50-2.00% of LT Bonds outstanding; usually set at approximately 1.76%.
2) Working Capital Reserve – sized at 75% of HDC's annual operating budget.
3) NYCHA Tax Credit Reserve – reserve consists of the original funds received for the tax credit guaranty less the yearly amortization (over the life of the credits) recognized as income and released from the reserve.
4) FHA Risk Sharing Reserve – 1% of unpaid principal balance: first \$50M; 0.75% of unpaid principal balance: \$50M-\$150M; 0.50% of unpaid principal balance: >\$150M.
5) Co-op City Guarantee Reserve – maximum exposure of \$15 million; reserve dollar for dollar.
6) REMIC Reserve and Premium Income – premium income inflating at 5%, investment income inflating at 2% and overhead inflating at 5%.

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HDC Subsidy Programs: Low Income

Extremely Low and Low-Income Affordability (ELLA) Program

- Funds the new construction or substantial rehabilitation of low-income multi-family rental projects
- Approximately 70% of the units are either (i) affordable to households earning less than or equal to 60% of the area median income (AMI), or (ii) affordable to households earning less than or equal to 80% of AMI so long as the average income and rent limit for the low-income housing tax credit units in the project is less than or equal to 60% of AMI
- Also requires tiers of deeper affordability at 30% to 50% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of up to $65,000 per unit

Barnett| ELLA – Queens

Webster Avenue | ELLA – Bronx

Woodhaven | ELLA – Queens

HDC Subsidy Programs: Middle Income

Mixed-Middle (M2) Program

- 50% of the units are affordable to households earning between 130% of AMI and 165% of AMI; 30% of the units are affordable to households earning between 80% of AMI and 100% of AMI; 20% of the units are affordable to households earning less than or equal to 50% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $85,000-$95,000 per affordable unit

Mixed Income Program (50/30/20)

- 50% of the units at market rents; 30% of the units are affordable to households earning between 80% of AMI and 165% of AMI; 20% of units are affordable to households earning less than or equal to 60% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $65,000-$85,000 per affordable unit

Caton Flats | Mixed-Middle (M2) – Brooklyn

Mix and Match Program

- Approximately 40%-60% of the units are affordable to households earning up to 60% of AMI, with the remaining units affordable to households earning up to 130% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $40,000-$105,000 per affordable unit

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HDC Subsidy Programs: Preservation

Preservation Program

- Finances the acquisition and moderate rehabilitation of multi- family rental housing affordable to low-income households
- 100% of the units are usually affordable to households earning less than or equal to 60% of AMI or moderate income households earning between 80% and 165% of AMI
- As-of-right 4% Federal Low Income Housing Tax Credits
- In most cases, HDC does not provide a subordinate loan for these projects

Mitchell-Lama Programs

- Programs provide mortgage refinancing and/or funds for capital improvement, in exchange for extended affordability and a commitment to stay in the Mitchell-Lama program
- Affordable multi-family rental or cooperative housing
- Senior debt restructured at lower rate
- Low interest repair loans available to address capital needs

Tiebout Avenue | Preservation - Bronx

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NYC Housing Development Corporation

HDC Bond Programs in Furtherance of City's Housing Goal

Open Resolution Overview

Created in 1993, the Open Resolution is the Corporation's primary financing program for NYC Affordable Housing

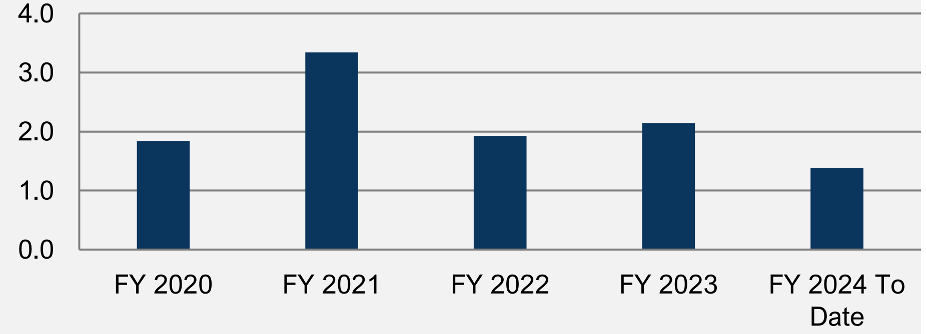
- *Rated Aa2/AA+ by Moody's/S&P*
- *$25.48 billion of Bonds issued as of August 31, 2024*
- ***$11.99 billion** of Bonds outstanding as of August 31, 2024, financing **144,459 units (591 developments)***
- *$15.97 billion of assets per FY 2023 Audited Financials (1.26x asset-to liability ratio)*
- *Average project occupancy of 98%; there have been no material monetary defaults on any Mortgage Loans*

Impact Resolution Overview

Created in 2020 to finance mortgage loans for the long-term preservation of NYCHA developments

- *Rated Aa2 by Moody's*
- *In support of New York City's NYCHA Permanent Affordability Commitment Together ("PACT") program to convert 62,000 public housing units to Section 8 rental housing developments by the end of 2028*
- *As of August 31, 2024, HDC has issued a total of **$1.25 billion** in 9 series to finance **6 PACT developments** for the preservation of **8,068 public housing units***

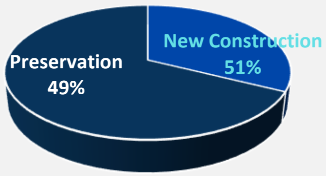
HDC Total Bond Issuance

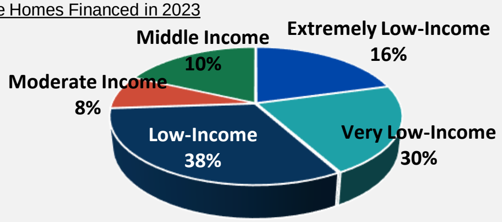


CY23 NYC Housing Production

- In CY23, HPD and HDC collectively financed more than 27,900 affordable homes under the Mayor's Housing Our Neighbors Blueprint

27K+ Affordable Homes Financed in 2023





- In addition, HDC partnered with NYCHA to preserve 5,270 units of public housing under the PACT program in CY23

Multi Family Secured Mortgage Revenue Bonds

This indenture was established in 2005. The Corporation has not issued bonds under this resolution since 2017 and has utilized the excess revenues to redeem all outstanding bonds on October 4, 2024.

