Combined Financial Statements

and Other Information

New York City Housing Development Corporation

October 31, 2025 and 2024

New York City Housing Development Corporation

Combined Financial Statements and Additional Information

Years Ended October 31, 2025 and 2024

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Report of Independent Auditors

Management and the Members of the
New York City Housing Development Corporation

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of New York City Housing Development Corporation (the "Corporation"), a component unit of the City of New York, as of and for the years ended October 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Corporation at October 31, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

Report on Summarized Comparative Information

We have previously audited the Corporation's 2024 financial statements, and we expressed unmodified opinions on the respective financial statements of the business-type activities and the aggregate remaining fund information in our report dated January 29, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended October 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the Net OPEB Liability and Related Ratios, the Schedule of the Corporation's OPEB Contributions, the Schedule of the Corporation's OPEB Investment Return, the Schedule of the Corporation's Proportionate Share of the Net Pension Liability and the Schedule of the Corporation's Pension Contributions, as listed in the table of contents, be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's financial statements. The accompanying Schedules of Net Position for the Housing Revenue Bond Program, Multi-Family Secured Mortgage Revenue Bond Program, Housing Impact Bond Program and Conduit Debt Program as of October 31, 2025 and 2024 and the Schedules of Revenues, Expenses and Changes in Net Position for the years then ended, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

January 29, 2026

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Management's Discussion and Analysis
Year Ended October 31, 2025 and 2024

INTRODUCTION

The purpose of management's discussion and analysis (MD&A) is to help readers understand what the financial statements and notes in this report say about the financial performance for the fiscal years ended October 31, 2025 and 2024 ("FY 2025" and "FY 2024") of the New York City Housing Development Corporation ("HDC" or the "Corporation") and why it changed compared to the prior year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of HDC's finances. Reported amounts have been rounded to facilitate reading.

If you have questions about this report or need additional financial information, contact the Public Information Officer, New York City Housing Development Corporation, 120 Broadway, New York, NY 10271. The Corporation also maintains information on its website at www.nychdc.com.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Corporation's annual financial report contains its basic financial statements. Those financial statements present HDC's finances at both an overall and detailed level. The first set of statements is for the Enterprise Fund. The Corporation is a self-supporting entity and follows enterprise fund reporting. The Enterprise Fund reports activity financed with debt secured solely by a pledge of the net revenue from that activity, as well as activity not supported by taxes or similar revenues. HDC's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting matches revenues and expenses to the period in which they are earned or attributable, respectively, which may differ from the period in which the associated cash is received or expended.

Enterprise Fund statements offer short-term and long-term financial information about the Corporation's activities. While detailed sub-fund information is not presented in the Corporation's financial statements, separate accounts are maintained for each bond issue and component unit, as well as the Corporation's general operating fund, known as the Corporate Services Fund. These sub-funds permit HDC to control and manage money for the purposes they were intended and to demonstrate that the Corporation is properly using specific resources. In addition, HDC services construction and permanent loans on behalf of the New York City Department of Housing Preservation and Development ("HPD").

The remaining basic financial statements include the Fiduciary Fund financial statements, which report resources for which HDC acts as a trustee or custodian, including the Other Post-Employment Benefits ("OPEB") Trust Fund. The resources in those funds do not belong to HDC and cannot be used to provide services, which is why they are not included in the Enterprise Fund financial statements.

The second section of this report contains *Notes to the Financial Statements*, which delve deeper into the Corporation's finances as reported in the financial statements. The information in the notes is as important to understanding the Corporation's finances as the information in the financial statements. The Corporation uses notes to (1) present information in greater detail than is possible within the financial statements, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

FINANCIAL SUMMARY

The Corporation had another successful fiscal year, issuing bonds unimpeded by elevated interest rates. This resilience allowed the Corporation to effectively continue its mission, contributing significantly to the increase in affordable housing stock in New York City. The Corporation, in continuation of its support of the City's housing plan and the *Permanent Affordability Commitment Together* ("PACT") Program, issued a total of $2.1 billion in bonds under the Enterprise Fund financial reporting in FY 2025.

The new bond issuances included fourteen series totaling $1.6 billion under the Housing Revenue Bond ("HRB") Program and four series totaling $488.5 million under the Housing Impact Bond ("HIB") Program. This brings the total bonds issued under the HIB Program, which supports the PACT Program, to $1.9 billion since its inception in February 2020. Additionally, there was one series issued under the Federal Financing Bank ("FFB") for $298.7 million. Separately, the Corporation also issued $550.0 million of conduit debt, which was used to refund the 8 Spruce Street project.

The new bond issuances provided financing for new construction and rehabilitation loans, with $1.4 billion in commitments in the Open Resolution, and $488.5 million for three projects under the HIB Program. The three projects included Northwest Bronx, Metro North White Houses, and Ocean Hill/Stuyvesant Gardens. HDC also committed $165.7 million for subsidy loans from a combination of corporate reserves and bond proceeds. The Corporation's subsidy loan program provides 1% interest loans to complement the senior mortgage loan rates, reducing borrowing costs and increasing the affordability for the projects. The mortgage portfolio, which totaled $24.9 billion, continues to perform well as loan repayments have remained relatively strong. HDC's Asset Management team continues to work with the few mortgagors facing temporary financial difficulties by offering workouts and refinancing opportunities so they can remain current on their payments.

The Corporation's net position increased in FY 2025 by $747.0 million, compared to $740.0 million in FY 2024. Operating revenues totaled $1.0 billion, an increase of $128.3 million, or 14.2% from the prior year when it was $902.0 million. The increase was led by interest on loans, which grew by 18.6% from FY 2024, as a result of a $2.8 billion net increase in the mortgage loan portfolio and higher interest rates charged on new mortgages to offset the increased cost of borrowing. Operating expenses were $75.7 million, an increase of $6.7 million or 9.7% from FY 2024. Net operating income was $954.6 million, an increase from FY 2024 when it was $833.0 million.

Condensed Statement of Net Position

The condensed Statement of Net Position presents the Corporation’s total assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of October 31, 2025, 2024 and 2023. *(Dollar amounts are in thousands):*

				Percentage Change	
	2025	**2024**	**2023**	**2025–2024**	**2024–2023**
Assets					
Cash and Investments	$6,694,415	$5,472,493	$4,111,080	22.33%	33.12%
Mortgage Loans	18,060,330	16,870,329	15,200,661	7.05	10.98
Loan Housing Finance Fund (Section 661)	6,855,442	5,212,571	3,927,243	31.52	32.73
Loan Participation Receivable	449,258	451,550	450,908	(0.51)	0.14
Accrued Interest	612,971	462,817	355,176	32.44	30.31
Other Receivables	23,446	28,811	27,330	(18.62)	5.42
Leases and Other Capital Assets	52,598	55,471	74,382	(5.18)	(25.42)
Interest Rate Swaps	211,660	198,199	295,661	6.79	(32.96)
Other Assets	31,753	33,286	36,212	(4.61)	(8.08)
Total Assets	**32,991,873**	**28,785,527**	**24,478,653**	**14.61**	**17.59**
Deferred Outflows of Resources	**19,055**	**14,993**	**11,049**	**27.09**	**35.70**
Liabilities					
Bonds Payable & Debt Obligations, net	16,077,219	14,616,469	13,274,362	9.99	10.11
Interest Payable	231,155	199,015	169,739	16.15	17.25
Payable to The City of New York:					
Loan Participation Agreements	449,258	451,550	450,908	(0.51)	0.14
Housing Finance Fund (Section 661)	7,946,385	6,300,569	4,705,591	26.12	33.90
Other	155,668	159,183	164,258	(2.21)	(3.09)
Payable to Mortgagors	1,531,026	1,243,018	398,586	23.17	211.86
Restricted Earnings on Investments	289	283	271	2.12	4.43
Accounts and Other Payables	181,578	149,813	246,404	21.20	(39.20)
Lease Liability	63,307	58,602	70,137	8.03	(16.45)
Net Pension & OPEB Liability	16,878	13,171	13,468	28.15	(2.20)
Interest Rate Swaps	7,982	6,824	—	16.97	100.00
Unearned Revenues and Other Liabilities	533,715	545,227	580,207	(2.11)	(6.03)
Total Liabilities	**27,194,460**	**23,743,724**	**20,073,931**	**14.53**	**18.28**
Deferred Inflows of Resources	**224,690**	**212,035**	**310,980**	**5.97**	**(31.82)**
Net Position					
Net Investment in Capital Assets	52,598	55,471	74,382	(5.18)	(25.42)
Restricted for Insurance Requirements	137,542	132,061	111,461	4.15	18.48
Restricted for Bond Obligations	4,632,944	4,012,405	3,498,258	15.47	14.70
Unrestricted	768,694	644,824	420,690	19.21	53.28
Total Net Position	**$5,591,778**	**$4,844,761**	**$4,104,791**	**15.42%**	**18.03%**

Condensed Statement of Revenues, Expenses and Changes in Net Position

The condensed Statement of Revenues, Expenses and Changes in Net Position presents the total revenues recognized in and expenses attributed to the fiscal years ended October 31, 2025, 2024 and 2023. *(Dollar amounts are in thousands):*

				Percentage Change	
	2025	**2024***	**2023***	**2025–2024**	**2024–2023**
Revenues					
Interest on Loans	$934,359	$787,974	$657,412	18.58%	19.86%
Fees and Charges	81,421	89,138	75,642	(8.66)	17.84
Residual Interest Income	10,677	20,833	18,306	(48.75)	13.80
Income on Loan Participation	3,010	93	5,101	3136.56	(98.18)
Other Income	807	3,923	1,886	(79.43)	108.01
Total Operating Revenues	**1,030,274**	**901,961**	**758,347**	**14.23**	**18.94**
Expenses					
Salaries and Related Expenses	43,616	40,322	35,371	8.17	14.00
Trustees and Other Fees	17,180	16,263	14,617	5.64	11.26
Corporate Operating Expenses	14,897	12,412	9,783	20.02	26.87
Total Operating Expenses	**75,693**	**68,997**	**59,771**	**9.70**	**15.44**
Operating Income	**954,581**	**832,964**	**698,576**	**14.60**	**19.24**
Non-Operating Revenues (Expenses)					
Grant proceeds from BPCA	20,011	59,450	—	(66.34)	100.00
Operating Income and Noncapital Subsidy	**974,592**	**892,414**	**698,576**	**9.21**	**27.75**
Bond Interest and Amortization	(520,828)	(456,769)	(390,562)	14.02	16.95
Bond Issuance Costs	(14,171)	(12,639)	(11,965)	12.12	5.63
Earnings on Investments	205,127	160,975	109,198	27.43	47.42
Unrealized Gains on Investments	93,226	147,648	5,046	(36.86)	2826.04
Transfer from Custodial Funds	6,476	9,905	7,788	(34.62)	27.18
Other Non-Operating Revenues (Expenses)	2,595	(1,564)	(1,703)	(265.92)	(8.16)
Total Other Non-Operating Revenues (Expenses), net	**(227,575)**	**(152,444)**	**(282,198)**	**49.28**	**(45.98)**
Change in Net Position	**747,017**	**739,970**	**416,378**	**0.95**	**77.72**
Net Position, Beginning of the Year	4,844,761	4,104,791	3,688,413	18.03	11.29
Net Position, End of the Year	**$5,591,778**	**$4,844,761**	**$4,104,791**	**15.42%**	**18.03%**

**These amounts reflect the adoption of GASB 103: Financial Reporting Model Improvements, which resulted in certain reclassifications.*

DETAILED ANALYSES

Enterprise Fund - Assets of the Corporation

Assets mainly consisted of two categories. The largest, mortgage loans, which is HDC's core business, made up 75.5% of total assets as of October 31, 2025.. The second, comprising 20.3%, is the investment portfolio, which consists of bond proceeds, bond and other reserves, unadvanced mortgage loans, mortgage receipts, and funds received under HPD Section 661.

Cash and Investments: The Corporation ended FY 2025 with $6.7 billion in cash and investments held under the Enterprise Fund. Other than collateralized and purpose investments, investments were recorded at fair value. Approximately $2.6 billion of that balance was unadvanced construction loan monies committed to fund mortgage loans that have already closed. Cash and investments increased by a net of $1.2 billion or 22.3% from FY 2024 to FY 2025 and $1.4 billion or 33.1% from FY 2023 to FY 2024. These increases were primarily due to bond issuances and receipts of Section 661 HPD Grant Program Funds.

Mortgage Loans: The mortgage loan portfolio at the end of the fiscal year was $24.9 billion, an increase of $2.8 billion or 12.8% from the previous year. On October 31, 2024, the mortgage loan portfolio was $22.1 billion. Mortgage loans funded from the proceeds of conduit bonds have been excluded as a result of the adoption of GASB Statement No. 91 in FY 2022. During FY 2025, mortgage loan activities included advances of $3.9 billion and principal repayments of $1.2 billion.

As of October 31, 2024, mortgage loans comprised 76.7% of the Corporation's total assets. The mortgage loan portfolio at the end of the fiscal year was $22.1 billion, an increase of $3.0 billion or 15.5% from the previous year. On October 31, 2023, the mortgage loan portfolio was $19.1 billion. Mortgage loans funded from the proceeds of conduit bonds have been excluded as a result of the adoption of GASB Statement No. 91 in FY 2022. During FY 2024, mortgage loan activities included advances of $3.4 billion and principal repayments were $501.3 million.

Loan Participation Receivable: Loan participation receivable on October 31, 2025 was $449.3 million, a $2.3 million decrease from a year ago. The decrease was due to a principal repayment in the Mitchell-Lama loan participation portfolio during this period.

Accrued Interest: Interest receivable increased from $462.8 million on October 31, 2024 to $613.0 million on October 31, 2025, an increase of $150.2 million or 32.4% from FY 2024. Of the interest receivable balance, the deferred portion of interest receivable was $533.9 million or 87.1%. Interest receivable has consistently increased over the years due to growth in the loan portfolio and the effect of higher interest rates on new loans closed during the fiscal year. Interest on loans this fiscal year was $934.4 million, collections were $686.0 million, and $100.0 million of accrued interest was capitalized.

Interest receivable increased from $355.2 million on October 31, 2023 to $462.8 million on October 31, 2024, an increase of $107.6 million or 30.3% from FY 2023. Interest receivable has increased comparable to the loan portfolio and the effect of higher interest rates on new loans closed during the fiscal year. Interest on loans in fiscal 2024 was $788.0 million, collections were $618.8 million, and $55.6 million of accrued interest was capitalized.

Other Receivables: Other receivables were $23.4 million on October 31, 2025, a decrease from October 31, 2024 when it was $28.8 million. The decrease was primarily due to the repayment of a downpayment assistance loan, as well as decreases in the interest rate swap receivable and interest billed for other agencies.

Other receivables were $28.8 million on October 31, 2024, a slight increase from October 31, 2023 when it was $27.3 million. The increase was primarily related to servicing fees billed on loans serviced for the City of New York (the “City”), interest billed for other agencies, and asset management fees.

Interest Rate Swaps: The Corporation regularly enters into various interest rate swap contracts as a means of mitigating its exposure to its variable rate debt. In FY 2025, the Corporation entered into one additional interest rate swap agreement to manage the interest rate risk associated with its variable rate portfolio and further protect itself against rising interest rates. As interest rates change, they affect the underlying fair value of the interest rate swap instruments. At the end of the fiscal year, the net fair value of the interest rate swaps was an asset of $203.7 million, a slight increase of $12.3 million from October 31, 2024, when it was $191.4 million. As of October 31, 2025, the Corporation had 19 interest rate swap agreements outstanding, with five different counterparties, for a total notional amount of $1.8 billion. The Corporation’s variable rate bonds outstanding were $2.8 billion.

In FY 2024, the Corporation entered into one additional interest rate swap agreement to manage the interest rate risk associated with its variable rate portfolio and further protect itself against rising interest rates. At the end of the fiscal year, the net fair value of the interest rate swaps was an asset of $191.4 million, a decrease of $104.3 million from October 31, 2023, when it was an asset of $295.7 million. As of October 31, 2024, the Corporation had 18 interest rate swap agreements outstanding, with five different counterparties, for a total notional amount of $1.7 billion. The Corporation’s variable rate bonds outstanding were $2.7 billion.

Liabilities of the Corporation

Liabilities are grouped into three main categories. The largest are HDC Bonds Payable (net) and Debt Obligations, which accounted for approximately 59.1% of total liabilities on October 31, 2025. The second largest category is Payable to The City of New York, which accounted for approximately 31.5% of total liabilities. This includes the return at maturity of loans made by the Corporation with funds granted by the City acting through HPD under Section 661 of the New York State Private Housing Finance Law (“PHFL”). The last category of liabilities includes Payable to Mortgagors and Accounts and Other Payables, which are mainly comprised of unadvanced loan proceeds, and unearned revenues.

Bonds Payable and Debt Obligations: Bonds and outstanding debt obligations under the Enterprise Fund were $16.1 billion on October 31, 2025, an increase of $1.5 billion from October 31, 2024. On October 31, 2024, bonds and outstanding debt obligations were $14.6 billion. In FY 2025, HDC issued 18 new bond series totaling $2.1 billion and one series issued under the FFB for $298.7 million, totaling $2.4 billion. Bond principal repayments this fiscal year amounted to $903.8 million. The Corporation’s scheduled debt service principal payments were $186.0 million, and redemptions were $717.8 million. In addition, debt obligation redemption and repayments totaled $26.9 million and principal repayments to the FFB were $6.8 million. (See Note 9: "Bonds Payable and Debt Obligations").

Bonds and outstanding debt obligations under the Enterprise Fund were $14.6 billion on October 31, 2024, an increase of $1.3 billion from October 31, 2023. On October 31, 2023, bonds and outstanding debt obligations were $13.3 billion. In FY 2024, HDC issued 19 new bond series for a total of $1.8 billion. Bond principal repayments in FY 2024 amounted to $385.1 million. The Corporation's scheduled debt service principal payments were $188.8 million, and redemptions were $196.3 million. In addition, debt obligation redemption and repayments totaled $57.0 million and principal repayments to the FFB were $6.5 million.

Interest Payable: Accrued interest payable increased by $32.2 million to $231.2 million on October 31, 2025 from $199.0 million on October 31, 2024. This increase reflects the Corporation's larger bond balances from continuing issuances, and the prevailing market interest rate environment and its effect on borrowing costs.

Accrued interest payable increased by $29.3 million to $199.0 million on October 31, 2024 from $169.7 million on October 31, 2023. This increase reflects the Corporation's higher bond balances and elevated interest rates on the variable rate bonds.

Payable to The City of New York: Payable to The City of New York on October 31, 2025, was $8.6 billion, a net increase of $1.6 billion from FY 2024. Payable to the City of New York is grouped into three categories for reporting purposes: (1) HPD grant programs such as HPD Section 661 Grant Funds, (2) loan participation agreements, and (3) other. The HPD Section 661 Grant Funds had an outstanding balance of $7.9 billion on October 31, 2025, a net increase of $1.6 billion as a result of funds received during the fiscal year. Under the program, the City, acting through HPD, grants monies to the Corporation pursuant to Section 661 of the PHFL for making loans on its behalf to developments that are also financed by HDC. Upon maturity of the Corporation's related senior loan, the subordinate loan made on behalf of the City is returned to the City. This liability is directly offset by the loan receivable balance in the program and the unadvanced grant funds held in investments. Loan participation agreements, including the Mitchell-Lama participation program, consist of a group of second mortgages originated by the City. HDC purchased a participating interest in the second mortgages. On October 31, 2025, the outstanding balance of the Mitchell-Lama Restructuring Program ("MLRP") was $449.3 million, a net decrease of $2.3 million due to the prepayment of one project during the fiscal year. The last category, Other Payable to The City of New York, had a net decrease of $3.5 million. This was primarily due to a decrease of $7.2 million related to the Stuyvesant Town loan made by HAC on behalf of the City in December 2015, a decrease of $2.1 million due to subsidy payments made on behalf of the City to one development, and a $2.7 million decrease related to payments made under the Capacity Accelerator Program. These decreases were offset by an increase related to various swap agreements between HPD and the Corporation and the initial mortgage loan advanced for HPD under the new Battery Park City Authority ("BPCA") agreement, totaling $8.3 million.

Payable to The City of New York on October 31, 2024, was $6.9 billion, a net increase of $1.6 billion from FY 2023. The HPD Section 661 Grant Funds had an outstanding balance of $6.3 billion, a net increase of $1.6 billion as a result of funds received during the fiscal year. On October 31, 2024, the outstanding balance of the MLRP was $451.6 million, a net increase of $0.6 million due to deferred interest accrued during the fiscal year. There were no repayments of loans. The last category, Other Payable to The City of New York, had a net decrease of $5.1 million. This was primarily due to a decrease of $7.2 million related to the Stuyvesant Town loan made by HAC on behalf of the City in December 2015, a decrease of $2.2 million due to subsidy payments made on behalf of the City to one development, and a $2.0 million decrease related to Capacity Accelerator Program payment. These decreases were offset by an increase of $5.9 million related to various swap agreements between HPD and the Corporation.

Payable to Mortgagors: Payable to mortgagors was $1.5 billion on October 31, 2025, a net increase of $288.0 million from $1.2 billion on October 31, 2024. The increase was primarily due to $1.0 billion of escrow funds received as unadvanced proceeds, pursuant to the Rehabilitation Escrow Building and Project Loan Agreements related to the HIB Program under the PACT Program. This was offset by $751.7 million in advances during the fiscal year. Accumulated investment earnings on the unadvanced proceeds were $5.9 million. Additionally, there was $6.0 million in funds received for other escrows.

Payable to mortgagors was $1.2 billion on October 31, 2024, a net increase of $844.4 million from $398.6 million on October 31, 2023. The increase was primarily due to $876.5 million of escrow funds received as unadvanced proceeds, pursuant to the Rehabilitation Escrow Building and Project Loan Agreements related to the HIB Program. This was offset by $125.8 million in advances during the fiscal year. Accumulated investment earnings on the unadvanced proceeds were $5.7 million. Additionally, there was $2.0 million in funds received for other escrows.

Accounts Payable: Accounts payable at the end of the fiscal year was $181.6 million, an increase from $149.8 million on October 31, 2024. The net increase of $31.8 million was primarily due to the receipt of $29.0 million of collateral funds on behalf of one development. The funds are being held to redeem the related bonds at permanent conversion. Another increase was a $3.5 million loan made under the NYSERDA program. There was a decrease of $2.6 million in funds held and interest billed for other agencies.

Accounts payable on October 31, 2024 was $149.8 million, a decrease from $246.4 million on October 31, 2023. The net decrease of $96.6 million was primarily due to the decrease of $118.5 million of collateral funds that were held on behalf of one development. The funds were used to redeem a portion of the related bonds at the permanent conversion of the project and was offset by receipts of $17.9 million collateral for a new development started in FY 2024. There was a decrease of $0.3 million due to funds received from NYCHA on a loan participation for the Harlem River PACT project. There was an increase of $3.2 million in funds held and interest billed for other agencies. Additionally, there was a combined increase of $0.5 million in bond issuance costs, mortgage insurance premiums payable, and salaries payable.

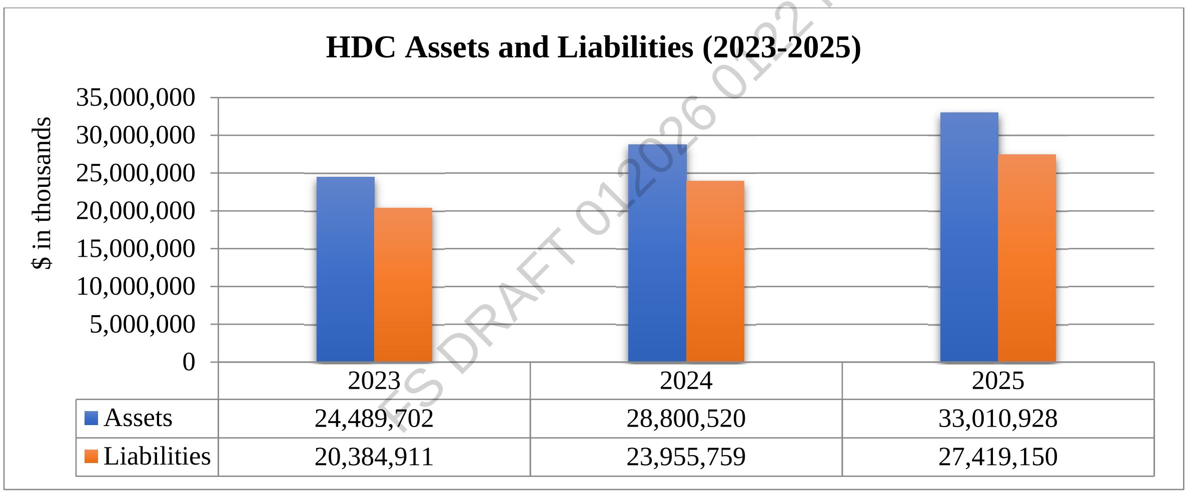
Net Pension and OPEB Liabilities: The accumulated amount of the Corporation's net pension liability as calculated by the New York City Office of the Actuary ("NYCOA"), amounted to $9.8 million as of October 31, 2025, a decrease of $0.9 million from 2024. The decrease in the net pension liability was a result of an increase in the pension plan net assets related to the investment income on the plan investments, as reported by New York City Employees' Retirement System ("NYCERS"). The Corporation's annual net pension expense was $2.3 million, down from $2.8 million a year ago. The Corporation recorded a net OPEB liability of $7.1 million as of October 31, 2025, an increase of $4.6 million from $2.4 million in 2024. The net increase was largely due to changes in assumptions and differences between expected and actual experiences. The current year's OPEB expense was $1.3 million but was offset by the amortization of prior year's deferred inflows.

Deferred Inflows of Resources

Deferred inflows of resources increased from $212.0 million on October 31, 2024 to $224.7 million on October 31, 2025. The net increase of $12.7 million was mainly due to the $13.5 million increase in the interest rate swap portfolio, which settled at $211.7 million at the fiscal year end. There was a decrease of $1.7 million related to changes in the valuation of the OPEB plan.

Deferred inflows of resources decreased from $311.0 million on October 31, 2023 to $212.0 million on October 31, 2024. The net decrease of $99.0 million was mainly due to the decline in the positive trend of the interest rate swap portfolio, which settled at $198.2 million at the fiscal year end. Other decreases were $1.3 million related to changes in the valuation of the OPEB plan, and $0.2 million related to the pension plan.

The following chart presents the comparative data of the Corporation's assets including deferred outflows, and liabilities including deferred inflows, over the last three years:

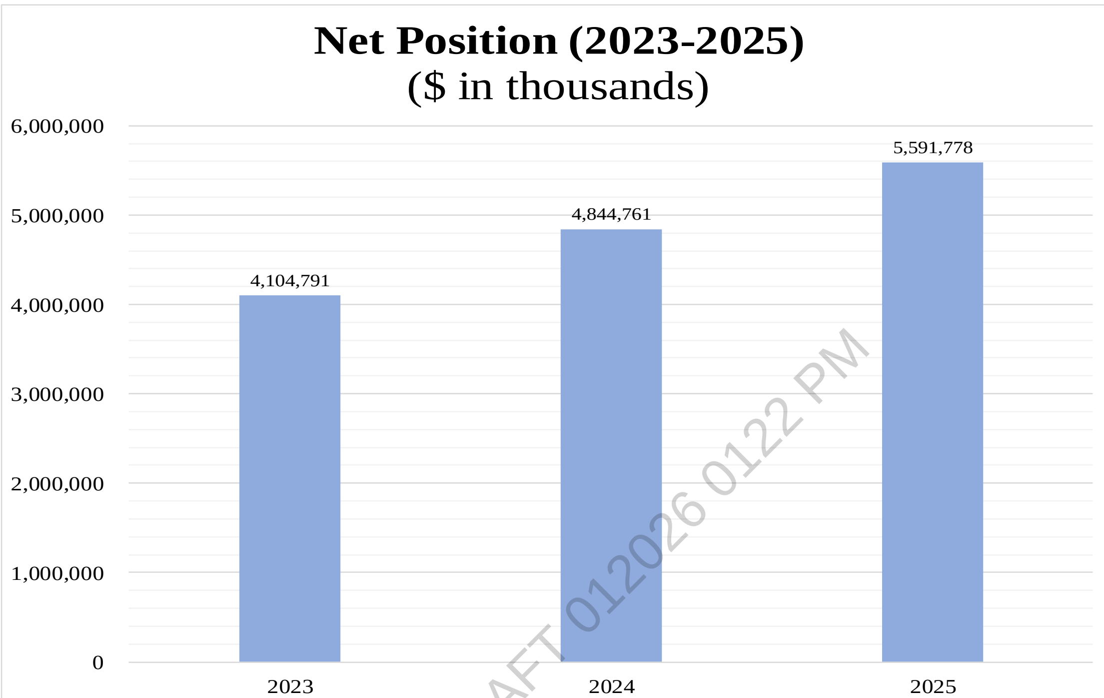


Net Position

Net position, the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources, totaled $5.6 billion as of October 31, 2025. This represents an increase of $747.0 million or 15.4% from the previous year. In 2024, net position increased by $740.0 million. Net position is classified as either restricted or unrestricted, with restricted net position being committed by law or contract for specific purposes. HDC's most significant restricted net position includes debt service reserves for HDC bond issues and undisbursed bond proceeds held prior to construction advances. Unrestricted net position may be classified as designated or undesignated. Designated net positions are those allocated by action or policy for specific purposes determined by HDC's Board Members, such as bond reserves (to support the Corporation's general obligation rating), and specific housing loan programs to which the Corporation has committed resources under the City's housing plan. Virtually all the Corporation's net position is either restricted or designated.

Net position totaled $4.8 billion as of October 31, 2024. This represents an increase of $740.0 million or 18.0% from October 31, 2023. The increase was primarily due to recapturing a portion of unrealized loss on the fair market value of investments, which were mostly U.S. Agency securities, and the receipt of funds from BPCA under a new agreement.

The following chart presents the comparative data of the Corporation's net position over the last three years:



Revenues of the Corporation are classified as operating and non-operating. Interest income from mortgages represents the Corporation's major source of operating revenue. It also includes various loan and bond program fees such as commitment, bond financing, mortgage insurance and servicing fees. The Corporation's non-operating revenues consist primarily of earnings on investments. Earnings on investments accrue to the benefit of the program for which the underlying sources of funds are utilized.

HDC's expenses are also classified as operating and non-operating. In fiscal year 2025, the Corporation adopted GASB Statement No. 103; Financial Reporting Model Improvements, which requires bond interest expense to be classified now as a non-operating expense. As such, the bond interest expense and related financing costs were reported under the non-operating section. Bond interest expenses accounted for 85.1% of total expenses in FY 2025. Other operating expenses include corporate expenses (salaries, overhead and depreciation) and fees.

RESULTS OF OPERATIONS

Revenues

The Corporation had total revenues of $1.4 billion in FY 2025, an increase of $79.3 million from FY 2024. Operating revenues were $1.0 billion in FY 2025 compared to $902.0 million in FY 2024, an increase of $128.3 million or 14.2%. Operating revenues were approximately 75.8% of total revenues in FY 2025.

Interest on Loans: Interest on loans, the largest component of operating revenues, was $934.4 million, an increase of $146.4 million or 18.6% from FY 2024. In FY 2024, interest on loans was $788.0 million. The increase in FY 2025 was a result of higher mortgage loans receivable balances consistent with an increase in the Corporation's mortgage lending, changes in policy in how the Corporation charges the borrower on senior mortgage loans and higher interest rates on new loans to offset the increase in the Corporation's borrowing costs.

Interest on loans was $788.0 million in FY 2024, an increase of $130.6 million or 19.9% from FY 2023. In FY 2023, interest on loans was $657.4 million. The increase in FY 2024 was a result of higher mortgage loans receivable balances consistent with an increase in the Corporation's mortgage lending, changes in policy in how the Corporation charges the borrower on senior mortgage loans and higher interest rates on new loans to offset the increase in the Corporation's borrowing costs.

Fees and Charges: Fees and charges were $81.4 million in FY 2025 compared to $89.1 million in FY 2024. The $7.7 million decrease was primarily due to a $14.5 million decline in deferred construction financing fees earned as these fees are nearing the end of their recognition period. The decrease was partially offset by net increases in servicing fees, loan satisfaction fees, regulatory and compliance monitor fees, consent fees, and NYCHA PACT administration fees, totaling $8.8 million.

Fees and charges were $89.1 million in FY 2024 compared to $75.6 million in FY 2023. The $13.5 million increase was mainly due to the recognition of bond financing fees, standby LOC fees, commitment and financing fees, deferred construction financing fees, NYCHA PACT administration fee, and mortgage insurance premium earned. There was a net decrease of $1.5 million from bond issuance fees and loan satisfaction fees.