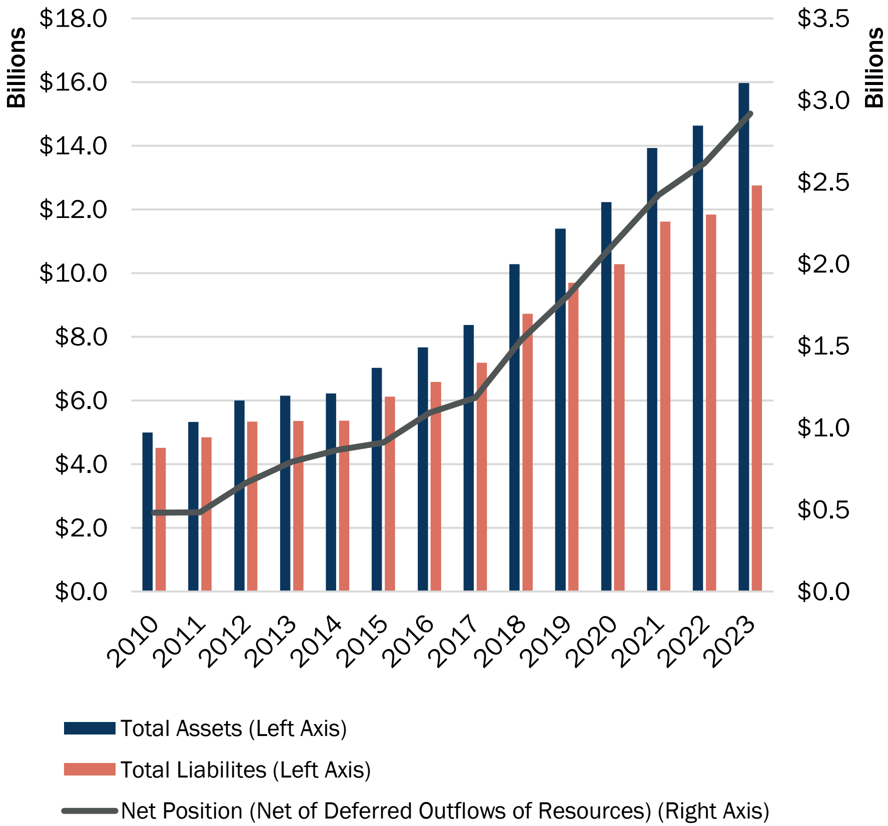
NYC HDC

Open Resolution Financial Position

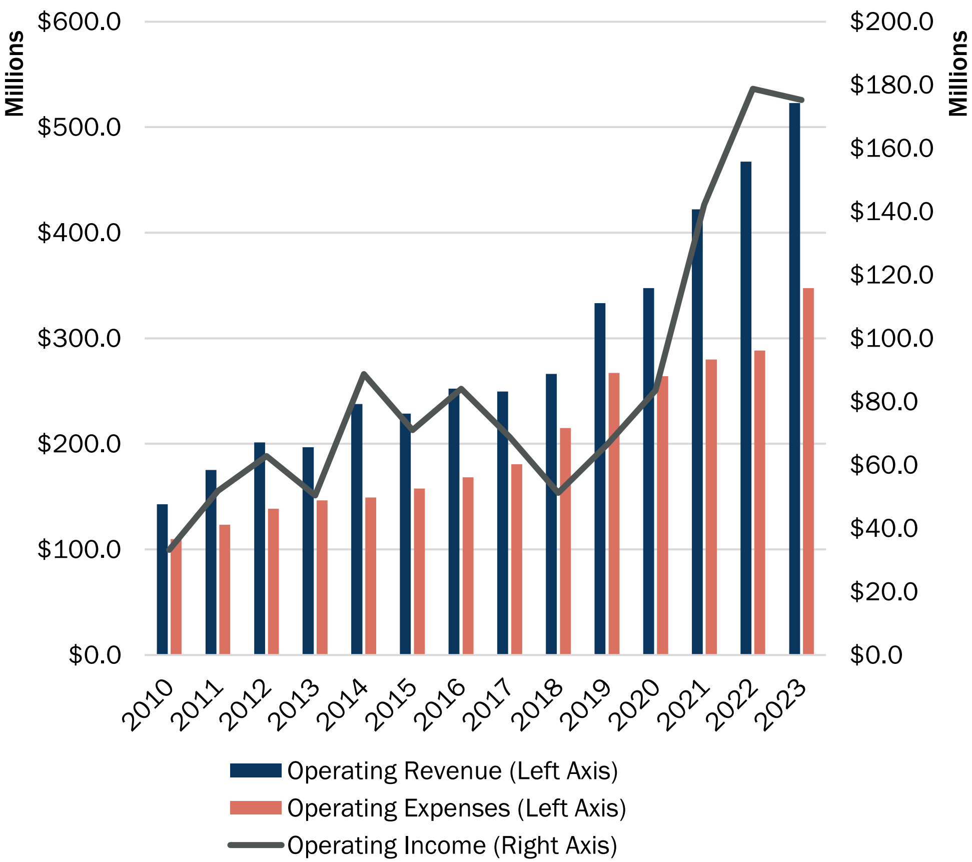
- Select Multi-Family Housing Revenue Bond Program financial data from 2023 and prior years' financials. Please refer to NYCHDC's Financial Statements at www.nychdc.com.

Multi-Family Housing Revenue Bond Program

Total Assets, Liabilities and Net Position
From Schedule of Net Position (Fiscal Year 2010 – 2023)



Operating Income
From Schedule of Revenues, Expenses and Changes in Net Position (Fiscal Year 2010 – 2023)



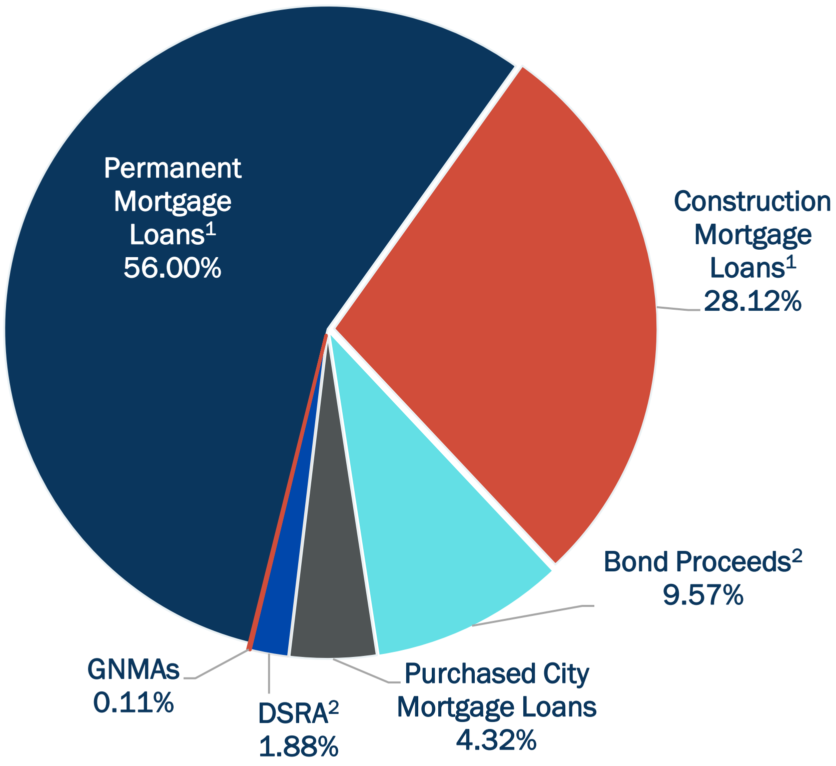
Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

NYC HDC

Breakdown of Open Resolution Assets*

(As of 04/30/2024)

Open Resolution Asset Composition – Total Assets: $14.79 Billion



- 1,317 Mortgage Loans ($13.10 billion)
- Construction Loans ($4.16 billion)
  - 57 construction loans > $25 million[4]
  - Loan Weighted Average Coupon of 4.69%[3]
  - Average Loan Size of $34.64 million[4]
- Permanent Loans ($8.94 billion)
  - 49 permanent loans > $25 million[4]
  - 72% first lien / 28% second lien
  - Loan Weighted Average Coupon of 4.30%
  - Average Loan Size of $11.04 million[4]

*Excludes revenue funds, NIBP, 2017 Pass-through, 2006 J-1, 2018 N, and 2016 J-1 (separately secured); excludes Mitchell-Lama restructuring second and third Mortgage Loans.

1) Construction Mortgage Loans include only amounts advanced and Permanent Mortgage Loans include outstanding balance.

2) Debt Service Reserve Account and Bond Proceeds Account are invested in Investment Securities.

3) Excludes Mortgage Loans that have variable interest rates.

4) Average loan size is based on par amount; excludes mortgage loans underlying 2005 Series J Participant Interest, 2011 Participant Interest, 2014 Series B Participant Interest, 2018 Series B Participant Interest, and Mitchell Lama Restructuring Subordinate Loans.

Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

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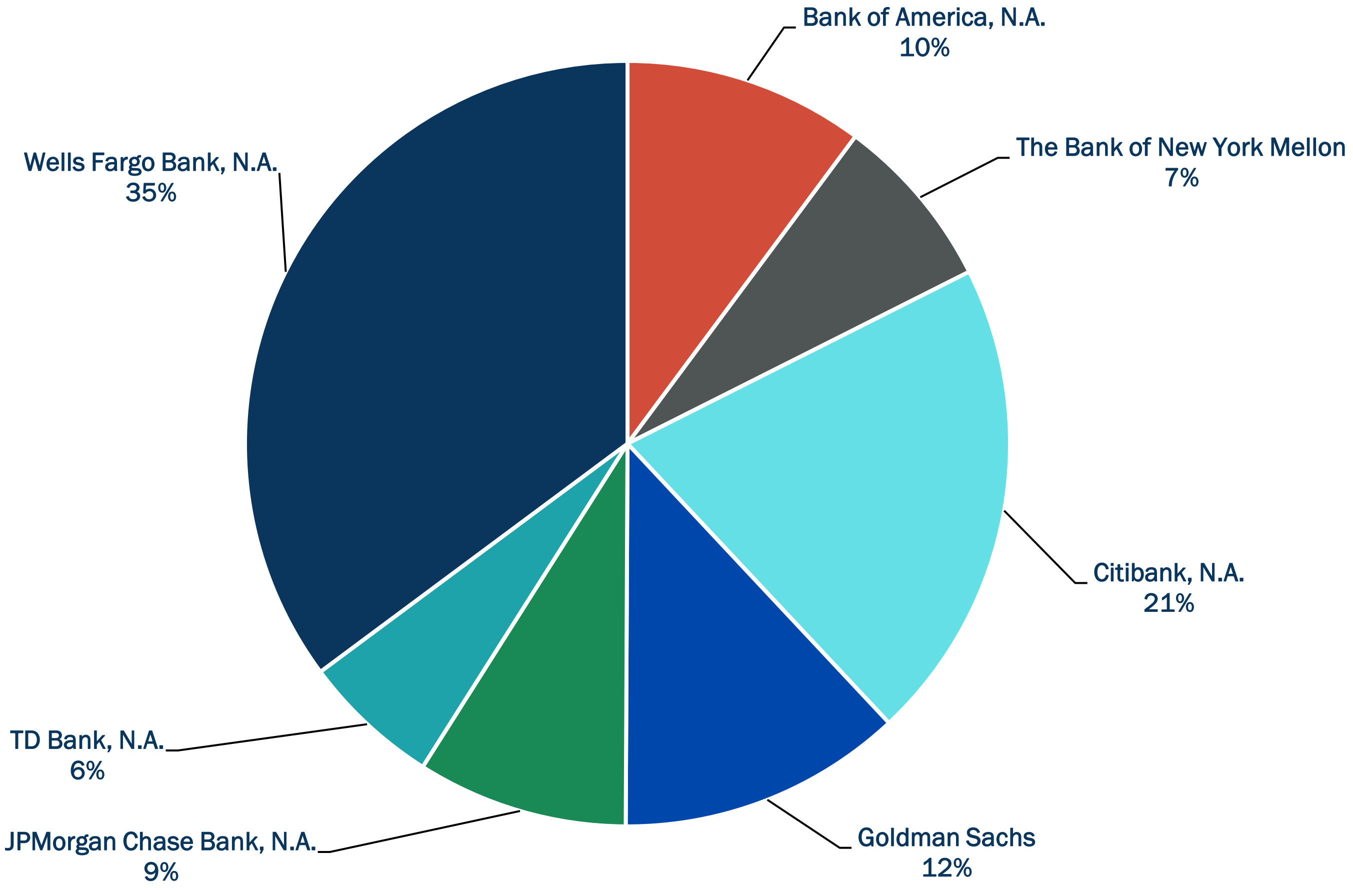
Construction Loan Supplemental Security

(As of 04/30/2024)

Open Resolution Construction LOC Amount*: $3.93 billion



*As of April 30, 2024, there is an aggregate par balance of $4.16 billion in construction loans outstanding under the Open Resolution and approximately 94% are secured by LCs.
Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

NYC HDC

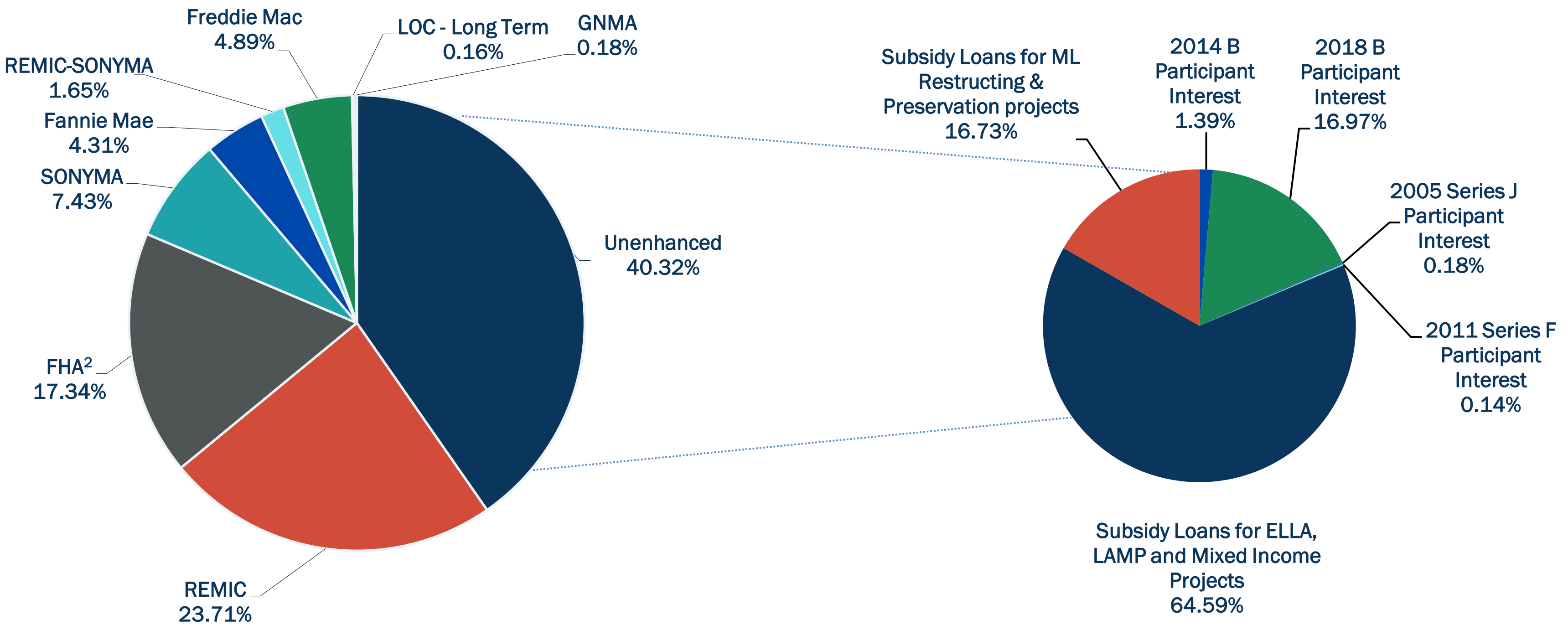
Permanent Loan Supplemental Security

(As of 04/30/2024)

Open Resolution Permanent Loans: $8.94 billion

Credit Enhancement[1]

Loan Portfolio Mix for Unenhanced Only



1) Percentages reflect ($) par amount of total permanent mortgage loan portfolio as of April 30, 2024, for an aggregated outstanding balance of approx. $8.94B; excludes NIBP, 2017 Pass-through, Mitchell-Lama Restructuring Second and Third Mortgage Loans.

2) Includes FHA, FHA 221(d)(3), FHA 221(d)(4), FHA 223(f), and FHA Risk Share.

Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

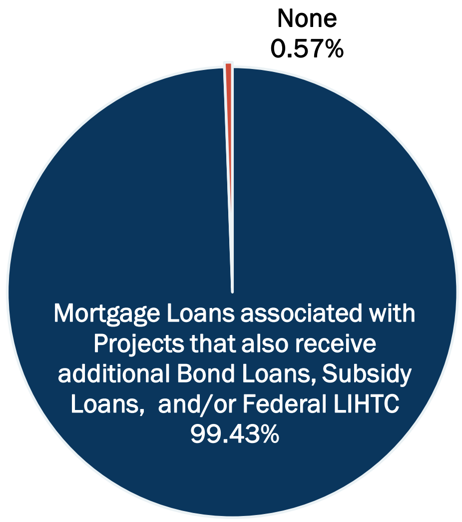
Government Subsidy Support

(As of 08/31/2024)

Project Subsidy Program[1]