Residual Interest Income: Residual interest income is generated from the purchase of outstanding loan residuals from the City through HPD from a previous loan participation agreement. Residual interest income is recognized from loan repayments that were previously distributed to the City through HPD. In FY 2025, HDC recognized $10.7 million compared to $20.8 million a year ago. The decrease was due to lower prepayments during the fiscal year.

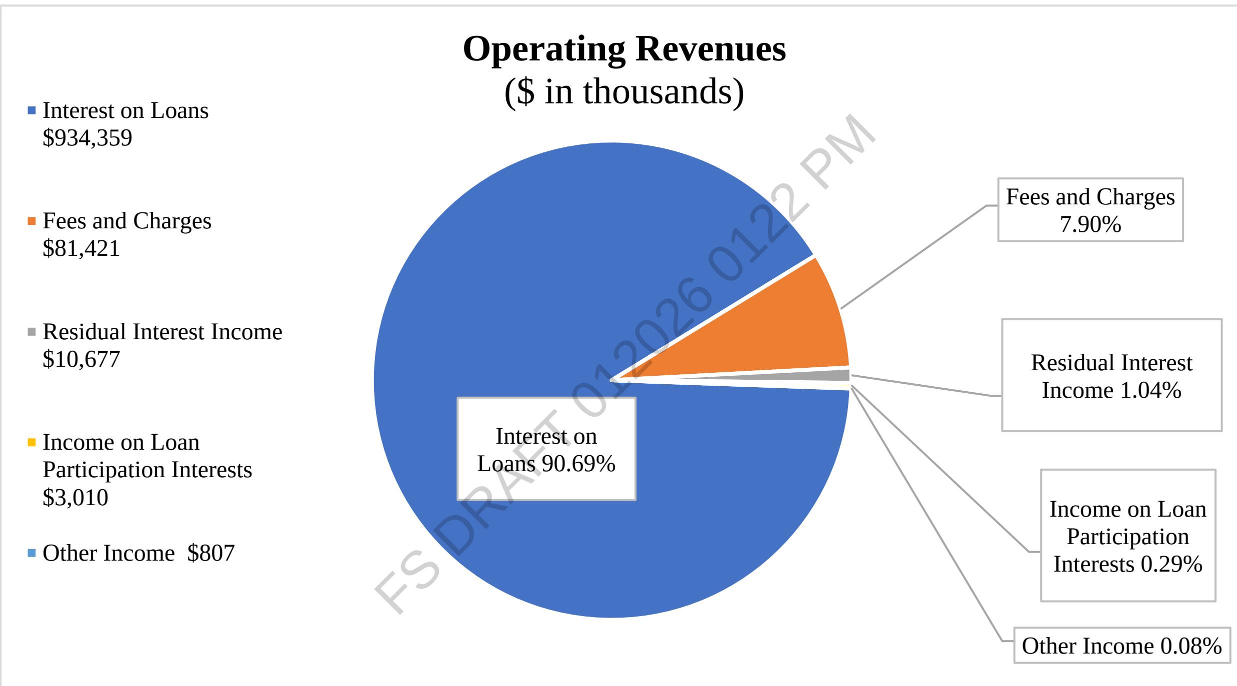
In FY 2024, HDC recognized $20.8 million compared to $18.3 million in FY 2023. The increase was due to greater prepayments during the fiscal year.

Income on Loan Participation Interests: Loan participation income in FY 2025 was $3.0 million, an increase of $2.9 million compared to $0.1 million in FY 2024. Loan participation income is driven by repayments or restructuring of the second mortgage loans in the MLRP. The increase was due to one repayment during the fiscal year.

Loan participation income in FY 2024 was $0.1 million, a decrease of $5.0 million compared to $5.1 million in FY 2023. There were no repayments during FY 2024.

Other Income: Other income in FY 2025 was $0.8 million, down from $3.9 million in FY 2024. This decrease of $3.1 million was largely due to the absence of income on mortgage participation fees during FY 2024.

Other income in FY 2024 was $3.9 million compared to $1.9 million in FY 2023. Other income is mainly comprised of income on mortgage participations. The $2.0 million increase was mainly due to higher income on mortgage participation fees this year.



Expenses

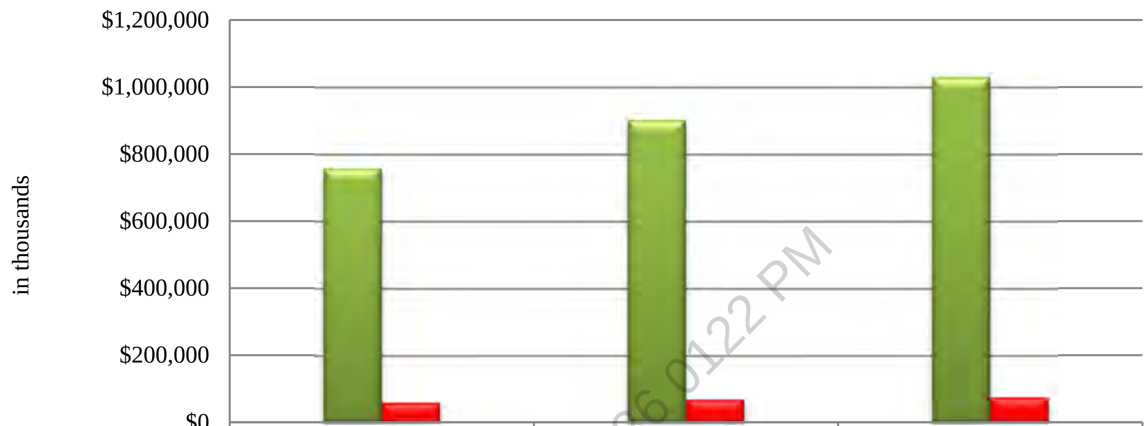
Operating Expenses: Operating expenses in FY 2025 were $75.7 million, an increase of $6.7 million or 9.7% compared to the previous year, when operating expenses were $69.0 million.

Salaries and Related Expenses: Salaries and related expenses were $43.6 million in FY 2025, an increase of $3.3 million from $40.3 million in FY 2024. The increase was mainly attributable to an increase in wages and fringe benefits as a result of new hires. The Corporation's continued commitment to the NYCHA PACT Program has created a need for additional staff on both the financing side as well as asset management. The pension expense decreased by $0.6 million and OPEB expense increased by $0.2 million.

Salaries and related expenses increased $4.9 million in FY 2024 from $35.4 million in FY 2023. The increase was mainly attributable to an increase in wages and fringe benefits as a result of new hires. The Corporation's commitment to the NYCHA PACT program created a need for additional staff on both the financing side as well as asset management. The pension expense increased by $0.2 million and OPEB expense decreased by $1.4 million.

The following chart presents the comparative data of the Corporation's operating revenues and expenses over the last three years:

HDC Operating Revenues & Expenses (2023-2025)



	2023 (1)	2024 (1)	2025 (1)
Operating Revenues	758,347	901,961	1,030,274
Operating Expenses	59,771	68,997	75,693

(1) These amounts reflect the adoption of GASB 103: Financial Reporting Model Improvements.

Non-Operating Revenues (Expenses), (net)

Non-operating revenues (expenses), net in FY 2025 were $227.6 million, up from $152.4 million last year. With the adoption of GASB Statement No. 103 - Financial Reporting Model Improvements, bond interest expenses and the related bond financing costs are now classified within the non-operating revenues (expenses) section.

Non-Capital Subsidy: The grant proceeds from BPCA were $20.0 million in FY 2025, down from $59.5 million in FY 2024. The lower amount received in FY 2025 more closely reflects the anticipated average annual amount. The larger amount received in FY 2024 included prior years proceeds before the 2024 Agreement with BPCA took effect in FY 2024. The 2024 Agreement stipulates that HDC will receive annual allocations of funding from BPCA, totaling up to $500 million. HDC did not recognize the subsidy in FY 2023 as the agreement did not take effect until FY 2024.

Bond Interest, Amortization, and Bond Issuance Expenses: Total bond interest, net of amortization, was $520.8 million, an increase of $64.1 million from FY 2024 when it was $456.8 million. This trend increase was aligned with a 10.0% increase in bonds outstanding, higher interest rates on the variable rate bond portfolio and new issuances in the current rate environment. Bond issuance costs were $14.2 million, up by $1.5 million from $12.6 million in FY 2024. This reflects the higher bond issuances in recent years.

Total bond interest, net of amortization, was $456.8 million in FY 2024, an increase of $66.2 million from FY 2023 when it was $390.6 million. This trend increase was aligned with a 10.1% increase in bonds outstanding, higher interest rates on the variable rate bonds portfolio and new borrowings in the current rate environment.

Earnings on Investments and Unrealized Losses: Investment income, including the fair value adjustment on outstanding investments, was a net gain of $298.4 million in FY 2025 compared with a net gain of $308.6 million in FY 2024. The decrease was mainly due to recapturing a smaller portion of the unrealized loss on the fair market value of U.S. Agency securities, which comprised approximately 41.2% of the Corporation's total investment portfolio. Realized investment earnings increased from $161.0 million to $205.1 million due to a larger investment portfolio. As of October 31, 2025, 53.4% of the investment portfolio was in demand deposit accounts, which are not subject to fair market value adjustments.

Investment income, including the fair value adjustment on outstanding investments, was a net gain of $308.6 million in FY 2024 compared with a net gain of $114.2 million in FY 2023. The increase was mainly due to higher interest rates, a larger investment portfolio, and the recapture of a portion of the unrealized loss on the fair market value of U.S. Agency securities, which comprised approximately 39.7% of the Corporation's total investment portfolio. Realized investment earnings increased from $109.2 million to $161.0 million due to rising short-term interest rates. As of October 31, 2024, 48.4% of the investment portfolio was in demand deposit accounts, which are not subject to fair market value adjustments.

SIGNIFICANT LONG-TERM FINANCING ACTIVITY

At year-end, the Corporation had approximately $16.1 billion of bond principal and debt obligations outstanding in the Enterprise Fund, an increase of 10.0% over the prior year, net of discount and premium. The following table summarizes the changes in bonds payable and debt obligations between October 31, 2025, and October 31, 2024. *(Dollar amounts are in thousands)*:

	2025	2024	Percentage increase FY 2024 to 2025
Bonds Payable & Debt Obligations	$16,077,219	$14,616,469	10.00%

In FY 2025, all variable rate demand obligation ("VRDO") bond series were successfully remarketed, and no bonds were tendered to become bank bonds. Additional information about HDC's debt is presented in Note 9 to the financial statements.

CURRENT KNOWN FACTS, DECISIONS, OR CONDITIONS

Currently, management does not foresee any negative impacts on HDC's financial position or operations. As of the financial statement issuance date, HDC's operations, funding sources, and obligations are stable with no anticipated material changes. Management will monitor economic conditions, regulatory developments, and operational factors, disclosing any significant issues in future reports if they arise.

New York City Housing Development Corporation
Statement of Net Position
Proprietary Fund Type - Enterprise Fund

At October 31, 2025 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2025**
Assets				
Current Assets:				
Cash and cash equivalents (note 3)	$ 1,048,708	$ -	$ -	$ 1,048,708
Investments (note 3)	33,045	-	-	33,045
Receivables:				
Mortgage loans (note 4)	600,962	-	-	600,962
Accrued interest	161,159	1	-	161,160
Other	15,221	-	-	15,221
Total Receivables	777,342	1	-	777,343
Leases and other capital assets (note 7)	1,660	-	-	1,660
Other assets	32	-	-	32
Total Current Assets	**1,860,787**	**1**	**-**	**1,860,788**
Noncurrent Assets:				
Restricted cash and cash equivalents (note 3)	2,659,646	-	16,084	2,675,730
Restricted investments (note 3)	2,745,161	-	176,194	2,921,355
Purpose investments (note 2)	15,577	-	-	15,577
Mortgage loans (note 4)	429,595	-	-	429,595
Restricted receivables:				
Mortgage loans (note 4)	16,164,771	79,180	-	16,243,951
Mortgage loan housing finance fund (Section 661) (note 4)	6,855,442	-	-	6,855,442
Mortgage loan participation - Federal Financing Bank (note 4)	785,822	-	-	785,822
Loan participation receivable - The City of NY (note 6)	449,258	-	-	449,258
Accrued interest	451,811	-	-	451,811
Other	8,225	-	-	8,225
Total Restricted Receivables	24,715,329	79,180	-	24,794,509
Leases and other capital assets (note 7)	50,938	-	-	50,938
Interest rate swaps (note 8)	211,660	-	-	211,660
Other assets	34,352	(2,631)	-	31,721
Total Noncurrent Assets	**30,862,258**	**76,549**	**192,278**	**31,131,085**
Total Assets	**32,723,045**	**76,550**	**192,278**	**32,991,873**
Deferred Outflows of Resources				
Deferred outflows related to interest rate caps (note 8)	446	-	-	446
Deferred outflows related to pensions (note 11)	6,322	-	-	6,322
Deferred outflows related to interest rate swaps (note 8)	7,982	-	-	7,982
Deferred outflows related to OPEB (note 11)	4,305	-	-	4,305
Total Deferred Outflows of Resources	**$ 19,055**	**$ -**	**$ -**	**$ 19,055**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Net Position (continued)
Proprietary Fund Type - Enterprise Fund

At October 31, 2025 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	Business-Type Activities Total 2025
Liabilities				
Current Liabilities:				
Bonds payable (net) (note 9)	$ 198,926	$ -	$ -	$ 198,926
Debt obligations payable (note 9)	1,141	-	-	1,141
Loan participation payable to Federal Financing Bank (note 9)	9,060	-	-	9,060
Accrued interest payable	231,155	-	-	231,155
Restricted earnings on investments	289	-	-	289
Accounts and other payables	181,578	-	-	181,578
Lease liability (note 7)	3,685	-	-	3,685
Total Current Liabilities	**625,834**	**-**	**-**	**625,834**
Noncurrent Liabilities:				
Bonds and debt obligations payable:				
Bonds payable (net) (note 9)	15,022,193	-	-	15,022,193
Debt obligations payable (note 9)	60,105	-	-	60,105
Loan participation payable to Federal Financing Bank (note 9)	785,794	-	-	785,794
Payable to The City of New York:				
Loan participation agreements (note 10)	449,258	-	-	449,258
Housing finance fund (Section 661) (note 10)	7,946,385	-	-	7,946,385
Other (note 10)	79,118	76,550	-	155,668
Payable to mortgagors	1,531,026	-	-	1,531,026
Net pension liabilities (note 11)	9,797	-	-	9,797
OPEB liability (note 12)	7,081	-	-	7,081
Interest rate swaps (note 8)	7,982	-	-	7,982
Lease liability (note 7)	59,622	-	-	59,622
Unearned revenues and other liabilities	525,583	-	-	525,583
Due to the United States Government (note 13)	8,132	-	-	8,132
Total Noncurrent Liabilities	**26,492,076**	**76,550**	**-**	**26,568,626**
Total Liabilities	**27,117,910**	**76,550**	**-**	**27,194,460**
Deferred Inflows of Resources				
Deferred inflows related to pensions (note 11)	1,097	-	-	1,097
Deferred inflows related to OPEB (note 12)	11,933	-	-	11,933
Deferred inflows related to interest rate swaps (note 8)	211,660	-	-	211,660
Total Deferred Inflows of Resources	**224,690**	**-**	**-**	**224,690**
Net Position				
Net investment in capital assets	52,598	-	-	52,598
Restricted for bond obligations (note 17)	4,632,944	-	-	4,632,944
Restricted for insurance requirement and others	-	-	137,542	137,542
Unrestricted (note 17)	713,958	-	54,736	768,694
Total Net Position	**$ 5,399,500**	**$ -**	**$ 192,278**	**$ 5,591,778**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Net Position
Proprietary Fund Type - Enterprise Fund

At October 31, 2024 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2024**
Assets				
Current Assets:				
Cash and cash equivalents	$ 688,359	$ -	$ -	$ 688,359
Investments	46,185	-	-	46,185
Receivables:				
Mortgage loans	644,759	-	-	644,759
Accrued interest	118,064	1	-	118,065
Other	17,912	-	-	17,912
Total Receivables	780,735	1	-	780,736
Leases and other capital assets	1,656	-	-	1,656
Other assets	30	-	-	30
Total Current Assets	**1,516,965**	**1**	**-**	**1,516,966**
Noncurrent Assets:				
Restricted cash and cash equivalents	2,327,601	-	74,092	2,401,693
Restricted investments	2,220,878	-	99,276	2,320,154
Purpose investments	16,102	-	-	16,102
Mortgage loans	447,668	-	-	447,668
Restricted receivables:				
Mortgage loans	15,195,389	86,332	-	15,281,721
Mortgage loan housing finance fund (Section 661)	5,212,571	-	-	5,212,571
Mortgage loan participation - Federal Financing Bank	496,181	-	-	496,181
Loan participation receivable - The City of NY	451,550	-	-	451,550
Accrued interest	344,752	-	-	344,752
Other	10,899	-	-	10,899
Total Restricted Receivables	21,711,342	86,332	-	21,797,674
Leases and other capital assets	53,815	-	-	53,815
Interest rate swaps	198,199	-	-	198,199
Other assets	33,775	(519)	-	33,256
Total Noncurrent Assets	**27,009,380**	**85,813**	**173,368**	**27,268,561**
Total Assets	**28,526,345**	**85,814**	**173,368**	**28,785,527**
Deferred Outflows of Resources				
Deferred outflows related to interest rate caps	1,324	-	-	1,324
Deferred outflows related to pensions	5,239	-	-	5,239
Deferred outflows related to interest rate swaps	6,824	-	-	6,824
Deferred outflows related to OPEB	1,606	-	-	1,606
Total Deferred Outflows of Resources	**$ 14,993**	**$ -**	**$ -**	**$ 14,993**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Net Position (continued)
Proprietary Fund Type - Enterprise Fund

At October 31, 2024 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2024**
Liabilities				
Current Liabilities:				
Bonds payable (net)	$ 227,202	$ -	$ -	$ 227,202
Debt obligations payable	1,095	-	-	1,095
Loan participation payable to Federal Financing Bank	6,841	-	-	6,841
Accrued interest payable	199,015	-	-	199,015
Restricted earnings on investments	283	-	-	283
Accounts and other payables	149,813	-	-	149,813
Total Current Liabilities	**584,249**	**-**	**-**	**584,249**
Noncurrent Liabilities:				
Bonds and debt obligations payable:				
Bonds payable (net)	13,798,130	-	-	13,798,130
Debt obligations payable	87,047	-	-	87,047
Loan participation payable to Federal Financing Bank	496,154	-	-	496,154
Payable to The City of New York:				
Loan participation agreements	451,550	-	-	451,550
Housing finance fund (Section 661)	6,300,569	-	-	6,300,569
Other	73,369	85,814	-	159,183
Payable to mortgagors	1,243,018	-	-	1,243,018
Net pension liabilities	10,729	-	-	10,729
OPEB liability	2,442	-	-	2,442
Interest rate swaps	6,824	-	-	6,824
Lease liability	58,602	-	-	58,602
Unearned revenues and other liabilities	536,746	-	-	536,746
Due to the United States Government	8,481	-	-	8,481
Total Noncurrent Liabilities	**23,073,661**	**85,814**	**-**	**23,159,475**
Total Liabilities	**23,657,910**	**85,814**	**-**	**23,743,724**
Deferred Inflows of Resources				
Deferred inflows related to pensions	159	-	-	159
Deferred inflows related to OPEB	13,677	-	-	13,677
Deferred inflows related to interest rate swaps	198,199	-	-	198,199
Total Deferred Inflows of Resources	**212,035**	**-**	**-**	**212,035**
Net Position				
Net investment in capital assets	55,471	-	-	55,471
Restricted for bond obligations	4,012,405	-	-	4,012,405
Restricted for insurance requirement and others	-	-	132,061	132,061
Unrestricted	603,517	-	41,307	644,824
Total Net Position	**$ 4,671,393**	**$ -**	**$ 173,368**	**$ 4,844,761**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation Statement of Revenues, Expenses and Changes in Net Position Proprietary Fund Type - Enterprise Fund

For the year ended October 31, 2025 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2025**
Operating Revenues				
Interest on loans (note 4)	$ 934,348	$ 11	$ -	$ 934,359
Fees and charges	74,340	-	7,081	81,421
Residual interest income	10,677	-	-	10,677
Income on loan participation interests (note 6)	3,010	-	-	3,010
Other	747	-	60	807
Total Operating Revenues	**1,023,122**	**11**	**7,141**	**1,030,274**
Operating Expenses				
Salaries and related expenses	43,616	-	-	43,616
Trustees' and other fees	17,180	-	-	17,180
Corporate operating expenses	14,897	-	-	14,897
Total Operating Expenses	**75,693**	**-**	**-**	**75,693**
Operating Income	**947,429**	**11**	**7,141**	**954,581**
Non-operating Revenues (Expenses)				
Non-Capital Subsidy				
Grant proceeds from BPCA	20,011	-	-	20,011
Operating Income and non-capital subsidy	**967,440**	**11**	**7,141**	**974,592**
Other Non-operating Revenues (Expenses)				
Interest and amortization of bond premium and discount	(520,828)	-	-	(520,828)
Bond issuance costs	(14,171)	-	-	(14,171)
Earnings on investments (note 3)	198,548	-	6,579	205,127
Unrealized gains on investments (note 3)	87,388	-	5,838	93,226
Other non-operating (expenses) revenues, net	(1,564)	-	-	(1,564)
Payments from REMIC subsidiary to HDC	648	-	(648)	-
Transfer from Custodial Funds	6,476	-	-	6,476
Other	4,170	(11)	-	4,159
Total Non-operating Revenues (Expenses), net	**(239,333)**	**(11)**	**11,769**	**(227,575)**
Changes in Net Position	**728,107**	**-**	**18,910**	**747,017**
Total net position - beginning of year	4,671,393	-	173,368	4,844,761
Total Net Position - End of Year	**$ 5,399,500**	**$ -**	**$ 192,278**	**$ 5,591,778**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation Statement of Revenues, Expenses and Changes in Net Position Proprietary Fund Type - Enterprise Fund

For the year ended October 31, 2024 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2024**
Operating Revenues				
Interest on loans	$ 787,964	$ 10	$ -	$ 787,974
Fees and charges	83,446	-	5,692	89,138
Residual interest income	20,833	-	-	20,833
Income on loan participation interests	93	-	-	93
Other	3,923	-	-	3,923
Total Operating Revenues	**896,259**	**10**	**5,692**	**901,961**
Operating Expenses				
Salaries and related expenses	40,322	-	-	40,322
Trustees' and other fees	16,184	-	79	16,263
Corporate operating expenses	12,412	-	-	12,412
Total Operating Expenses	**68,918**	**-**	**79**	**68,997**
Operating Income	**827,341**	**10**	**5,613**	**832,964**
Non-operating Revenues (Expenses)				
Non-Capital Subsidy				
Grant proceeds from BPCA	59,450	-	-	59,450
Operating Income and non-capital subsidy	**886,791**	**10**	**5,613**	**892,414**
Other Non-operating Revenues (Expenses)				
Interest and amortization of bond premium and discount	(456,769)	-	-	(456,769)
Bond issuance costs	(12,639)	-	-	(12,639)
Earnings on investments	156,884	-	4,091	160,975
Unrealized gains on investments	136,665	239	10,744	147,648
Other non-operating (expenses) revenues, net	(1,564)	-	-	(1,564)
Payments from REMIC subsidiary to HDC	694	-	(694)	-
Transfers from Custodial Funds	9,905	-	-	9,905
Other	10	(10)	-	-
Total Non-operating Revenues (Expenses), net	**(166,814)**	**229**	**14,141**	**(152,444)**
Changes in Net Position	**719,977**	**239**	**19,754**	**739,970**
Total net position - beginning of year	3,951,416	(239)	153,614	4,104,791
Total Net Position - End of Year	**$ 4,671,393**	**$ -**	**$ 173,368**	**$ 4,844,761**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Cash Flows
Proprietary Fund Type - Enterprise Fund

Year ended October 31, 2025 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2025**
Cash Flows From Operating Activities				
Mortgage loan repayments	$ 1,168,633	$ -	$ -	$ 1,168,633
Mortgage interest receipts	686,041	-	-	686,041
Receipts from fees and charges	76,872	-	62	76,934
Mortgage loan advances	(3,900,306)	-	-	(3,900,306)
Payments to employees	(44,201)	-	-	(44,201)
Payments to suppliers for corporate operating expenses	(7,006)	-	-	(7,006)
Project contributions and funds received from NYC	1,659,337	-	-	1,659,337
Advances and other payments for NYC	(16,262)	-	-	(16,262)
Other fees paid	(3,492)	-	-	(3,492)
Other receipts	1,357,712	-	59	1,357,771
Other payments	(1,037,543)	(2,102)	-	(1,039,645)
Net Cash (Used in) Provided by Operating Activities	**(60,215)**	**(2,102)**	**121**	**(62,196)**
Cash Flows From Non Capital Financing Activities				
Proceeds from sale of bonds	2,100,526	-	-	2,100,526
Retirement of bonds	(937,480)	-	-	(937,480)
Interest paid	(487,570)	-	-	(487,570)
Bond cost of issuance	(15,437)	-	-	(15,437)
Grant proceeds from BPCA	20,011	-	-	20,011
Payments from/to component units	(2,121)	2,102	6,371	6,352
Net Cash Provided by Non Capital Financing Activities	**976,629**	**2,102**	**6,371**	**985,102**
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(312)	-	-	(312)
Net Cash (Used in) Capital and Related Financing Activities	**(312)**	**-**	**-**	**(312)**
Cash Flows From Investing Activities				
Sale of investments	28,247,299	-	459,320	28,706,619
Purchase of investments	(28,660,929)	-	(529,330)	(29,190,259)
Interest and dividends collected	189,922	-	5,510	195,432
Net Cash (Used In) Provided by Investing Activities	**(223,708)**	**-**	**(64,500)**	**(288,208)**
Increase (Decrease) in cash and cash equivalents	692,394	-	(58,008)	634,386
Cash and cash equivalents at beginning of year	3,015,960	-	74,092	3,090,052
Cash and Cash Equivalents at End of Year	**$ 3,708,354**	**$ -**	**$ 16,084**	**$ 3,724,438**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Cash Flows (continued)
Proprietary Fund Type - Enterprise Fund

Year ended October 31, 2025 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2025**
Reconciliation of Operating Income to Net Cash (Used in) Provided by Operating Activities:				
Operating Income	**$ 947,429**	**$ 11**	**$ 7,141**	**$ 954,581**
Adjustments to Reconcile Operating Income to Net Cash (Used in) Provided by Operating Activities:				
Depreciation expense	3,185	-	-	3,185
Changes in Assets & Liabilities:				
Mortgage loans	(2,838,741)	7,151	-	(2,831,590)
Accrued interest receivable	(149,143)	-	-	(149,143)
Other receivables	4,116	-	-	4,116
Primary government/component unit receivable (payable)	12,172	-	(7,020)	5,152
Other assets	(3,785)	-	-	(3,785)
Payable to The City of New York	1,649,072	(9,264)	-	1,639,808
Payable to mortgagors	287,806	-	-	287,806
Accounts and other payables	35,538	-	-	35,538
Restricted earnings on investments	(4)	-	-	(4)
Unearned revenues and other liabilities	(6,948)	-	-	(6,948)
Net Cash (Used in) Provided by Operating Activities	**$ (60,215)**	**$ (2,102)**	**$ 121**	**$ (62,196)**
Non Cash Investing Activities:				
Increase in fair value of investments	$ 87,388	$ -	$ 5,838	$ 93,226

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Cash Flows
Proprietary Fund Type - Enterprise Fund

Year ended October 31, 2024 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2024**
Cash Flows From Operating Activities				
Mortgage loan repayments	$ 501,258	$ -	$ -	$ 501,258
Mortgage interest receipts	618,773	-	-	618,773
Receipts from fees and charges	63,365	-	40	63,405
Mortgage loan advances	(3,405,181)	-	-	(3,405,181)
Payments to employees	(40,582)	-	-	(40,582)
Payments to suppliers for corporate operating expenses	(4,754)	-	-	(4,754)
Project contributions and funds received from NYC	1,603,468	-	-	1,603,468
Advances and other payments for NYC	(10,608)	-	-	(10,608)
Bond cost of issuance	(15,245)	-	-	(15,245)
Funds received for HIB reserve	880,574	-	-	880,574
Other receipts	543,252	-	-	543,252
Other payments	(768,625)	(2,205)	(79)	(770,909)
Net Cash Used in Operating Activities	**(34,305)**	**(2,205)**	**(39)**	**(36,549)**
Cash Flows From Non Capital Financing Activities				
Proceeds from sale of bonds	1,791,440	-	-	1,791,440
Retirement of bonds	(448,631)	-	-	(448,631)
Interest paid	(426,456)	-	-	(426,456)
Grant proceeds from BPCA	59,450	-	-	59,450
Payments from/to component units	1,851	463	4,940	7,254
Net Cash Provided by Non Capital Financing Activities	**977,654**	**463**	**4,940**	**983,057**
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(282)	-	-	(282)
Net Cash Used in Capital and Related Financing Activities	**(282)**	**-**	**-**	**(282)**
Cash Flows From Investing Activities				
Sale of investments	20,452,257	6,887	276,952	20,736,096
Purchase of investments	(20,577,880)	(5,488)	(226,226)	(20,809,594)
Interest and dividends collected	157,341	21	4,091	161,453
Net Cash Provided by Investing Activities	**31,718**	**1,420**	**54,817**	**87,955**
Increase (Decrease) in cash and cash equivalents	974,785	(322)	59,718	1,034,181
Cash and cash equivalents at beginning of year	2,041,175	322	14,374	2,055,871
Cash and Cash Equivalents at End of Year	**$ 3,015,960**	**$ -**	**$ 74,092**	**$ 3,090,052**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Cash Flows (continued)
Proprietary Fund Type - Enterprise Fund

Year ended October 31, 2024 ($ in thousands)

	HDC and Blended Component Units			
	New York City Housing Development Corporation	**New York City Housing Assistance Corporation**	**New York City Residential Mortgage Insurance Corporation**	**Business-Type Activities Total 2024**
Reconciliation of Operating Income to Net Cash Used in Operating Activities:				
Operating Income	**$ 827,341**	**$ 10**	**$ 5,613**	**$ 832,964**
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:				
Depreciation expense	2,908	-	-	2,908
Amortization of bond discount and premium	(703)	-	-	(703)
Non-operating bond interest payment	426,456	-	-	426,456
Changes in Assets & Liabilities:				
Mortgage loans	(2,962,148)	7,152	-	(2,954,996)
Accrued interest receivable	(108,283)	-	-	(108,283)
Other receivables	(1,481)	-	-	(1,481)
Primary government/component unit receivable (payable)	(91,560)	-	(5,652)	(97,212)
Other assets	93,500	-	-	93,500
Payable to The City of New York	1,599,549	(9,367)	-	1,590,182
Payable to mortgagors	843,274	-	-	843,274
Accounts and other payables	(86,097)	-	-	(86,097)
Restricted earnings on investments	(153)	-	-	(153)
Unearned revenues and other liabilities	(136,776)	-	-	(136,776)
Accrued interest payable	29,276	-	-	29,276
Net Cash Used in Operating Activities	**$ 435,103**	**$ (2,205)**	**$ (39)**	**$ 432,859**
Non Cash Investing Activities:				
Increase in fair value of investments	$ 136,665	$ 239	$ 10,744	$ 147,648

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Fiduciary Net Position
Fiduciary Funds

At October 31, 2025 (with comparative summarized financial information as of October 31, 2024) ($ in thousands)

	Custodial Funds	Other Post Employee Benefit Trust Fund	Total 2025	Total 2024
Assets				
Cash and cash equivalents	$ 952,351	$ 1,452	$ 953,803	$ 804,172
Investments	379,864	12,280	392,144	355,758
Receivables:				
Mortgage loans	711,791	-	711,791	706,047
Accrued interest	53,136	-	53,136	47,818
Other	28,937	-	28,937	26,278
Total Receivables	793,864	-	793,864	780,143
Primary government/component unit receivable	428	-	428	489
Total Assets	**2,126,507**	**13,732**	**2,140,239**	**1,940,562**
Net Position				
Restricted for:				
Mortgagors	1,073,945	-	1,073,945	958,143
The City of New York	1,052,346	-	1,052,346	969,902
Other entities	216	-	216	216
Postemployment benefits other than pensions	-	13,732	13,732	12,301
Total Net Position	**$ 2,126,507**	**$ 13,732**	**$ 2,140,239**	**$ 1,940,562**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the year ended October 31, 2025 (with comparative summarized financial information for the year ended October 31, 2024) ($ in thousands)

	Custodial Funds	Other Post Employee Benefit Trust Fund	Total 2025	Total 2024
Additions				
Interest on loans	$ 205	$ -	$ 205	$ 205
Investment earnings:				
Interest, dividends and other	6,271	1,796	8,067	10,752
Total investment earnings	6,271	1,796	8,067	10,752
Mortgage escrow receipts - Mortgagors	579,092	-	579,092	484,266
Funds received for The City of New York	248,927	-	248,927	230,261
Total Additions	**834,495**	**1,796**	**836,291**	**725,484**
Deductions				
Benefit payments	-	365	365	467
Mortgage escrow disbursements - Mortgagors	463,290	-	463,290	509,811
Payments to The City of New York	166,483	-	166,483	90,043
Transfers to Enterprise Fund	6,476	-	6,476	9,905
Total Deductions	**636,249**	**365**	**636,614**	**610,226**
Net Increase in Fiduciary Net Position	**198,246**	**1,431**	**199,677**	**115,258**
Net position - beginning of year	1,928,261	12,301	1,940,562	1,825,304
Net Position - End of Year	**$ 2,126,507**	**$ 13,732**	**$ 2,140,239**	**$ 1,940,562**

See accompanying notes to the basic financial statements.