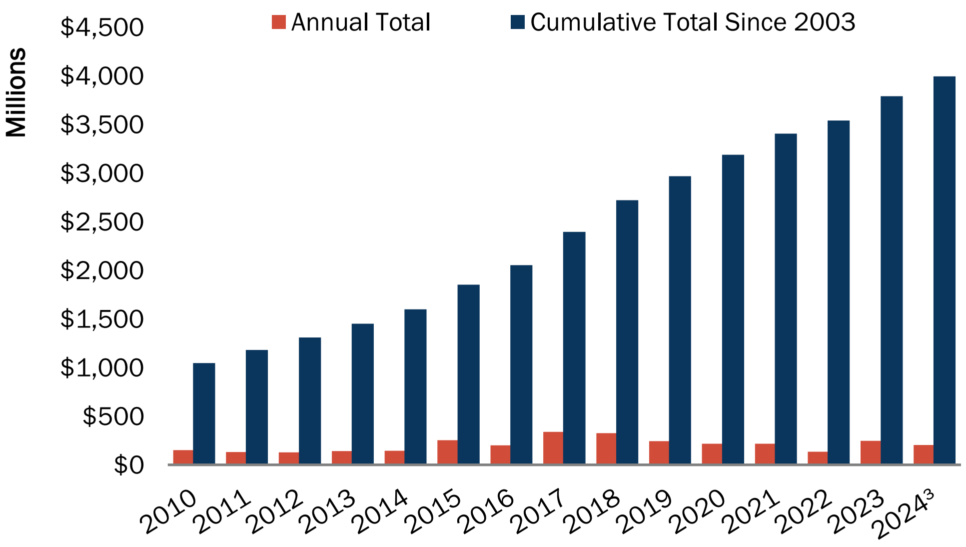
- There is Federal, State, City, and HDC Subsidy supporting the developments in the Open Resolution Portfolio
- Since inception, the Corporation has provided approximately $4.00 billion in subsidy loans across all Programs, including the Multi-Family Housing Revenue Bond Program

Permanent Loan Par associated with Projects Receiving Subsidy[2]



- 21.53% of Permanent Mortgage Loans have project-based Section 8 contracts
- 2.08% of Permanent Mortgage Loans have Section 236 contracts

HDC Subsidy Loans As of Fiscal Year End

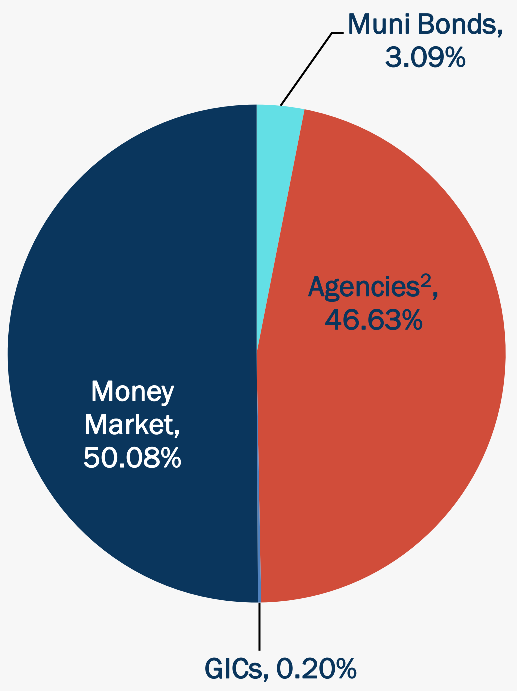


1) Excludes NIBP, 2017 Pass-through, and Mitchell-Lama Restructuring Second and Third Mortgage Loans.
2) Percentages reflect ($) par amount of total permanent mortgage loan portfolio as of April 30, 2024.
3) As of August 31, 2024.
Source: Preliminary Official Statement; Audited Annual Financial Statements. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

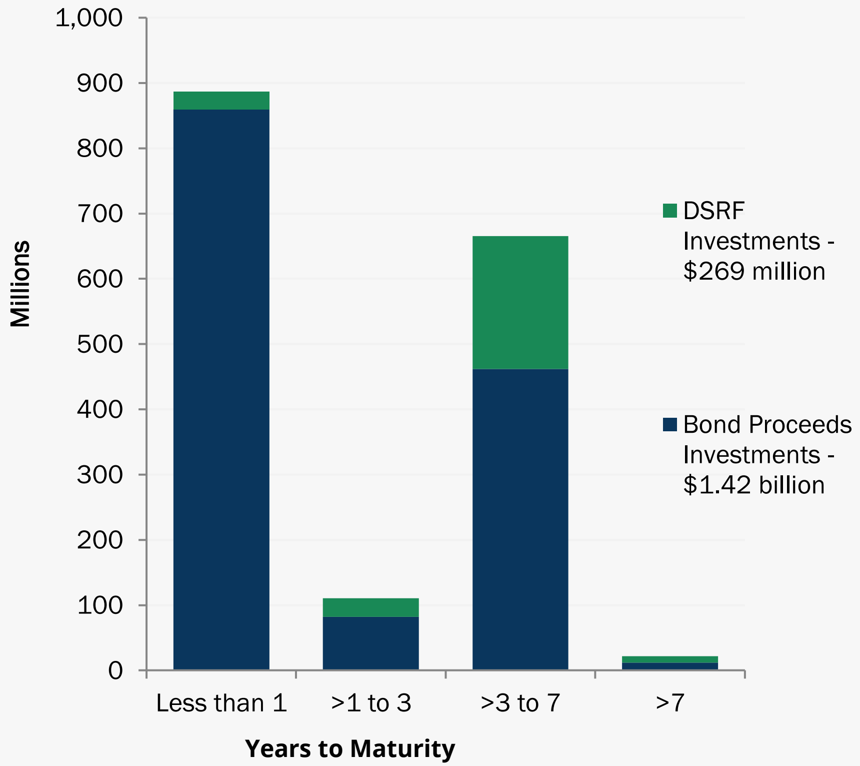
Open Resolution's Investment Portfolio

(As of 04/30/2024)

Investment by Type[1]



Investment by Maturity[1]

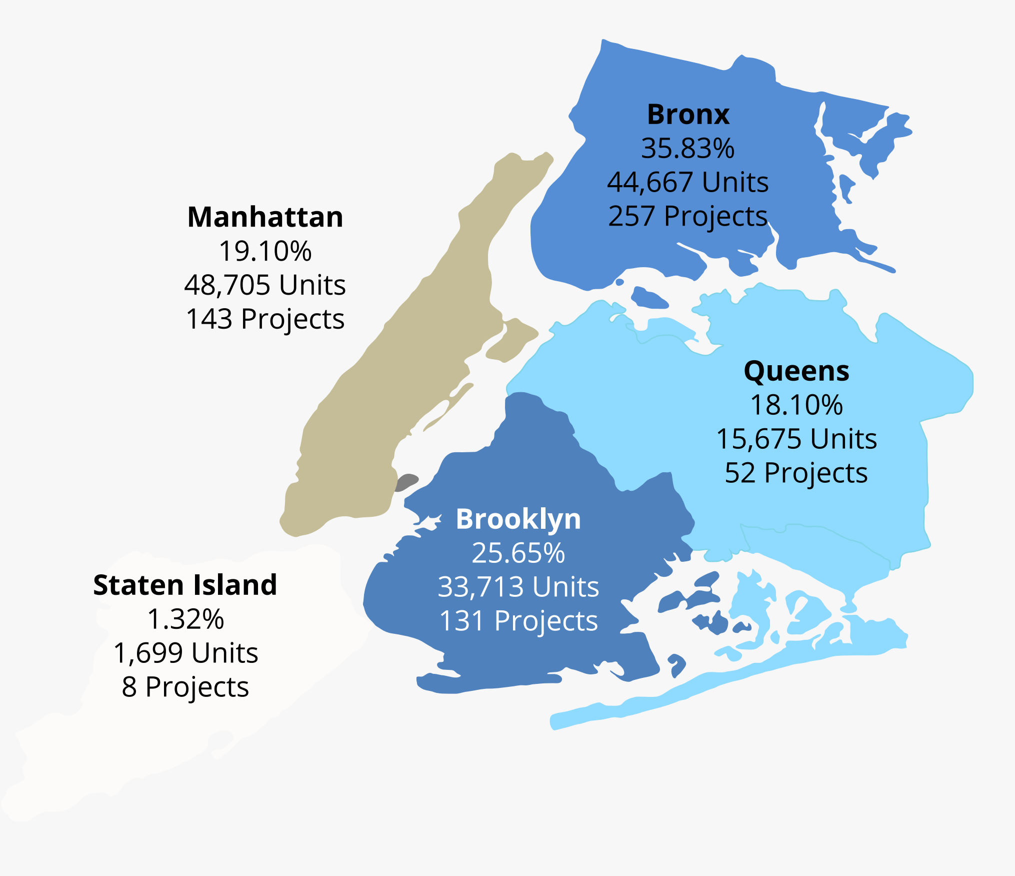


1) For a total of approximately $1.685B. Excludes $9,415,250 for Funding Agreement.
2) Federal Agency Securities include FHLMC, FHLB, FNMA and FFCB.

Open Resolution Portfolio: Geographic Dispersion & Performance

(As of 04/30/2024)

Geographic Distribution[1]



Portfolio Performance[1]

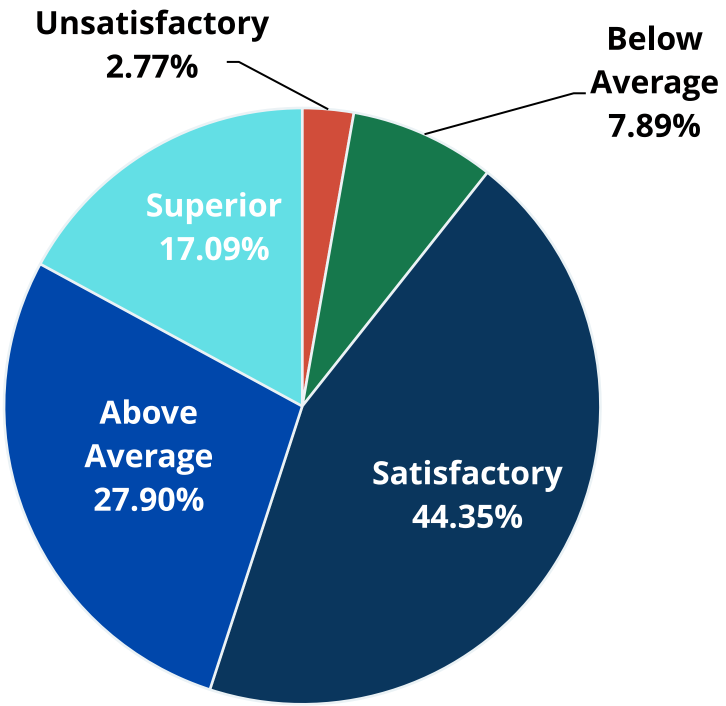
- 144,459 units funded
- 591 projects funded
- Median project occupancy of 98%
- Average project occupancy of 97%
- There have been no material monetary defaults on any Mortgage Loans

1) Based on principal amount of loans; excludes mortgage loans underlying 2011 Participation Interest, 2014 Series B, 2018 Series B and Mitchell Lama Restructuring Subordinate Loans.

Physical Monitoring and Asset Management Results

(As of 4/30/2024)

89% of Open Resolution portfolio is rated at least "Satisfactory"[1]



Inspection Ratings assigned annually

Superior: No fire and safety violations, no roof or boiler leakage, no structural deficiencies, strict implementation of maintenance practices, virtually no minor deficiencies, adequate funds for necessary repairs, and overall attractive physical plant with highly presentable public and utility areas.

Above Average: No structural deficiencies, no health or safety violations, no major deficiencies, only minor deficiencies that are easily correctable by maintenance staff.

Satisfactory: Only minor violations easily cured, no structural deficiencies, no fire and safety violations, basic adherence to maintenance practices, and secure and presentable public areas.

Below Average: multiple minor deficiencies and/or several major deficiencies or a critical deficiency, i.e., one that affects residents' health and safety hazards (e.g., inoperable fire alarms, inoperable elevators).

Unsatisfactory: Similar to "Below Average" except in a more extreme and/or ongoing manner, unattractive public and/or utility areas, and/or failure to correct deficiencies despite at least two prior written warnings.

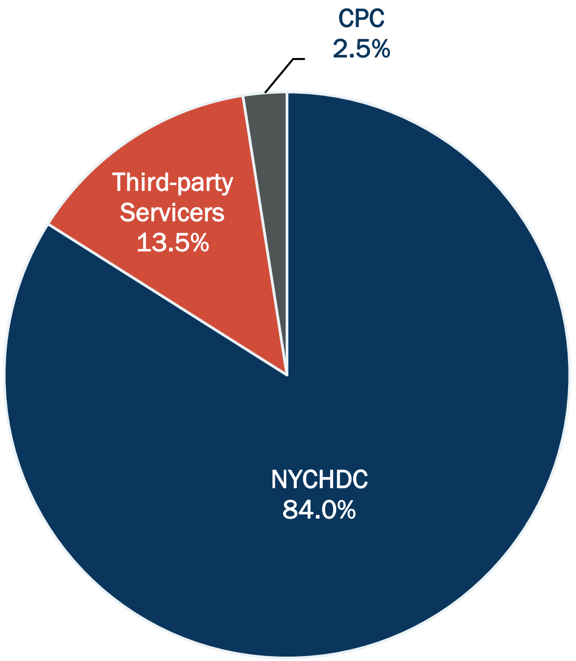
1) As of April 30, 2024, based upon the aggregate outstanding principal balance of Permanent Mortgage Loans other than those related to the 2014 Series B Participant Interest and 2018 Series B Participant Interest.

Permanent Mortgage Loan Servicing

(As of 04/30/2024)

Open Resolution Permanent Loans: $8.94 billion

- 84.0% of Permanent Mortgage Loans are serviced by the Corporation
- 16.0% of Permanent Mortgage Loans are serviced by Community Preservation Corporation ("CPC") and third-party servicers designated by GNMA, Fannie Mae, Freddie Mac or Citibank, N.A.
- Escrow account funded for payment of taxes, hazard insurance, and mortgage insurance[1]
- Additional Requirements for HDC serviced loans:
  - Replacement reserves
  - Annual financial statements
  - Annual site review to monitor development physical condition[2]
  - Property, liability, boiler and machinery, and fidelity insurance



- Construction Loans for a Development with a Construction LOC are serviced by the bank issuing the Construction LOC

1) Please see POS Part II - The Program - Servicing for more information regarding escrow account requirements.
2) Exceptions apply, including every three years for FHA-insured Mortgage Loans having a superior inspection rating, and no inspection for 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.
Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

Delinquencies

(As of 8/31/2024)

Delinquencies

- There have been no monetary defaults on any of the Mortgage Loans other than temporary financial difficulties with respect to certain developments, which have since been cured or are in the process of being cured
- As of August 31, 2024, approximately 2.12% of the portfolio is over 90 days delinquent:

Summary of Delinquent Mortgage Loans Outstanding		
	Mortgage Loans	**Outstanding Balance as of 4/30/24**
Delinquent Permanent Mortgage Loans Outstanding Under the Program[1]	35	$197,473,519
Delinquent Mortgage Loans Underlying the 2014 Series B Participant Interest[2]	6	$2,470,069
Delinquent Mortgage Loans Underlying the 2018 Series B Participant Interest[3]	10	$19,941,398
Delinquent Construction Mortgage Loans Outstanding Under the Program[4]	4	$57,938,755
Total	**55**	**$277,823,741**

1) Out of the 35 Mortgage Loans, 1 is insured by Fannie Mae, 15 are insured by REMIC, 3 are insured by SONYMA and 16 are N/A.
2) Out of the 6 Mortgage Loans, the Corporation is the Loan Servicer for 5 of the loans, and the CPC is the Loan Servicer for 1 of these loans.
3) Out of the 10 Mortgage Loans, the Corporation is the Loan Servicer for 6 of the loans, and the CPC is the Loan Servicer for 4 of these loans.
4) Out of the 4 Mortgage Loans, Fannie Mae is anticipated to insure 1 and FHA Risk Share is anticipated to insure 3.

Forbearance and Mortgage Relief Program

(as of 8/31/2024)

The Corporation has determined that as of 8/31/24, the Mortgagor for one (1) development with one (1) permanent Mortgage Loan with an aggregate outstanding principal balance of $2,169,568 and two (2) Subordinate Mortgage Loans with an aggregate outstanding principal balance of $8,891,206 was experiencing a degree of financial hardship requiring the use of project level reserves to pay loan debt service in the last 90 days. Such Mortgage Loans are described in the table below.

Summary of Mortgage Loans Applying Project Level Reserves to Debt Service		
	(#)	**Balance as of 4/30/24**
Senior Mortgage Loans with Supplemental Security[1]	1	$2,169,568
Subordinate Mortgage Loans with No Supplemental Security	2	8,891,206
Total	**3**	**$11,060,774**

In general, the applicable escrows and reserves for the Developments serviced by the Corporation are otherwise expected to continue to be funded at the required minimum levels. The Corporation has determined that, as of August 31, 2024, there were no Mortgage Loans in forbearance.