Note 1: Organization

The New York City Housing Development Corporation (the “Corporation” or “HDC”) 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 is also a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Corporation was established in 1971 under the provisions of Article XII of the Private Housing Finance Law (the “Act”) of the State and is to continue in existence for at least as long as bonds, notes or other obligations of the Corporation are outstanding.

The Corporation was created to encourage the investment of private capital through low-interest mortgage loans in order to increase the supply of safe and sanitary dwelling accommodations for families and persons whose need for housing accommodations cannot be provided by unassisted private enterprise. To accomplish its objectives, the Corporation is empowered to finance housing through new construction or rehabilitation and to provide permanent financing for multi-family residential housing. The Corporation finances significant amounts of its activities through the issuance of bonds, notes, and debt obligations. The bonds, notes, and debt obligations of the Corporation are not debts of either the State or The City of New York (the “City”).

Pursuant to Governmental Accounting Standards Board (“GASB”) Codification 2100, *Defining the Financial Reporting Entity*, the Corporation’s financial statements are included in the City’s financial statements as a component unit for financial reporting purposes.

<u>Primary Government Entity</u>

For the purpose of these financial statements, the Corporation is the primary government entity. Financial activity in HDC’s bond and loan programs and in its Corporate Services Fund is aggregated and reported in the financial statements under Housing Development Corporation. The Corporation sells bonds, administers bond proceeds and manages bond revenues and repayments in accordance with bond resolutions adopted by its Board Members (see Note 9: “Bonds Payable and Debt Obligations”). Bond proceeds are used to make loans and provide for related costs and reserves, and loan repayments are applied to pay principal and interest on the related bonds (see Note 4: “Mortgage Loans”; Note 5: “Notes Receivable”; and Note 6: “Loan Participation Receivable for The City of New York”). Corporation resources that are not pledged under or governed by a bond resolution are managed in the Corporate Services Fund. This fund accounts for (1) fees and earnings transferred from the bond and loan programs; (2) fees earned on loans serviced for HDC and for the City; (3) compliance monitoring fees; (4) income from Corporate Services Fund investments; (5) grant revenues; (6) payments of the Corporation’s operating expenses; and (7) loans made with corporate funds.

The Corporation currently has four blended component units, two of which are inactive.

The New York City Housing Assistance Corporation (“HAC”) and the New York City Residential Mortgage Insurance Corporation (“REMIC”) are active subsidiaries and together with HDC, the Housing New York Corporation (“HNYC”) and the Real Estate Owned Corporation comprise the reporting entity. HAC and REMIC have been included in the Corporation’s financial statements as blended component units of HDC. All of these entities have been reported as component units because HDC’s Board Members comprise all or a controlling majority of the Board for each entity and HDC's staff provides all services for each entity.

<u>Component Units</u>

(A) New York City Housing Assistance Corporation

HAC is a public benefit corporation established pursuant to Section 654-b of the Act as a subsidiary of the Corporation.

HAC is empowered to receive monies from any source, including, but not limited to, the Corporation, the City or the State, for the purpose of assisting rental developments to maintain rentals affordable to low and moderate-income persons for whom the ordinary operation of private enterprise cannot supply safe, sanitary and affordable housing accommodations. In order to accomplish this objective, HAC may transfer, lend, pledge or assign these monies to any rental development or assist the Corporation in financing such developments. As a subsidiary of HDC, HAC's functions are administered by the Corporation and its Board Members substantially overlap with HDC's Board Members, so it is reported as a blended component unit in HDC's financial statements.

(B) New York City Residential Mortgage Insurance Corporation

REMIC is a public benefit corporation established pursuant to Section 654-d of the Act as a subsidiary of HDC. REMIC is the successor entity to the New York City Rehabilitation Mortgage Insurance Corporation ("Old REMIC"), which was dissolved on January 27, 1993. REMIC has the authority to insure residential mortgage loans throughout the City in order to promote the preservation of neighborhoods which are blighted, are becoming blighted or may become blighted, to discourage divestment and encourage the investment of mortgage capital in such neighborhoods and to provide safe, sanitary and affordable housing accommodations to persons and families for whom the ordinary operations of private enterprise cannot supply such accommodations.

REMIC currently maintains two reserves, the Housing Insurance Fund and the Premium Reserve Fund. The Housing Insurance Fund can be used as a revolving fund solely for the payment of liabilities arising from housing insurance contracts issued by REMIC. The Housing Insurance Fund requirement (as of any particular date) is established by statute and must be in an amount equal to the aggregate of (i) one hundred percent of the insured amounts due and payable pursuant to housing insurance contracts, plus (ii) twenty percent of the insured amounts under housing insurance contracts other than insured amounts which are due and payable pursuant to (i) above, plus (iii) twenty percent of the amounts to be insured under REMIC's commitments to insure. The Housing Insurance Fund requirement as of October 31, 2025, and 2024 was $137,542,000 and $132,061,000, respectively.

Any income or interest earned on the Housing Insurance Fund in excess of its respective requirements is transferred at least annually to the Premium Reserve Fund. The Premium Reserve Fund must also be maintained to provide for the payment of REMIC's liabilities arising from its operations, including liabilities arising from housing insurance contracts. REMIC also maintains an Operating Fund for operation purposes. As a component unit of HDC, REMIC functions are administered by the Corporation. The Premium Reserve Fund and Operating Fund have a combined balance of $54,736,000 and

$41,307,000 as of October 31, 2025 and 2024, respectively. REMIC is a blended component unit because HDC's Board Members comprise a controlling majority of the Board and HDC's staff provides all services for REMIC.

Inactive Component Units

(C) Real Estate Owned Corporation

The NYC HDC Real Estate Owned Corporation ("REO Subsidiary Corporation") was established under Section 654-a of the Act on September 20, 2004. The REO Subsidiary Corporation has the power to hold property whenever, in the sole discretion of the Corporation, it has become necessary to acquire a project in the case of sale under foreclosure or in lieu of foreclosure to effectuate the purposes of the Act. There was no activity undertaken by this subsidiary during fiscal year 2025 and 2024 and it did not have any assets or liabilities as of October 31, 2025 and 2024. The REO Subsidiary Corporation is treated as a blended component unit of HDC.

(D) Housing New York Corporation

The HNYC is a public benefit corporation established pursuant to Section 654-c of the Act as a subsidiary of the Corporation. Authorization for the funding of the Housing New York Program ended on July 1, 1995. Consequently, HNYC can no longer issue bonds or notes to fund the Housing New York Program.

Upon repayment of all the outstanding HNYC bonds on November 3, 2003, HNYC became an inactive subsidiary of the Corporation, and its remaining funds were transferred out of HNYC. However, HNYC is not expected to be dissolved.

Note 2: Summary of Significant Accounting Policies

The Corporation follows the principles of fund accounting, with a sub-fund for each bond series, for the Corporate Services Fund, and for each component unit. Each fund's assets, liabilities and net position are accounted for as separate entities and follow enterprise fund reporting. Certain individual funds are aggregated into larger categories for the purpose of financial reporting. The accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. In its accounting and financial reporting, the Corporation follows the pronouncements of the GASB.

Other significant accounting policies are:

A. Revenue and Expense Recognition

The Corporation's operating revenues consist of earnings on loans and loan participation interests, fees and charges associated with both financing and servicing mortgages and loans, and other revenues that are received to cover the costs of raising capital. All other revenue, which is primarily earnings on investments and grant revenue, is considered non-operating. Revenues are recognized when earned. Operating expenses include personnel expenses, expenses for administering the various bond resolutions, corporate operating expenses and depreciation expense. Non-operating expenses include bonding costs, bond issuance and financing costs. The Corporation reports all other expenses, including distributions of first mortgage earnings to the City in connection with loan participations and the payment, if necessary, of mortgage loan principal receipts on bond payments, as non-operating expenses. Expenses are recognized as incurred.

Virtually all resources are either restricted or designated. Net position has been restricted in accordance with terms of an award, agreement or by state law. Designated net position is committed for specific purposes pursuant to HDC policy and/or Board directives (see Note 17: "Net Position" for more detailed information).

B. Cash Equivalents and Investments

Short-term bank deposits and investments with stated maturities of 90 days or less are reported as Cash and Cash Equivalents. All investments are reported at fair value, except for certificates of deposit and investment agreements. The Corporation's investment agreements, which can take the form of open time deposits or fixed repurchase agreements, are reported at an amount equal to principal and accrued interest.

Generally Accepted Accounting Principles ("GAAP") require that restricted assets be reported as non-current assets. In the case of cash equivalents and investments, this treatment generally causes restricted investments with maturities less than one year to be reported as non-current. However, to more accurately report the alignment of HDC's current liability for payment of bond principal and interest with funds available to satisfy these liabilities, HDC has included cash, cash equivalents and investments totaling $963,173,000 and $638,542,000 under current assets as of October 31, 2025 and 2024, respectively, to cover the payment of bond principal and interest due in the following year.

C. Purpose Investments

As part of its financing activities, HDC has made two housing development loans that are secured by GNMA certificates rather than mortgages on the related properties. The GNMA certificates provide payments at such times and in such amounts as to fully repay the respective HDC loans and are the only source of repayment for these loans. The GNMA certificates are treated under U.S. Treasury regulations as acquired program obligations. The GNMA certificates are classified in the financial statements as purpose investments and identified separately from other investments and restricted investments in the financial statements. However, interest earned on the GNMA certificates is included in earnings on investments.

It is the Corporation's policy to record GNMA certificates at amortized cost, which amounted to $15,577,000 and $16,102,000 as of October 31, 2025 and 2024, respectively. The fair value of these purpose investments amounted to $14,976,000 and $15,256,000 as of October 31, 2025 and 2024, respectively.

D. Mortgage Loans

As part of the Corporation's major financing activities, mortgage loans are funded from bond and debt obligation proceeds and corporate reserves. The mortgage loans funded from bond proceeds and debt obligations are generally classified as restricted receivables because the loan repayments of all such loans are pledged to cover the debt service on the related bonds and obligations. The loans funded from corporate reserves are not restricted but designated for a specific purpose.

E. Allowance for Credit Losses

HDC's loans are underwritten according to standards the Corporation believes are prudent and are closely monitored for payment and for management of the associated housing developments. In addition, many of the Corporation's mortgages have credit enhancements through letters of credit, mortgage insurance and other supports. Therefore, HDC believes that the likelihood of experiencing material credit losses relating to its bonded mortgage programs is remote. Management has determined that current charges against income are not required.

F. Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide information on the Corporation's fiduciary activities in (1) Custodial Funds and (2) the Other Post-Employment Benefits ("OPEB") Trust Fund. The Custodial Funds report assets held by the Corporation on behalf of mortgagors and the City. These assets are derived from the servicing of the Corporation's permanent loans, and construction and permanent loans serviced on behalf of the New York City Department of Housing Preservation and Development ("HPD"), using funds provided by mortgagors and HPD. All such funds are the property of the mortgagors and HPD and thus are reported as restricted net position for mortgagors and the City in the fiduciary statement of net position. Investment earnings on monies held for the City, project reserves for replacement and certain other project escrows are reported as additions to restricted net position in the Fiduciary Fund. The OPEB Trust Fund reports resources that are required to be held in trust for the members and beneficiaries of the Corporation's OPEB plan.

G. Accounting Standards Issued and Adopted

GASB Statement No. 101, *Compensated Absences* ("GASB 101"). GASB 101 establishes accounting and financial reporting requirements for compensated absences. The Statement requires recognition of a liability and related expense as leave is earned when attributable to services rendered and when the leave may be carried forward or paid. The Corporation adopted GASB 101 in fiscal year 2025. Adoption did not have a material effect on beginning net position or results of operations.

GASB Statement No. 102, *Certain Risk Disclosures* ("GASB 102"). GASB 102 establishes accounting and financial reporting requirements for identifying and disclosing certain risks that may have, or are reasonably expected to have, a significant impact on the Corporation. The Corporation adopted GASB 102 in fiscal year 2025. Adoption did not have a material effect on beginning net position or results of operations. Management determined that no concentrations or constraints met the disclosure threshold.

GASB Statement No. 103, *Financial Reporting Model Improvements* ("GASB 103"). GASB 103 updates the financial reporting model established under GASB 34 to enhance the consistency and comparability of governmental financial statements. The Statement clarifies the definitions of operating and non-operating revenues and expenses, requiring financing-related revenues and expenses, subsidies, and investment income to be reported as non-operating. The Corporation early adopted GASB 103 in fiscal year 2025. Under GASB 103, interest and the amortization of bond premiums, discounts, and bond issuance costs are reported as non-operating expenses. Accordingly, the Corporation reclassified these items from operating expenses to nonoperating expenses on the Statements of Revenues, Expenses and Changes in Net Position. There was no impact on changes in net position. On the Statements of Cash Flows, bond cost of issuance was reclassified from cash flows from operating activities to cash flows from non capital financing activities.

H. Accounting Standards Issued and Not Yet Adopted

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* ("GASB 104"). The primary objective of GASB 104 is to provide users of government financial statements with essential information about certain types of capital assets. GASB 104 also addresses certain application issues. The requirements of GASB 104 are effective for fiscal years beginning after June 15, 2025. The Corporation is evaluating the impact GASB 104 will have on its financial statements.

In December 2025, GASB issued Statement No. 105, *Subsequent Events* ("GASB 105"). The primary objective of GASB 105 is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of GASB 105 are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The Corporation is evaluating the impact GASB 105 will have on its financial statements.

Note 3: Investments and Deposits

The Corporation is authorized to engage in investment activity pursuant to the Act and the Corporation's respective bond resolutions. Investment policies are set for the Corporation by the Board Members of the Corporation on an annual basis, through the annual adoption of written investment guidelines. Investments are reviewed on a periodic basis by the Corporation's Audit Committee. Day-to-day investment decisions are made by the Corporation's Investment Committee. The Corporation principally invests in securities of the United States and its agencies, open time deposits ("OTDs") in the form of investment agreements, demand accounts, repurchase agreements, and certificates of deposit. In fiscal year 2025, HDC continued investing in taxable municipal bonds of the State and the City, consistent with the Corporation's enabling statute and investment guidelines. The Corporation did not enter into any reverse repurchase agreements during the year ended October 31, 2025. The Corporation is not aware of any violations of any provisions of the foregoing policies.

All securities, other than securities held by the respective trustees for the benefit of the bondholders, were held by the Corporation or its agents in the Corporation's name. Bond program investments are held by the trustee of the applicable program.

All investment transactions are recorded on the trade date. Investments, other than purpose investments, which are reported at fair value as of October 31, 2025, were as follows:

Enterprise Fund - HDC and Component Units

		Investment Maturities as of October 31, 2025 (in Years)			
Investment Type	2025	Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$3,521,029	$3,521,029	$ —	$ —	$ —
FHLB Bonds	1,047,545	79,479	931,167	36,899	—
FFCB Bonds	890,542	38,004	852,538	—	—
FHLMC Bonds	643,743	34,231	598,532	10,980	—
FNMA Bonds	133,990	6,333	111,868	15,789	—
Fixed Repurchase Agreements	113,014	113,014	—	—	—
NYS/NYC Municipal Bonds *	106,786	20,600	86,186	—	—
U.S. Treasury (Bonds, Notes, Bills)	3	3	—	—	—
Total	6,456,652	3,812,693	2,580,291	63,668	—
Less amounts classified as cash equivalents	(3,634,125)	(3,634,125)	—	—	—
Total investments	$2,822,527	$ 178,568	$2,580,291	$63,668	$ —

** Note: Municipal Bonds are at fixed rates.*

		Investment Maturities as of October 31, 2024 (in Years)			
Investment Type	2024	Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$2,593,073	$2,593,073	$ —	$ —	$ —
FHLB Bonds	786,032	61,031	644,697	80,304	—
FFCB Bonds	618,083	—	604,894	13,189	—
FHLMC Bonds	586,263	14,904	530,584	40,775	—
Fixed Repurchase Agreements	273,540	273,540	—	—	—
U.S. Treasury (Bonds, Notes, Bills)	134,130	134,130	—	—	—
NYS/NYC Municipal Bonds *	124,933	26,454	98,479	—	—
FNMA Bonds	118,571	9,802	69,928	38,841	—
Total	5,234,625	3,112,934	1,948,582	173,109	—
Less amounts classified as cash equivalents	(3,000,776)	(3,000,776)	—	—	—
Total investments	$2,233,849	$ 112,158	$1,948,582	$173,109	$ —

** Note: Municipal Bonds are at fixed rates.*

Fiduciary Funds

Investment Type-Custodial Funds	2025	Investment Maturities as of October 31, 2025 (in Years) Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$942,182	$942,182	$ —	$ —	$ —
FHLB Bonds	136,629	8,434	128,195	—	—
FHLMC Bonds	88,503	10,951	77,202	350	—
FFCB Bonds	87,225	11,332	75,893	—	—
FNMA Bonds	58,374	27,845	26,869	3,660	—
Fixed Repurchase Agreements	9,533	9,533	—	—	—
NYS/NYC Municipal Bonds *	7,648	2,080	5,568	—	—
Total	1,330,094	1,012,357	313,727	4,010	—
Less amounts classified as cash equivalents	(951,714)	(951,714)	—	—	—
Total investments	$378,380	$ 60,643	$313,727	$ 4,010	$ —

** Note: Municipal Bonds are at fixed rates.*

Investment Type-Custodial Funds	2024	Investment Maturities as of October 31, 2024 (in Years) Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$800,233	$800,233	$ —	$ —	$ —
FHLB Bonds	102,201	2,390	98,131	1,680	—
FHLMC Bonds	99,232	—	94,896	4,336	—
FFCB Bonds	92,791	—	88,752	4,039	—
FNMA Bonds	36,868	—	31,345	5,523	—
NYS/NYC Municipal Bonds *	10,282	2,002	8,280	—	—
Fixed Repurchase Agreements	2,699	2,699	—	—	—
Total	1,144,306	807,324	321,404	15,578	—
Less amounts classified as cash equivalents	(802,933)	(802,933)	—	—	—
Total investments	$341,373	$ 4,391	$321,404	$ 15,578	$ —

** Note: Municipal Bonds are at fixed rates.*

Enterprise Fund - HDC and Component Units

Total investments recorded on the Statement of Net Position as of October 31, 2025, totaling $2,954,400,000, are made up of the following: (a) investments recorded at fair value of $2,822,527,000, (b) certificates of deposit in the amount of $121,991,000, and (c) OTDs in the amount of $9,882,000.

Total investments recorded on the Statement of Net Position as of October 31, 2024, totaling $2,366,339,000, are made up the following: (a) investments recorded at fair value of $2,233,849,000, (b) certificates of deposits in the amount of $121,990,000, and (c) OTDs in the amount of $10,500,000.

Fiduciary Fund

Total custodial fund investments recorded on the Statement of Net Position as of October 31, 2025, totaling $379,864,000, are made up of the following: (a) investments recorded at fair value of $378,380,000, and (b) OTDs in the amount of $1,484,000.

Total custodial fund investments recorded on the Statement of Net Position as of October 31, 2024, totaling $344,052,000, are made up the following: (a) investments recorded at fair value of $341,373,000, and (b) OTDs in the amount of $2,679,000.

Enterprise Fund - HDC and Component Units

As required by GASB No. 31, the Corporation has recorded a fair value adjustment in its investment portfolio. HDC recorded a net appreciation of $93,226,000 and $147,648,000 for the years ended October 31, 2025 and 2024, respectively.

Under Statement No. 72, *Fair Value Measurement and Application,* HDC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. The Corporation does not hold any securities valued using Level 3 inputs as of October 31, 2025 and 2024.

The Corporation has the following recurring fair value measurements as of October 31, 2025:

- NYC/NYS Municipal securities of $106,786,000 are valued using quoted market prices. (Level 1 inputs)
- U.S. Treasury securities of $3,000 are valued based on models using observable inputs. (Level 2 inputs)
- U.S. Agency securities of $2,715,820,000 are valued based on models using observable inputs. (Level 2 inputs)

Money Market and NOW accounts of $3,521,029,000 are valued at cost. In addition to the investments identified above, as of October 31, 2025, the Corporation held $90,313,000 uninvested as cash in various trust and other accounts.

The Corporation has the following recurring fair value measurements as of October 31, 2024:

- NYC/NYS Municipal securities of $124,933,000 are valued using quoted market prices. (Level 1 inputs)
- U.S. Treasury securities of $134,130,000 are valued based on models using observable inputs. (Level 2 inputs)
- U.S. Agency securities of $2,108,949,000 are valued based on models using observable inputs. (Level 2 inputs)

Money Market and NOW accounts of $2,593,073,000 are valued at cost. In addition to the investments identified above, as of October 31, 2024, the Corporation held $89,276,000 uninvested as cash in various trust and other accounts.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Corporation's investment guidelines charge the Investment Committee with "…determining appropriate investment instruments…based on…length of time funds are available for investment purposes..." among other factors. Thus, maturities are matched to the Corporation's liquidity needs. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long-term securities that carry a higher yield, with the intent to hold the investments to maturity.

Credit Risk: The Corporation's investment guidelines and policies are designed to protect principal by limiting credit risk. This is accomplished by making decisions based on a review of ratings, collateral, and diversification requirements that vary according to the type of investment.

As of October 31, 2025, investments in Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), Federal Home Loan Bank ("FHLB") and Federal Farm Credit Bank ("FFCB") were rated by Standard & Poor's and/or Moody's Investors Service (Fannie Mae, Freddie Mac, FHLB and FFCB are collectively referred to as "Agency"). Standard & Poor's long-term and short-term ratings were AA+ and A-1, respectively. Moody's long-term and short-term ratings for these Agencies were Aa1 and P-1, respectively. Some investments were not rated. Investments in Fannie Mae, Freddie Mac, FHLB and FFCB are implicitly guaranteed by the U.S. government. They carry ratings equivalent to the credit ratings for the U.S. government. Some investments in these Agencies were not rated by Fitch Ratings. Of the Agency investments that were rated by Fitch Ratings, they carried ratings of AA+ for long-term and F1+ for short-term. Money market accounts and certificates of deposit are either backed by collateral held by the provider or municipal letters-of-credit provided by the Federal Home Loan Bank.

A small portion of HDC's investment portfolio consists of NYS/NYC municipal bonds. Standard & Poor's ratings for those investments ranged from AAA to AA-; Moody's ratings ranged from Aa1 to Aa2 and Fitch ratings ranged from AAA to AA. Some investments were not rated. Money market, open time deposits and repurchase agreements in the form of OTDs are not rated; however, these investments are substantially collateralized by U.S. Treasury and/or Agency securities or Federal Home Loan Bank municipal letters-of-credit.

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Corporation, and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the Corporation. The Corporation manages custodial credit risk by limiting its investments to highly rated institutions and/or requiring high-quality collateral be held by the counterparty in the name of the Corporation.

As of October 31, 2025 and 2024, repurchase agreements in the amount of $113,014,000 and $273,540,000, respectively, demand accounts in the amount of $3,521,029,000 and $2,593,073,000, respectively, and certificates of deposit in the amount of $121,991,000 and $121,990,000, respectively, were collateralized by high-quality instruments. The collateral consisted of U.S. Treasury Notes, U.S. Treasury Bills, Agency investments, FHLB municipal letters-of-credit, and letters-of-credit held by the Corporation's agent in the name of the Corporation.

For deposits, custodial credit risk is the risk that in the event of a bank failure the Corporation's deposit may not be returned to it.

HDC bank deposits amounted to $94,530,000 as of October 31, 2025, of which $93,778,000 was uninsured by the Federal Deposit Insurance Corporation ("FDIC") and uncollateralized. Correspondingly, $90,660,000 was secured in trust accounts, which are protected under state law and $3,870,000 was held in demand deposit accounts ("DDA"). HDC bank deposits amounted to $93,145,000 as of October 31, 2024, of which $92,393,000 was uninsured by the Federal Deposit Insurance Corporation ("FDIC") and uncollateralized. Correspondingly, $89,168,000 was secured in trust accounts, which are protected under state law and $3,977,000 was held in DDA. HDC limits its deposits to highly rated institutions, and such deposits are either in trust accounts or partially insured through the FDIC. The maximum coverage of $250,000 is available to depositors under the FDIC's general deposit insurance rules. All the Corporation's funds held in the DDA are subject to this provision.

Concentration of Credit Risk: The Corporation follows its annually adopted investment guidelines in accordance with concentration limits and reviews its credit concentration monthly. The Corporation's Credit Risk unit monitors concentration risk amongst issuers and reports regularly to the Board Members of the Corporation's Audit Committee.

The following tables show issuers that represent 5% or more of total investments as of October 31, 2025 and 2024 *(in thousands):*

<u>Enterprise Fund - HDC and Component Units</u>

	2025		**2024**	
Issuer	Dollar Amount	Percentage	Dollar Amount	Percentage
FHLB	$1,047,545	15.90%	$786,032	14.65%
FFCB	890,542	13.52	618,083	11.52
FHLMC	643,743	9.77	586,263	10.92
Bank Of The Ozarks(*)	501,573	7.61	**	**
Citizens Bank NA(*)	486,123	7.38	**	**
Webster Bank(*)	416,518	6.32	395,129	7.36
East West Bank(*)	400,146	6.07	492,831	9.18
Customers Bank(*)	383,275	5.82	400,911	7.47

**Note: Covered by FHLB municipal letters of credit collateral held by the Corporation.*
***Note: Below 5% of total investments.*

<u>Fiduciary Funds</u>

	2025		2024	
Issuer	Dollar Amount	Percentage	Dollar Amount	Percentage
Dime Community Bank(*)	$352,959	26.51%	$298,741	26.05%
Customers Bank(*)	202,258	15.19	188,321	16.42
Flagstar Bank(*)	166,770	12.52	109,061	9.51
FHLB	136,629	10.26	102,201	8.91
FHLMC	88,503	6.65	99,232	8.65
FFCB	87,225	6.55	92,791	8.09
Webster Bank(*)	81,972	6.16	106,261	9.26

**Note: Covered by FHLB municipal letters of credit collateral held by the Corporation.*

Note 4: Mortgage Loans

The Corporation had outstanding, under various loan programs, mortgage loans of $28,009,389,000 and $25,409,939,000 as of October 31, 2025 and 2024, respectively. Of the total loans outstanding above, $441,697,000 funded from corporate reserves were not restricted assets as they were not pledged to any specific bonds or under any bond resolutions. However, they are considered designated as defined under Note 17: "Net Position". The portion of mortgage loans that have not yet been advanced is recorded as investments and amounted to $2,615,750,000 and $2,734,870,000 as of October 31, 2025 and 2024, respectively (see Note 14: "Commitments").

The Corporation issues bonds and notes to fund mortgage loans for multi-family residential developments. In a conduit bond financing, HDC assigns the mortgage loan to the credit enhancer that provides security for the bonds. Therefore, the developer is not liable to HDC for the mortgage loan but to the letter of credit issuer. For reporting purposes under GAAP, HDC presents the conduit mortgage loans in a separate section.

<u>Changes in Mortgage Loans</u>

The changes in Mortgage Loans are as follows:

2025						
(in thousands)	Total Mortgage Loans	Loan Participation Receivable – The City of New York	Mortgage Loans (net)	Conduit Loans	Fiduciary Funds	Enterprise Fund-Mortgage Loans Net of Conduit & Fiduciary Funds
Mortgage Loans Outstanding at Beginning of the Year	$25,842,530	$432,591	$25,409,939	$2,620,992	$706,047	$22,082,900
Mortgage Advances	3,904,306	—	3,904,306	—	—	3,904,306
Other Additions*	111,013	—	111,013	—	5,973	105,040
Principal Collections	(1,417,161)	(1,284)	(1,415,877)	(239,166)	(229)	(1,176,482)
Discount/Premium Amortized	8	—	8	—	—	8
Mortgage Loans Outstanding at End of the Year	28,440,696	431,307	28,009,389	2,381,826	711,791	24,915,772
NYC Loan Participation Interest Receivable	17,951	17,951	—	—	—	—
Total	$28,458,647	$449,258	$28,009,389	$2,381,826	$711,791	$24,915,772

**Loan assignments and capitalized interest.*

2024						
(in thousands)	Total Mortgage Loans	Loan Participation Receivable – The City of New York	Mortgage Loans (net)	Conduit Loans	Fiduciary Funds	Enterprise Fund-Mortgage Loans Net of Conduit & Fiduciary Funds
Mortgage Loans Outstanding at Beginning of the Year	$22,912,954	$432,591	$22,480,363	$2,662,669	$689,790	$19,127,904
Mortgage Advances	3,405,181	—	3,405,181	—	—	3,405,181
Other Additions*	75,322	—	75,322	—	16,482	58,840
Principal Collections	(550,939)	—	(550,939)	(41,677)	(225)	(509,037)
Discount/Premium Amortized	12	—	12	—	—	12
Mortgage Loans Outstanding at End of the Year	25,842,530	432,591	25,409,939	2,620,992	706,047	22,082,900
NYC Loan Participation Interest Receivable	18,959	18,959	—	—	—	—
Total	$25,861,489	$451,550	$25,409,939	$2,620,992	$706,047	$22,082,900

**Loan assignments and capitalized interest.*

Of the mortgage loans outstanding as of October 31, 2025 and 2024, $711,791,000 and $706,047,000 were related to fiduciary funds, respectively.

(A) New York City Housing Development Corporation

(i) The HDC mortgage loans listed above were originally repayable over terms of 2 to 65 years and bear interest at rates from 0.15% to 10.36% per annum. Almost all mortgage loans receivable are collateralized by first or second mortgages on the property of the housing sponsors and contain exculpatory clauses with respect to the liability of the principals of such housing sponsors. The table above does not include loans which are not secured by mortgages, which include a military housing loan and a loan to NYCHA, each of which are secured by notes (see Note 5: "Notes Receivable"), and loans secured by GNMA certificates (see Note 2C: "Purpose Investments"). Of the total HDC mortgages, including those that are in the Mitchell-Lama programs held as of October 31, 2025, 51.8% are first mortgages and 48.2% are subordinate loans.

(ii) Of the total $28,458,647,000 mortgage loans reported as of October 31, 2025 above, $6,855,476,000 was related to mortgage loans made with funds received from HPD under Section 661 of the PHFL. When HDC and HPD co-lend on a project, HPD grants funds to HDC to fund their subordinate loan. HDC then makes the subordinate loan in its name co-terminus with the senior HDC loan.

(iii) Under the FFB program, the Corporation acts as servicer of the loans and receives the monthly mortgage payments from the borrower as per the schedule of the Certificates of Participation. The monthly loan principal and interest payment will be remitted to the FFB as per the schedule of the Certificates of Participation.

The mortgage loan participation program with the FFB had a payable balance of $794,854,000 and $502,995,000 as of October 31, 2025 and 2024, respectively. For more details on the loans included in the FFB Loan Participation program, see Note 9: "Bonds Payable and Debt Obligations".

(B) Housing Assistance Corporation

The Housing Assistance Corporation financed construction and capitalized interest costs for eight affordable housing projects during the period of 1986 to 1990. These loans, funded by the City, accrue interest at the rate of 0 - 1% per annum.

The cash flows from these loans were used to provide funding for City-directed subsidy programs. Beginning in 2003, the cash flows from mortgage loan interest and the investment portfolio were not sufficient to meet the payment requirements for the subsidy program.