The Corporation will review the possible impacts of any potential forbearances on its financial condition, operations and cash flow. As required by the General Resolution, any future Cash Flow Statement or Cash Flow Certificate will reflect any temporary suspension of loan payments allowed pursuant to a forbearance agreement and not otherwise advanced to the Corporation by Supplemental Security.

1) One (1) senior Mortgage Loan with an outstanding principal balance of $2,169,568 is subject to REMIC Insurance.
Source: Preliminary Official Statement

HDC Collections, Current Issues and Strategies

Collections and Current Issues

- Trailing 12-Month delinquency averaged just under 3.31% as of August 2024
- Borrowers reported increased tenant arrears, ERAP ended but certain projects are still receiving residual payments

Short-term Strategies

- Debt Forbearance
- Mortgage Assistance
  - Disbursements from operating reserve or building reserve accounts held by HDC
  - Pausing specific escrow deposits, reserves, etc. if overfunded

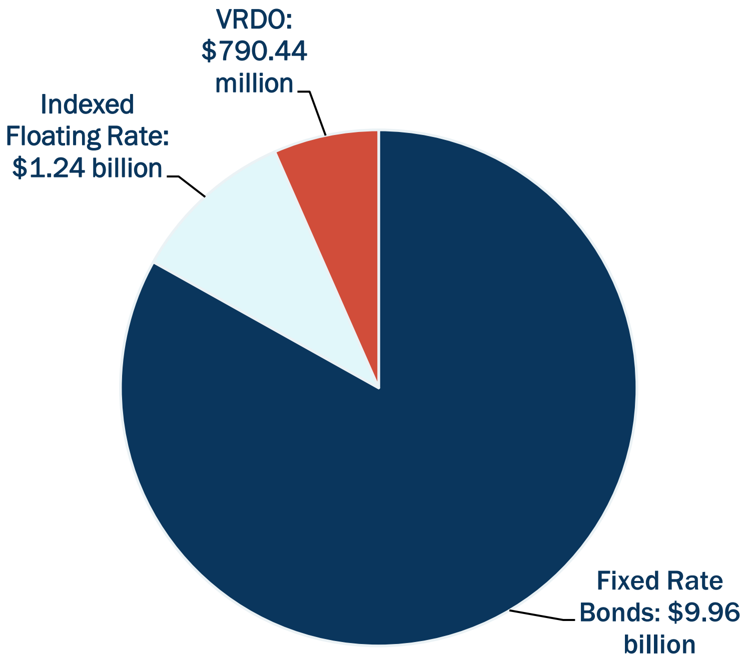
Long-term Strategies

- Debt Restructuring
  - Loan modification/restructuring, refinancing
- Amending Regulatory agreements to allow higher payment standards as permitted under new law related to rental assistance and legal regulated rents in affordable housing projects

Open Resolution Debt Portfolio[1]

(As of 08/31/2024)

Outstanding Debt: $11.99 billion



Debt Characteristics

- Debt structures include redemption provisions
- $9.96 billion of fixed rate (83%)
- $2.03 billion of variable and floating rate (17%)
- $106.65 million of Interest Rate Cap Agreements notional amounts
- $1.64 billion of Interest Rate Exchange Agreements notional amounts

1) Excludes NIBP, 2017 Pass-through, 2006 Series J-1, 2018 Series N, and 2016 Series J-1. The 2006 Series J-1, 2018 Series N, and 2016 Series J-1 Bonds are separately secured from all other Bonds issued and to be issued under General Resolution.

Source: Preliminary Official Statement. Investors should read the entire Preliminary Official Statement carefully before making an investment decision.

Open Resolution Variable Rate Debt Portfolio

(As of 8/31/2024)

Outstanding VRDBs

Series	Tax Status	Final Maturity	Par Outstanding (millions)	Liquidity Provider	Reset Formula
2019 Series A-4	Tax Exempt	2058	$30.000	Royal Bank of Canada	Weekly
2019 Series E-3	Tax Exempt	2059	$45.000	Royal Bank of Canada	Weekly
2020 Series E	Tax Exempt	2050	$11.510	Royal Bank of Canada	Weekly
2020 Series F-2	Taxable	2060	$38.490	Royal Bank of Canada	Weekly
2020 Series I-3	Tax Exempt	2060	$80.000	TD Bank	Weekly
2021 Series F-3	Tax Exempt	2061	$100.000	Barclays	Weekly
2021 Series K-3	Tax Exempt	2060	$50.000	Barclays	Weekly
2022 Series C-3	Tax Exempt	2062	$28.720	Barclays	Weekly
2022 Series F-3	Tax Exempt	2062	$100.00	UBS	Weekly
2018 Series L-2 (RMK)	Tax Exempt	2050	$58.100	TD Bank	Weekly
2023 Series A-3	Tax Exempt	2063	$50.000	TD Bank	Weekly
2023 Series B-2	Tax Exempt	2054	$50.000	TD Bank	Weekly
2023 Series E-3	Tax Exempt	2053	$32.615	SMBC	Weekly
Total			**$674.435**		

Outstanding Taxable FHLB Index Floaters

Series	Final Maturity	Par Outstanding (millions)	Reset Formula	Ceiling Rate
2002 Series C	2034	$28.530	FHLB 3-Mnth DN + 0.30%	15.00%
2008 Series E	2037	$71.440	FHLB 3-Mnth DN + 0.30%	15.00%
2008 Series F[1]	2041	$62.160	FHLB 3-Mnth DN + 0.30%	15.00%
2008-2018 Consolidated Series[1]	2050	$646.515	SOFR + 0.750%[3]	7.50%
2021 Series E[1]	2050	$39.825	SOFR + 0.750%[3]	7.50%
2016 J-1 (RMK)[1,2]	2052	$158.000	SOFR + 0.540%[3]	9.00%
2021 Series L[1]	2061	$100.000	SOFR + 0.760%[3]	7.50%
2022 Series D[1]	2062	$150.000	SOFR + 0.895%[3]	8.50%
2023 Series C	2063	$125.000	SOFR + 0.850%[3]	8.50%
Total		**$1,381.470**		

Outstanding Tax-Exempt Index Floaters

Series	Final Maturity	Par Outstanding (millions)	Reset Formula	Ceiling Rate
2022 Series B-2[4]	2061	$11.000	SIFMA + 0.35%	12.00%

1) Put Feature: FHLB has the right to put bonds to the Corporation on any quarterly reset date with a 12 month notice for 2008-2018 Consolidated Series, 2016 Series J-1, 2021 Series E, 2021 Series L and 2022 Series D.
2) Put Feature: During construction, FHLB has a one-time put that would require all the bonds to be tendered. At permanent, FHLB has a continuous put option for all the L/T bonds to be tendered on or after the sixth anniversary of the Conversion Date. After conversion, bond rate is set at SOFR + 1.03% with a ceiling rate of 12.0%.
3) Quarterly average of daily SOFR rates.
4) 2022 Series B-2 bonds have a mandatory tender date of January 2, 2026.