In order to continue to fund the City subsidy program for the project named Ruppert/Yorkville ("RY Subsidy Program") and to repay HDC for the obligations, HAC's Board Members approved the sale of the remaining five mortgage loans in the HAC loan portfolio to HDC at its meeting on September 19, 2017. The total outstanding balance on these loans at the time of the loan sale was $32,400,000. The sale raised $23,800,000 for HAC. This amount represented the discounted value of the future cash flow on the purchased loans. The sale proceeds were used to repay HDC for outstanding obligations and the remainder was used to provide funds for the RY Subsidy Program. In July 2024, the sale proceeds that were used to fund the RY Subsidy Program were depleted. HDC's Board Members approved monthly fund transfers from the Corporation to HAC for an amount not to exceed $3,400,000 in total to cover the shortfall of payments required through December 2025. As of October 31, 2025, $2,565,000 has been transferred from the Corporation to HAC.

In fiscal year 2016, the City requested that the Corporation help facilitate the implementation of the new affordable housing regime for Stuyvesant Town-Peter Cooper Village. On December 15, 2015, HDC and Wells Fargo Bank entered into a Participation Agreement whereby HDC funded a $143,236,000 subordinate loan to the purchasers of Stuyvesant Town-Peter Cooper Village. The Corporation executed this transaction through its subsidiary HAC. Pursuant to a memorandum of understanding with the City, HDC was to be reimbursed for this transaction and in fiscal year 2022, HDC received its final reimbursement from the City and was made whole. Under the memorandum of understanding, this subordinate loan bears no interest and is forgiven at the rate of 1/20 per annum over its 20-year term. Accordingly, $7,162,000 of the Stuyvesant Town-Peter Cooper Village loan was forgiven in fiscal year 2025. This reduced the mortgage loan balance to $78,780,000 as of October 31, 2025.

The total mortgage loan outstanding balance in HAC was $79,180,000 and $86,332,000 as of October 31, 2025 and 2024, respectively.

Note 5: Notes Receivable

HDC has loans outstanding that are secured by notes and pledged revenues. Military Housing notes receivable of $47,545,000 was received in connection with the 2004 Series A Class I & II Military Housing Revenue Bond (Fort Hamilton LLC Project) issuance. The notes are secured by pledged revenues of the development under a Master Trust Indenture. The interest rate on the mortgage loan is a blended rate of 6.32% which is equal to the bond interest rate. The interest on the mortgage is collected semi-annually on the debt service date. As of October 31, 2025 and 2024, the outstanding Military Housing notes receivable balance was $40,040,000 and $40,715,000, respectively.

During fiscal year 2022, notes receivable from NYCHA that were received in connection with the Corporation's 2013 Series A and the 2013 Series B Capital Fund Program Revenue Bonds were refunded upon the issuance of the 2022 Series A Capital Fund Program Revenue Bonds (the "2022 Series A Bonds") (see Note 9: Bonds Payable and Debt Obligations). As of October 31, 2025 and 2024, the outstanding NYCHA notes receivable relating to the 2022 Series A Bonds balance was $259,460,000 and $307,060,000, respectively.

The 2022 Series A notes receivable is secured by a first priority pledge of NYCHA's capital grant money provided by the United States Department of Housing and Urban Development ("HUD").

Note 6: Loan Participation Receivable for The City of New York

In fiscal year 2002, the Corporation acquired interests in two real estate mortgage investment trusts in connection with its housing activities. In addition, the Corporation entered into various agreements with the City whereby HDC sold bonds and used the bond proceeds to purchase from the City interests in various mortgage loans and pools of mortgage loans.
In each of fiscal years 2002 and 2003, HDC used bond proceeds from its Multi-Family Housing Revenue

Bonds, 2002 Series D (the "2002 Series D Bonds"), and Multi-Family Housing Revenue Bonds, 2003 Series D (the "2003 Series D Bonds"), to purchase a subordinated position in a 100% participation interest in a portion of the cash flows from a pool of mortgage loans the City had previously securitized in 1996. This pool is known as the Sheridan Trust II and HDC's purchased asset is the Sheridan Trust II Class B Certificate. Upon completion of the 2003 transaction, HDC's participation interest included the City's total cash flow from the Sheridan Trust II. In September 2005, the senior lien interests were satisfied and HDC became the primary beneficiary of the Sheridan Trust II. At that time, therefore, the loan asset was added to HDC's Statement of Net Position and was valued at its principal amount.

In 2006, the Corporation issued its Multi-Family Housing Revenue Bonds, 2006 Series A (the "2006 Series A Bonds"), which refinanced its 2002 Series D and 2003 Series D Bonds. On May 1, 2014, the 2006 Series A Bonds were fully redeemed. Simultaneously, the Corporation issued the Multi-Family Housing Revenue Bonds, 2014 Series B-1 and 2014 Series B-2 (collectively, the "2014 Series B Bonds") to re-securitize the remaining underlying loan portfolio, which included the Sheridan Trust II Class B Certificate. At that time, the Sheridan Trust II had a balance of $57,372,000. The Sheridan Trust II, along with the other remaining underlying loans under the 2006 Series A Bonds totaling $246,698,000, were transferred to the 2014 Series B Bonds.

In April 2018, the Corporation issued its Multi-Family Housing Revenue Bonds, 2018 Series B Bonds. The proceeds were used to purchase and securitize a 100% participation interest in various pools of City mortgage loans totaling $671,611,000.

In October 2020, at the request of the City, the Corporation purchased the City's residual interest in the Loan Participation Receivable related to the 2014 Series B and 2018 Series B Bonds mortgage portfolio including the Sheridan Trust II for a purchase price of $40,000,000. The Loan Participation agreement was amended, and the amended agreement "eliminated the reversion of ownership of the mortgage portfolio under the agreement to the City" after the full repayment of the underlying 2014 Series B and 2018 Series B Bonds. As of the purchase date, the amount of the participation interest of $586,357,000 was reduced to offset against the Payable to the City.

As of October 31, 2025 and 2024, the balance included under "Loan Participation Receivable - The City of New York" totaled $449,258,000 and $451,550,000, respectively, is related to the Corporation's Mitchell-Lama loan participating program. "Loan Participation Receivable - The City of New York" are pledged to the associated bonds but revert to the City when such bonds are retired (see Note 10: "Payable to The City of New York and Mortgagors").

Note 7: Leases

Under GASB 87, *Leases*, the statement requires the present value of lease payments to be recognized as a lease liability and a right-to-use asset. As of October 31, 2025, the balances of the lease asset and related lease liability were $49,579,000 and $63,307,000, respectively. The amortization of the lease asset was $1,656,000, and the interest expense on the lease liability was $4,705,000.

Leased Assets	Beginning Balance	Increases	Decreases	Ending Balance
Leased office space	$53,391,000	$ 115,000	$ —	$53,506,000
Less: accumulated amortization for leased office space	(2,271,000)	(1,656,000)	—	(3,927,000)
Leased assets, net	$51,120,000	($1,541,000)	$ —	$49,579,000

Future minimum lease payments by the Corporation for the next five years and thereafter are as follows:

Future Minimum Lease Payments			
Year Ending Oct. 31	Principal Payments	Interest Payments	Total
2026	$3,685,000	$889,000	$4,574,000
2027	3,410,000	1,164,000	4,574,000
2028	3,155,000	1,418,000	4,573,000
2029	2,920,000	1,654,000	4,574,000
2030	2,728,000	1,891,000	4,619,000
2031 – 2035	12,077,000	13,568,000	25,645,000
2036 – 2040	9,069,000	19,306,000	28,375,000
2041 – 2045	6,748,000	24,358,000	31,106,000
2046 – 2050	4,982,000	28,855,000	33,837,000
2050 – 2055	3,601,000	32,313,000	35,914,000
Total	$52,375,000	$125,416,000	$177,791,000

Note 8: Deferred Inflows/Outflows of Resources

(A) Interest Rate Caps

The Corporation uses interest rate caps to mitigate its exposure to rising interest rates on its variable rate debt. As of October 31, 2025, the fair values of all the interest rate caps were:

Trade Date	Bonds	Current Notional Amount	Counterparty	Effective Date	Termination Date	Cap Strike	Cap Ceiling	Fair Value at 10/31/25
11/29/2005	2008 Series K, as well as similar outstanding variable rate bonds	$545,000	Goldman Sachs	12/2/2005	5/1/2027	7.35%	14.85%	$—
11/29/2005	2008 Series K, as well as similar outstanding variable rate bonds	36,695,000	Goldman Sachs	12/2/2005	11/1/2032	7.35%	14.85%	36,838
10/23/2014	2014 Series B-2, as well as similar outstanding variable rate bonds	44,865,000	PNC	11/1/2014	11/1/2033	4.50%	7.50%	409,517
Total Caps		$82,105,000						$446,355

(B) Interest Rate Swaps

HDC has entered certain interest rate swap contracts to manage the risk associated with the variable rate bonds in its portfolio.

In September 2025, HDC executed a forward starting interest rate swap agreement with Bank of New York Mellon. The notional amount is $100,000,000. HDC will pay 3.5620% and will receive 100% of Secured Overnight Financing Rate (SOFR). The effective date is September 8, 2025, and the termination date is September 8, 2035.

As of October 31, 2025, the fair value balances of the interest rate swaps were recognized as assets and liabilities, offset by deferred inflows and outflows of resources. The fair value for the derivative instruments is the estimated exit price that assumes a transaction takes place in the market.

The fair value recorded was derived from a third-party source as listed below as of October 31, 2025.

Trade Date	Counter Party	Description	Classification	Fair Value Amount	Classif-ication	Current Notional Amount
		Cash flow hedges:				
7/26/2016	Wells Fargo	Pay-Fixed interest rate swap	Deferred Inflow	$9,724,000	Debt	$62,117,000
11/2/2016	PNC Bank	Pay-Fixed interest rate swap	Deferred Inflow	19,176,000	Debt	85,000,000
7/5/2017	Wells Fargo	Pay-Fixed interest rate swap	Deferred Inflow	9,500,000	Debt	54,126,000
4/5/2018	PNC Bank	Pay-Fixed interest rate swap	Deferred Inflow	8,442,000	Debt	100,000,000
8/10/2018	Wells Fargo	Pay-Fixed interest rate swap	Deferred Inflow	3,898,000	Debt	63,127,000
8/10/2018	Wells Fargo	Pay-Fixed interest rate swap	Deferred Inflow	16,074,000	Debt	75,000,000
12/14/2018	Royal Bank Canada	Pay-Fixed interest rate swap	Deferred Inflow	17,515,000	Debt	179,725,000
12/18/2018	Citibank	Pay-Fixed interest rate swap	Deferred Inflow	15,045,000	Debt	98,895,000
12/19/2018	Citibank	Pay-Fixed interest rate swap	Deferred Inflow	10,483,000	Debt	130,003,000
7/01/2021	Bank of New York Mellon	Pay-Fixed interest rate swap	Deferred Inflow	37,242,000	Debt	150,000,000
3/29/2022	PNC Bank	Pay-Fixed interest rate swap	Deferred Inflow	27,384,000	Debt	100,000,000
6/6/2022	Bank of New York Mellon	Pay-Fixed interest rate swap	Deferred Inflow	4,587,000	Debt	50,000,000
6/7/2022	Royal Bank Canada	Pay-Fixed interest rate swap	Deferred Inflow	17,773,000	Debt	150,000,000
12/7/2022	PNC Bank	Pay-Fixed interest rate swap	Deferred Inflow	6,390,000	Debt	78,720,000
6/8/2023	Bank of New York Mellon	Pay-Fixed interest rate swap	Deferred Inflow	5,161,000	Debt	80,000,000
6/8/2023	PNC Bank	Pay-Fixed interest	Deferred Inflow	2,394,000	Debt	50,000,000

Trade Date	Counter Party	Description	Classification	Fair Value Amount	Classif-ication	Current Notional Amount
		rate swap				
10/27/2023	Wells Fargo	Pay-Fixed interest rate swap	Deferred Outflow	(7,385,000)	Debt	125,000,000
10/30/2024	Wells Fargo	Pay-Fixed interest rate swap	Deferred Outflow	(597,000)	Debt	75,000,000
9/5/2025	Bank of New York Mellon	Pay-Fixed interest rate swap	Deferred Inflow	872,000	Debt	100,000,000
Total Swaps				$203,678,000		$1,806,713,000

As of October 31, 2025, the total fair value of the interest rate swaps amounted to $203,678,000 and were valued using other significant observable inputs (Level 2 inputs).

The following table displays the objectives and terms of HDC's interest rate swaps outstanding as of October 31, 2025.

Trade Date	Type	Objective	Current Notional Amount	Counter-party	Term	Effective Date	Termination Date	Counter-party Rating Moody's /S&P
7/26/2016	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2008-2018 Consolidated Series bond	$62,117,000	Wells Fargo	Pay 2.0890%; receive 100% SOFR +0.26161% CXL-8/1/2036 (1)	8/1/2019	5/1/2047	Aa2/A+
11/2/2016	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2008-2018 Consolidated Series bond, as well as similar outstanding variable rate bonds	85,000,000	PNC Bank	Pay 1.9210%; receive 100% SOFR+0.26161% Ceiling (2) (3)	5/1/2018	11/1/2042	A2/A
7/5/2017	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2008-2018 Consolidated Series bond	54,126,000	Wells Fargo	Pay 2.6910%; receive 100% SOFR + 0.26161% CXL-11/1/2036 (4)	2/1/2021	5/1/2050	Aa2/A+
4/5/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2008-2018 Consolidated Series bond	100,000,000	PNC Bank	Pay 2.8909%; receive 100% SOFR +0.26161%; CXL-2/1/2039 (5)	2/1/2019	5/1/2046	A2/A
8/10/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flows for variable rate bonds	63,127,000	Wells Fargo	Pay 3.0220%; receive 100% SOFR 0.26161%	2/1/2019	2/1/2036	Aa2/A+
8/10/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flows for variable rate SIFMA index bonds	75,000,000	Wells Fargo	Pay 2.3670%; receive 100% SIFMA CXL-8/1/2039 (6)	5/1/2019	5/1/2059	Aa2/A+
12/14/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flow for outstanding variable rate bonds	179,725,000	Royal Bank Canada	Pay 2.2400%; receive 77.5% SOFR+.088722% CXL-12/1/2045 (7)	5/1/2024	5/1/2050	Aa1/AA-
12/18/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flows for outstanding variable rate bonds	98,895,000	Citibank	Pay 2.1934%; receive 77.5% SOFR+.088722% CXL-12/1/2043 (8)	7/1/2022	5/1/2051	Aa3/A+
12/19/2018	Pay-Fixed interest rate swap	Hedge of changes in cash flows for outstanding variable rate bonds	130,003,000	Citibank	Pay 2.9563%; receive 100% SOFR+0.26161%	1/1/2021	11/1/2038	Aa3/A+

Trade Date	Type	Objective	Current Notional Amount	Counter-party	Term	Effective Date	Termination Date	Counter-party Rating Moody's /S&P
7/1/2021	Pay-Fixed interest rate swap	Hedge of changes in cashflows for variable rate bonds 2020 Series I-3 and 2021 Series F-3	150,000,000	Bank of New York Mellon	Pay 1.7365% receive 100% SIFMA	7/1/2025	7/1/2045	Aa2/AA-
3/29/2022	Pay-Fixed interest rate swap	Hedge future FHLB bonds or existing unhedged bonds	100,000,000	PNC Bank	Pay 1.9000%; receive 100% SOFR (9)	11/1/2024	5/1/2052	A2/A
6/6/2022	Pay-Fixed interest rate swap	Hedge of changes in cashflows for 2022 Series C-3 and other variable rate bonds	50,000,000	Bank of New York Mellon	Pay 2.2260% receive 75% SOFR	12/1/2022	12/1/2042	Aa2/AA-
6/7/2022	Pay-Fixed interest rate swap	Hedge of changes in cashflows for 2022 Series C-3 and 2022 Series D	150,000,000	Royal Bank Canada	Pay 2.7670%; receive 100% SOFR (10)	12/1/2022	11/1/2042	Aa1/AA-
12/7/2022	Pay-Fixed interest rate swap	Hedge of changes in cashflows for 2022 Series F-3	78,720,000	PNC Bank	Pay 2.3090%; receive 75% SOFR	12/15/2022	12/1/2042	A2/A
6/8/2023	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2023 Series A-3	80,000,000	Bank of New York Mellon	Pay 2.5885%; receive 70% SOFR	6/9/2023	11/1/2053	Aa2/AA-
6/8/2023	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2023 Series C	50,000,000	PNC Bank	Pay 2.3992% receive 70% SOFR	6/20/2023	11/1/2043	A2/A
10/27/2023	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2023 Series C	125,000,000	Wells Fargo	Pay 4.3450% receive 100% SOFR (11)	10/27/2023	11/1/2033	Aa2/A+
10/30/2024	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2024 Series E	75,000,000	Wells Fargo	Pay 3.6200% receive 100% SOFR (12)	10/30/2024	11/1/2034	Aa2/A+
9/5/2025	Pay-Fixed interest rate swap	Hedge of changes in cash flows for 2025 Series D	100,000,000	Bank of New York Mellon	Pay 3.5620% receive 100% SOFR	9/8/2025	9/8/2035	Aa2/AA-
Total Swaps			$1,806,713,000					

1) Modified on 6/17/20 to push out option exercise date from 8/1/31 to 8/1/36.
2) Modified on 6/11/20 to push out amortization and maturity from 11/1/35 to 11/1/42 (excluding cap component).
3) Floating leg has 100% SOFR + 0.26% rate ceiling of 7.50% which expires on 11/1/35.
4) Modified on 6/18/20 to push out amortization and maturity from 5/1/48 to 5/1/50, and option exercise date from 2/1/33 to 11/1/36.
5) Modified on 7/9/20 to push out option exercise date from 2/1/34 to 2/1/39.
6) Modified on 8/15/19 to push out amortization and maturity from 11/1/43 to 5/1/59, and option exercise date from 5/1/34 to 8/1/39.
7) Modified on 6/18/20 to push out option exercise date from 12/1/38 to 12/1/45.
8) Modified on 7/16/20 to push out option exercise date from 12/1/38 to 12/1/43.
9) Floating leg has 100% SOFR rate ceiling of 7.50% which expires on 5/1/52.
10) Floating leg has 100% SOFR rate ceiling of 7.50% which expires on 11/1/2042.
11) Floating leg has 100% SOFR rate ceiling of 8.50% which expires on 11/1/2033.
12) Floating leg has 100% SOFR rate ceiling of 7.50% which expires on 11/1/2034.