NYC HDC

Interest Rate Swap Portfolio

As of 8/31/2024

Outstanding Caps

Counterparty	Termination Date	Par Outstanding	Index	Cap Strike	Cap Ceiling
Goldman Sachs MMDP	5/1/2027	$4,785,000	100% SOFR + 0.2616%	7.35%	14.85%
Goldman Sachs MMDP	11/1/2032	$51,860,000	100% SOFR + 0.2616%	7.35%	14.85%
PNC	11/1/2033	$50,000,000	100% SOFR + 0.7516%	4.50%	7.50%
Total		**$106,645,000**			

Outstanding Swaps

Counterparty	Effective Date	Termination Date	Par Outstanding	Index	Rate
Wells Fargo	8/1/2019	5/1/2047	$62,986,079	100% SOFR + 0.2616%	2.0890%
PNC	5/1/2018	11/1/2042	$85,000,000	100% SOFR + 0.2616%	1.9210%
Wells Fargo	2/1/2021	5/1/2050	$54,126,321	100% SOFR + 0.2616%	2.6910%
PNC	2/1/2019	5/1/2046	$100,000,000	100% SOFR + 0.2616%	2.8909%
Wells Fargo	2/1/2019	2/1/2036	$65,275,311	100% SOFR + 0.2616%	3.0220%
Wells Fargo	5/1/2019	5/1/2059	$75,000,000	SIFMA	2.3670%
RBC	5/1/2024	5/1/2050	$184,000,000	77.5% SOFR +0.0887%	2.2400%
Citibank	7/1/2022	5/1/2051	$98,895,000	77.5% SOFR +0.0887%	2.1934%
Citibank	1/1/2021	11/1/2038	$131,363,547	100% SOFR + 0.2616%	2.9563%
Bank of New York	7/1/2025	7/1/2045	$150,000,000	SIFMA	1.7365%
PNC	11/1/2024	5/1/2052	$100,000,000	100% SOFR	1.9000%
Bank of New York	12/1/2022	12/1/2042	$50,000,000	75% SOFR	2.2260%
RBC	12/1/2022	11/1/2042	$150,000,000	100% SOFR	2.7670%
PNC[2]	12/15/2022	12/1/2042	$78,720,000	75% SOFR	2.3090%
Bank of New York	6/9/2023	11/1/2053	$80,000,000	70% SOFR	2.5885%
PNC	6/20/2023	11/1/2043	$50,000,000	70% SOFR	2.3992%
Wells Fargo	10/27/2023	11/1/2033	$125,000,000	100% SOFR	4.3450%
Total			**$1,640,366,258**		

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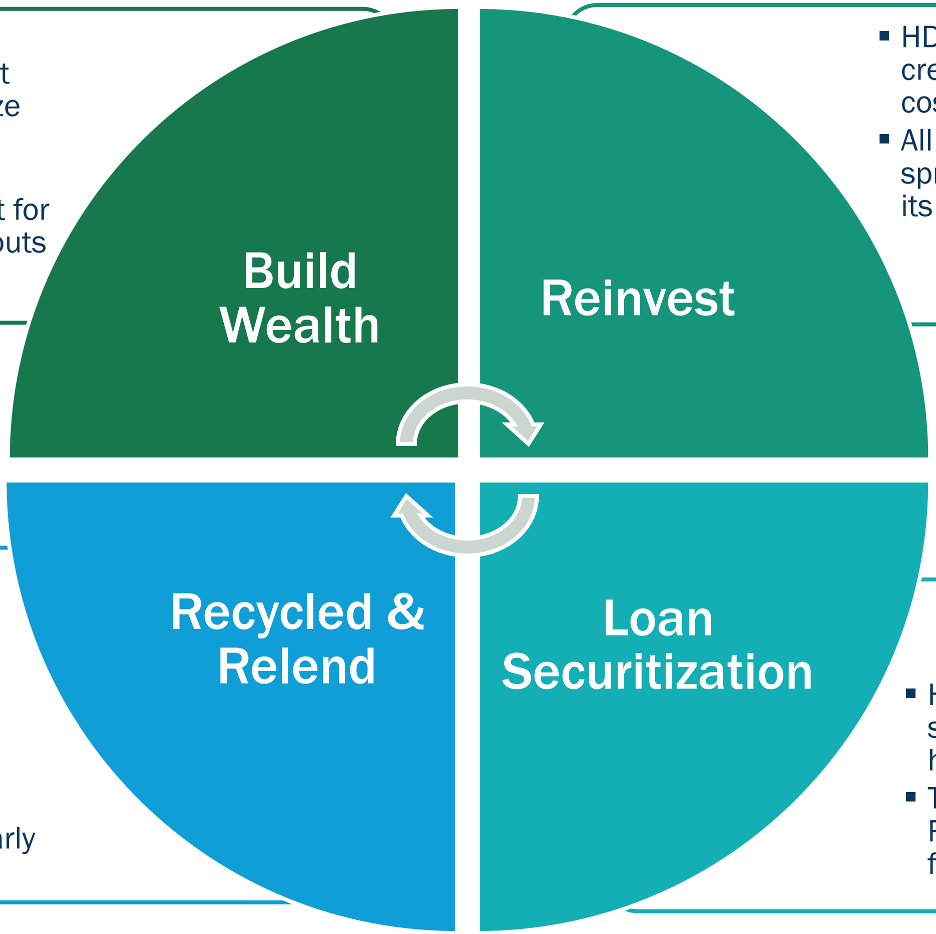
1) Note: Each Interest Rate Cap and Interest Rate Exchange Agreement is a general obligation of the Corporation and is not secured under the General Resolution.

HDC’s Holistic Financing Model Bolstered by Its Open Resolution

- HDC’s Open Resolution is designed and structured to get financially stronger so that revenues can build up over time to subsidize housing programs
- Over-collateralization provides significant breathing room and the ability to be patient for delinquent projects and any required workouts

- HDC uses fee income (origination, servicing, credit enhancement) to cover its operating costs and for reserves
- All other income (Open Resolution excess spread, investment earnings) is used to fund its subsidy programs



- As HDC’s loan portfolio becomes more seasoned and loan prepays, HDC uses prepayments to lend to new projects or call bonds that are optionally redeemable according to their terms
- Prepayments of subsidy loans are particularly helpful

- HDC further leverages its subsidy loans by securitizing them to generate funds for housing programs
- These securitization proceeds and the Open Resolution excess spread are two main funding sources for HDC subsidy

→ HDC has provided over $4 billion in subsidy loans since 2003 (roughly $200 million annually for the past 5 years)

NYCHA PACT Program

Permanent Affordability Commitment Together (PACT)	
Public Private Partnership	▪ PACT is a critical part of New York City's 10-year strategic plan to repair public housing to improve residents' quality of life ▪ Uses multiple methods of subsidy conversions to Section 8 for the preservation and rehabilitation of public housing ▪ Conversion to Section 8 allows for public-private partnerships to fund comprehensive repairs and manage developments ▪ Section 8 payments and other 2024 Development revenues secure payment of the 2024 Mortgage Loans, along with Supplemental Security ▪ To date, NYCHA has converted 21,696 units
Ownership & Management	▪ NYCHA will retain fee ownership of land and buildings and as landlord, will lease the land pursuant to a long-term ground leases to the mortgagor, as tenant ▪ PACT creates public-private partnerships to repair and manage the developments
Long-Term Affordability	▪ PACT calls for the conversion of at least 62,000 public housing units to Section 8 by the end of 2028, addressing roughly $12.8 billion of NYCHA's capital needs ▪ Conversion to Section 8 will stabilize properties by placing them on a more secure financial footing ▪ NYCHA is permitted to renew expiring Housing Assistance Payments ("HAP") contracts for as long as 20 years each. Under RAD, Section 8 contracts must be renewed in perpetuity by law ▪ Upon vacancy, all units will be rented to households making 50% AMI or below for the term of the HAP contracts
Maintains Strong Residents Rights	▪ PACT ensures resident rights are maintained in line with public housing protections ▪ Residents continue to pay no more than 30% income on rent ▪ No displacement of existing residents as a result of conversion to Section 8

Source: Preliminary Official Statement; www.hud.gov/RAD.

NYCHA Preservation Goal – Address Capital Needs Across NYCHA's Portfolio (177,000 units)

Where We Are[1]

- **PACT Progress as of 8/31/2024:**

  Of the 62,000 units, a total of 37,796 units (61%) are:

  – 7,799 units (13%) have converted and completed construction
  – 13,897 units (22%) have converted and under construction
  – 16,100 units (26%) have been designated and in pre-development phase

- **Preservation Trust:**

  – Trust Regs enacted in June of 2022; 25,000 units approved; working on launching

1) The Corporation recently priced $199.8 million 2024 Series C and D bonds expected to close on September 26, 2024. The proceeds of these bonds will finance the preservation of 1,615 units across 46 buildings.

NYCHA's Current Options for Modernization

Presently more than $78 billion in capital investment needs for 177K units in over 2,500 buildings across 335 developments throughout New York City's five boroughs due to decades of insufficient funding and deferred maintenance.

Section 9 (Status Quo)

Under Section 9, the public housing is owned and operated by NYCHA.

- NYCHA is responsible for property management, maintenance, and repairs
- Funding mainly comes from the federal government, with additional state and city contributions
- Federal capital funding through Section 9 is only a fraction of what NYCHA needs (roughly $500 million annually)

PACT (Public-Private Model)

Conversion to the federal Section 8 program and transition to private management with public oversight

- PACT calls for the conversion of at least 62,000 public housing units to Section 8 by the end of 2028, addressing roughly $12.8 billion of NYCHA's capital needs
- To date, NYCHA has converted 21,694 units under PACT

Preservation Trust (Public Model)

Conversion to the federal Section 8 program and maintenance of public management with public oversight

- The Trust is responsible for repairs, offering more flexibility in capital project delivery (including design-build)
- 25,000 units approved under the Trust Regs; working on first conversion (Nostrand Houses)

Conversion from Section 9 to Section 8 will stabilize properties by placing them on a more secure and valuable funding source

NYCHA Modernization Approach – *PACT vs. Preservation Trust*

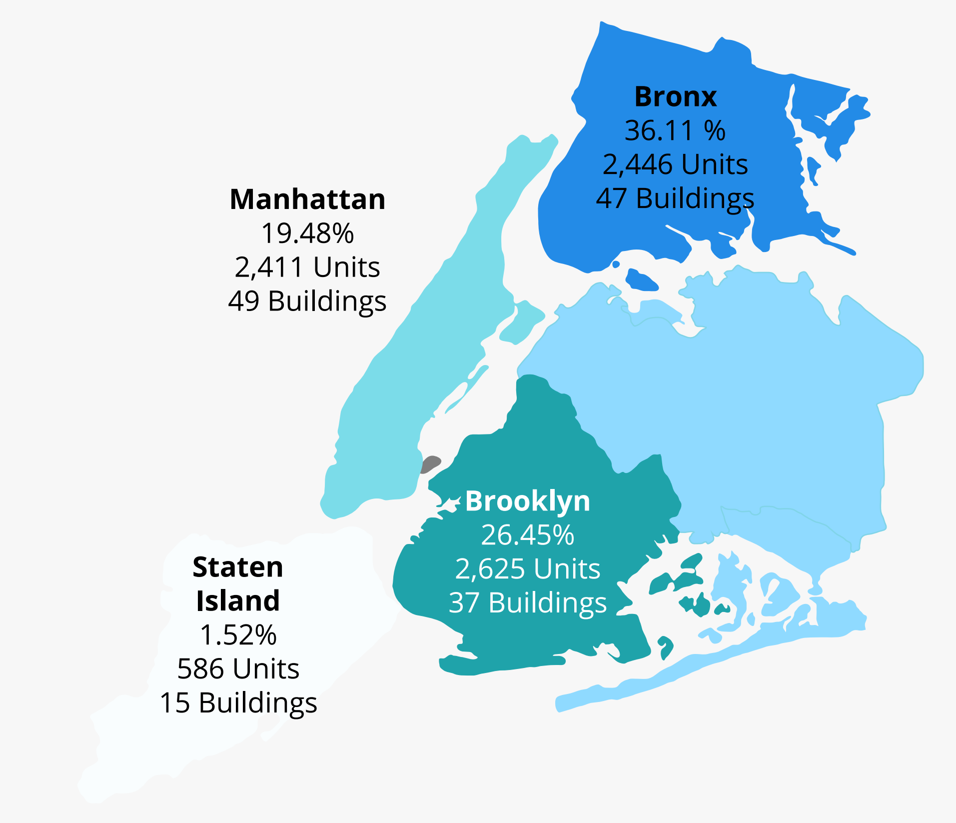
	PACT (Public-Private Model)	Preservation Trust (Public Model)
Funding Source	Same: **Section 8**	
Resident Rights and Protections	Same: Residents keep all **public housing rights and protections**	
Control/Ownership	Same: **NYCHA** continues to own the land and buildings	
Ground Lease	NYCHA leases buildings to a private **developer** under a 99-year lease.	NYCHA leases building to the **Trust** under a 99-year lease.
Capital Work	**Developer**	Performed by a third party per enhanced and flexible procurement method
Operations/Management	**Developer**	**NYCHA**

NYC HDC

Impact Resolution Portfolio: Geographic Dispersion & Performance

(As of 04/30/2024)

Geographic Distribution[1]



Portfolio Performance[1]

- 8,068 units funded
- 148 buildings funded
- There have been no material monetary defaults on any Mortgage Loans

Rendering of PACT Sack Wern funded in part with our 2024 Series A/B Bonds

1) The Corporation recently priced $199.8 million 2024 Series C and D bonds expected to close on September 26, 2024. The proceeds of these bonds will finance the preservation of 1,615 units across 46 buildings.

Sustainable Development Bond Designation

Use of Proceeds

- The Sustainable Development Bonds designation reflects the use of the proceeds in a manner that is consistent with the United Nations Sustainable Development Goals ("UNSDGs")
- Certain of the Developments expected to be financed with Sustainable Development Bonds also feature environmental benefits
  - Certain Developments have applied for and are expected to receive Enterprise Green Communities ("EGC") certification and/or LEED certification

UNSDG Mapping

Goal 1:
No Poverty

Goal 11:
Sustainable Cities and Communities

Project Evaluation & Selection

- The Developments have been evaluated and selected in part based on the Development's alignment with Corporation's mission to provide financing for the purpose of increasing the City's supply of multi-family housing, stimulating economic growth and revitalizing neighborhoods

Post Issuance Reporting

- Disbursements of the proceeds to developments will be tracked by the Corporation and will be reported annually on HDC's website at www.nychdc.com/sustainable-development-bonds.
- The Corporation will provide annual updates regarding the disbursement of the proceeds of the Sustainable Development Bonds for the financing of Mortgage Loans, until the applicable Mortgage Loans have been fully funded

HDC Cybersecurity Overview

Cybersecurity Issues

- HDC has not had any major incidents, but we do experience common cyber threats and scams, such as payroll diversions and CEO impersonation schemes, wire fraud attempts and phishing attacks that in the past sometimes resulted in compromised credentials

Cybersecurity Evolution

- HDC continually invests in maintaining and improving our cyber defenses, including:
  - Requiring Multi-Factor Authentication
  - Regular employee training, including for recognition of phishing emails
  - Multiple security agents on all endpoints
  - Intrusion Prevention System
  - Security Information and Event Management System with a 24/7 Security Operation Center service
  - Cyber liability insurance
- We have partnered with the New York City Cyber Command and the Department of Homeland Security to conduct weekly vulnerability scans of our environment and receive threat intelligence
- We are a member of the U.S. Secret Service NY/NJ Cyber Fraud Task Force for threat intelligence and potential law enforcement response if we were to become victims of fraud
- HDC has an approved Cybersecurity Incident Response Plan and has conducted a tabletop exercise to practice the plan

Accomplishments and 2024 Issuances

Accomplishments

- HDC financed the construction and preservation of 182,557 units from 2003 through June 2024 issuing over $31.76 billion in bonds
- The June 2015 Open Resolution issuance was HDC's inaugural series of "Sustainable Neighborhood Bonds" (now and hereafter referred to as "Sustainable Development Bonds"), as well as the first-time affordable housing bonds in the United States were marketed as sustainable bonds to investors
- HDC has been an innovator in the industry, leveraging its balance sheet, sponsoring key legislation, and providing access to capital to finance affordable housing through the use of tools like Recycled Bonds and the New Issuance Bond Program (NIBP) and was selected by FFB, Treasury, and HUD to pilot the FHA Risk-Share program to reduce the interest rate of multi-family affordable housing. HDC has financed four projects under this program

2024 Issuances

- HDC has issued a total of $837.68M in Open Resolution bonds in CY 2024 as of August 31st, 2024, to finance new projects, securitize certain corporate loans, and fund future taxable lending
- HDC expects to issue bonds in October 2024 which includes tax-exempt and taxable bonds
- HDC expects to issue bonds in December 2024 to provide construction and/or permanent financing for the new construction or acquisition and rehabilitation of certain developments
- In June 2024, HDC issued $160.25M in Housing Impact Bonds to finance the preservation of 997 units across 22 tenant occupied buildings
- The Corporation recently priced $199.8 million 2024 Series C and D bonds expected to close on September 26, 2024. The proceeds of these bonds will finance the preservation of 1,615 units across 46 buildings
- The Corporation expects to issue bonds in December 2024 to finance mortgage loans to preserve one or more tenant-occupied New York City Housing Authority ("NYCHA") public housing developments under the PACT program

Questions & Answers

Please visit our website: www.nychdc.com

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