Credit Risk: HDC is exposed to the credit risk of its counterparties on hedging derivative instruments. To mitigate this risk, HDC requires collateral to be posted by the counterparty if their credit rating falls below the threshold defined as A1/A+ for Bank of New York Mellon, Citibank, and PNC, as well as A2/A for RBC and Wells Fargo. Given the portfolio summary as of October 31, 2025, PNC fell below this threshold, and therefore collateral was posted.

Termination Risk: HDC or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If at the time of termination, the fair value of the swap is negative, HDC would be liable to the counterparty for a payment equal to the fair value of the instrument. To mitigate termination risk, the swap agreement provides that the counterparty may only terminate the swap if HDC's rating falls below investment grade, defined as Baa2/BBB for Bank of New York Mellon, RBC, and Wells Fargo, as well as Baa3/BBB- for Citibank and PNC. HDC's current ratings remain above investment grade, at Aa2 (Moody's) and AA (S&P), ensuring the continuation of swap agreements without termination concerns.

Interest Rate Risk: HDC is exposed to interest rate risk on the pay-fixed, receive-variable interest rate swaps. As the variable rate increases or decreases, HDC's net payments on such swaps change accordingly.

Basis Risk: HDC is exposed to basis risk on its fixed-pay interest rate swaps because the variable-rate payments received by HDC on these derivative instruments are derived using an index that is different than the index used to determine the payments on HDC's hedged variable-rate debt. Under the terms of its fixed rate swap transactions, HDC pays a variable interest rate on certain of its bonds based on the Securities Industry and Financial Markets Association (SIFMA) index or Federal Home Loan Bank Discount Note rates but receives a variable rate on the interest rate swaps based on a percentage of SOFR.

Rollover Risk: HDC is exposed to rollover risk on hedging derivative instruments should a termination event occur prior to the maturity of the hedged debt.

(C) Deferred Loss on Early Retirement of Debt

On September 10, 2013, the 2005 Series A Capital Fund Program Revenue Bonds (NYCHA) were retired through an advance refunding and the Corporation incurred a loss in the amount of $8,958,000 which will be amortized over the shorter of the life of the old bonds or the new bonds. As of October 31, 2025, the balance of the unamortized deferred loss on early retirement of debt was $2,551,000. Since the adoption of GASB 91, this is now excluded from the Enterprise Fund financial statements and is part of the conduit bond reporting.

(D) Pension

As of October 31, 2025, the Corporation's pension contribution after the measurement date was $3,310,000. The Corporation recorded a net increase in Deferred Outflows of Resources in the amount of $1,083,000 (as per New York City Employees' Retirement System ("NYCERS") pension report).

This amount represents the net difference between expected and actual experience, the change in assumptions, changes in proportionate share and the net difference between projected and actual investment earnings on pension plan investments. The outstanding balance of Deferred Outflows of Resources was $6,322,000 as of October 31, 2025.

The Corporation recorded a net increase in Deferred Inflows of Resources related to pensions in the amount of $938,000. This amount represents the net difference between expected and actual experience, the change in assumptions, changes in proportionate share and the net difference between projected and actual investment earnings on pension plan investments. The outstanding balance of Deferred Inflows of Resources was $1,097,000 as of October 31, 2025.

(E) OPEB

HDC reported Deferred Outflows of Resources of $4,305,000 and Deferred Inflows of Resources of $11,933,000 related to OPEB as of October 31, 2025 (see Note 12: "Postemployment Benefits Other Than Pensions" for more details).

Note 9: Bonds Payable and Debt Obligations

The Corporation's authority to issue bonds and notes for any corporate purpose is limited by the Act to the extent that (i) the aggregate principal amount outstanding may not exceed $20.0 billion, exclusive of refunding bonds or notes, and (ii) the maximum Capital Reserve Fund requirement may not exceed $85 million. No bonds are currently subjected to the Capital Reserve Fund requirement. These limits may be changed from time to time through State legislation. During the year ended October 31, 2025, the statutory debt limit on the aggregate principal amount outstanding was increased from $19.0 billion to $20.0 billion.

Enterprise Fund Bond Programs

The Corporation issues bonds and notes to fund mortgage loans for multi-family residential developments under the bond programs described below. In fiscal year 2022, the Corporation adopted GASB 91 and, as such, the Conduit Fund Bond Programs are now reported separately. As of October 31, 2025, the Corporation had bonds outstanding in the Enterprise Fund in the aggregate principal amount of $15,216,401,000.

Bonds issued under the Housing Impact Bond Program and Housing Revenue Bond Program are each equally and ratably secured by the assets pledged pursuant to their respective Resolutions. (see "*A. Housing Revenue Bond Program*" below). None of the bonds under the bond programs described in "*B. Pass-Through Revenue Bond Program*" and "*C. Housing Impact Bond Program*" provide security under the General Resolution, and none of the bonds under these programs are secured by the General Resolution.

A. Housing Revenue Bond Program Under its Housing Revenue Bond Program, the Corporation may issue bonds payable solely from and secured by the assets held under its General Resolution which include a pool of mortgage loans, some of which are construction loans (which pool contains FHA-insured mortgage loans, REMIC-insured mortgage loans, State of New York Mortgage Agency ("SONYMA") insured mortgage loans, GNMA mortgage-backed securities, other mortgage loans and participation interests in mortgage loans), the revenues received on account of all such loans and securities, and other assets pledged under such resolution and any supplemental resolution for a particular series of bonds. Certain of the projects, which secure a portion of the mortgage loans, receive the benefits of subsidy payments.

B. Pass-Through Revenue Bond Program Under this program, the Corporation has issued bonds to finance loans evidenced by a note and secured by a mortgage of privately-owned multi-family housing. All repayments and prepayments derived from the associated mortgage loans, including a payment of insurance, if any, are passed through to the bondholder to redeem the bonds on a monthly basis.

C. Housing Impact Bond Program Under this program, the Corporation has issued bonds to finance mortgage loans for public housing developments under the City's "Permanent Affordability Commitment Together" ("PACT") Program. Under the Housing Impact Bond Program, the Corporation has issued tax-exempt and taxable bonds for NYCHA-owned public housing developments receiving financing through the PACT Program so that they may be preserved, rehabilitated and improved. Under the PACT Program, the developments are converted from public housing to Section 8 assisted housing. NYCHA leases the developments to for-profit and/or not-for-profit mortgagors in order to provide for the ownership, financing, and rehabilitation of the developments.

Conduit Fund Bond Programs

HDC's conduit debt is usually issued for a stand-alone development with a third party guaranteeing the obligation. In a conduit bond program, the developer is not liable to HDC for the mortgage loan but to a letter of credit issuer. HDC bears no direct risk on the bonds since most of the conduit debt is enhanced by a direct pay letter of credit, with Fannie Mae and Freddie Mac as the largest providers. Also included in HDC's conduit debt are the Military Housing Bonds and the NYCHA Capital Fund Bonds with their note payables secured by the pledged revenues of the development under a Master Trust Indenture and the priority pledge of NYCHA's capital grant money provided by HUD, respectively. For reporting purposes, HDC presents the bonds payable in two separate sections, the HDC Enterprise Fund bonds and the Conduit bonds.

A. Multi-Family Mortgage Revenue Bond Program The Corporation established its Multi-Family Program to develop privately-owned multi-family housing, all or a portion of which is reserved for low-income tenants. The following describes the Corporation's activities under its Multi-Family Program.

(1) Rental Projects; Fannie Mae or Freddie Mac Enhanced: The Corporation has issued tax-exempt and/or taxable bonds which either (i) are secured by mortgage loan payments, which payments are secured by obligations of Fannie Mae under various collateral agreements, (ii) are secured by a Direct Pay Credit Enhancement Instrument issued by Fannie Mae or (iii) are secured by a Direct Pay Credit Enhancement Agreement with Freddie Mac.

(2) Rental Projects; Letter of Credit Enhanced: The Corporation has issued tax-exempt and/or taxable bonds to finance a number of mixed income projects and entirely low-income projects, which bonds are secured by letters of credit issued by investment-grade rated commercial lending institutions.

(3) Residential Housing; Credit Enhanced: The Corporation has issued bonds to provide financing for residential facilities for hospital staff and for post-secondary students, faculty and staff.

(4) Rental Projects; Not Rated: The Corporation has issued bonds and obligations to provide financing for rental projects, which bonds and obligations are not rated by a rating agency and were not publicly offered.

(5) Commercial Mortgage-Backed Security Program: Under this program, the Corporation has issued bonds structured as commercial mortgage-backed securities to refinance a multi-family housing development.

B. Military Housing Revenue Bond Program Under this program, the Corporation has issued taxable obligations in order to fund a portion of the cost of the design, demolition, renovation, construction and operation of housing units in residential family housing areas located at Fort Hamilton.

C. Liberty Bond Program In accordance with Section 301 of the Job Creation and Worker Assistance Act of 2002, the Corporation has issued tax-exempt and taxable bonds, each secured by a letter of credit or structured as commercial mortgage-backed securities, to finance the development of multi-family housing within an area of lower Manhattan designated in such legislation as the "Liberty Zone."

D. Capital Fund Revenue Bond Program Under this program, the Corporation has issued tax-exempt and taxable obligations in order to assist NYCHA with the execution of a multi-year construction initiative that addressed critical capital improvement needs of their aging housing portfolio.

Changes in Enterprise Fund Bonds Payable:
(in thousands)

The summary of changes in Bonds Payable was as follows:

	2025	**2024**
Bonds Payable outstanding at beginning of the year	$14,025,332	$12,619,731
Bonds Issued	2,097,055	1,791,440
Bond Principal Retired	(903,744)	(385,136)
Net Premium/Discount on Bonds Payable	2,476	(703)
Bonds Payable outstanding at end of the year	$15,221,119	$14,025,332

Details of changes in HDC bonds payable in the Enterprise Fund for the year ended October 31, 2025 were as follows:

Description of Bonds as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
HOUSING REVENUE BOND PROGRAM:				
Multi-Family Mortgage Revenue Bonds Under the Corporation's General Resolution, assets pledged to bondholders in a pool of mortgage loans.				
1998 Series A (Federally Taxable) – 6.84% Fixed Rate Term Bonds due 2030	$100	$—	$—	$100
1998 Series B – 3.75% to 5.25% Fixed Rate Serial and Term Bonds due 2031	100	—	—	100

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
1999 Series C (AMT) – 4.40% to 5.70% Fixed Rate Serial and Term Bonds due 2031	75	—	(10)	65
1999 Series E – 4.40% to 6.25% Fixed Rate Serial and Term Bonds due 2036	100	—	—	100
2002 Series C (Federally Taxable) – 4.62% to 4.95% Index Floating Rate Term Bonds due 2034	28,530	—	(2,065)	26,465
2003 Series B-2 (AMT) – 2.00% to 4.60% Fixed Rate Serial and Term Bonds due 2036	100	—	—	100
2006 Series J-1 – 3.50% Term Rate Term Bonds due 2046	98,795	—	—	98,795
2007 Series A (Federally Taxable) – 5.26% to 5.52% Fixed Rate Term Bonds due 2041	19,740	—	(680)	19,060
2008 Series E (Federally Taxable) – 4.62% to 4.95% Index Floating Rate Term Bonds due 2037	71,440	—	(3,205)	68,235
2008 Series F (Federally Taxable) – 4.62% to 4.95% Index Floating Rate Term Bonds due 2041	62,160	—	(1,990)	60,170
2012 Series L-2-A – 0.30% to 4.00% Fixed Rate Serial and Term Bonds due 2044	71,080	—	(14,560)	56,520
2012 Series L-2-B (AMT) – 2.30% to 3.60% Fixed Rate Serial and Term Bonds due 2026	570	—	(310)	260
2012 Series M-2 – 1.10% to 4.00% Fixed Rate Serial and Term Bonds due 2047	8,260	—	(225)	8,035
2012 Series M-3 – 1.40% to 4.65% Fixed Rate Serial and Term Bonds due 2047	8,935	—	(245)	8,690

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2013 Series B-1-A – 1.10% to 4.60% Fixed Rate Term Bonds due 2045	29,500	—	(220)	29,280
2013 Series B-1-B – 0.35% to 4.60% Fixed Rate Serial and Term Bonds due 2045	210	—	(210)	—
2013 Series D-1 (Federally Taxable) – 0.70% to 3.78% Fixed Rate Serial and Term Bonds due 2028	14,030	—	(3,090)	10,940
2013 Series E-1-C – 0.75% to 4.95% Fixed Rate Term Bonds due 2046	16,695	—	—	16,695
2013 Series F-1 – 1.25% to 4.50% Fixed Rate Serial and Term Bonds due 2047	26,090	—	(515)	25,575
2014 Series A – 0.20% to 4.35% Fixed Rate Serial and Term Bonds due 2044	6,020	—	(120)	5,900
2014 Series C-1-A – 0.70% to 4.30% Fixed Rate Serial and Term Bonds due 2047	84,930	—	(2,180)	82,750
2014 Series C-1-C – 1.10% to 4.00% Fixed Rate Serial and Term Bonds due 2047	10,905	—	(280)	10,625
2014 Series D-1 (Federally Taxable) – 0.40% to 4.10% Fixed Rate Serial and Term Bonds due 2027	1,365	—	(1,365)	—
2014 Series E – 2.90% to 3.75% Fixed Rate Serial and Term Bonds due 2035	27,195	—	(3,320)	23,875
2014 Series G-1 – 0.20% to 4.00% Fixed Rate Serial and Term Bonds due 2048	182,845	—	(110,025)	72,820
2014 Series G-2 – 0.25% to 4.00% Fixed Rate Serial and Term Bonds due 2048	2,930	—	(80)	2,850
2014 Series H-1 (Federally Taxable) – 0.76% to 4.32% Fixed Rate Serial and Term Bonds due 2035	19,730	—	(3,250)	16,480

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2015 Series A-1 – 0.70% to 4.00% Fixed Rate Serial and Term Bonds due 2048	8,760	—	(160)	8,600
2015 Series A-2 – 2.25% to 3.75% Fixed Rate Serial and Term Bonds due 2035	1,935	—	(120)	1,815
2015 Series B-1 (Federally Taxable) – 0.60% to 3.53% Fixed Rate Serial Bonds due 2027	6,510	—	(2,140)	4,370
2015 Series D-1-A – 1.30% to 4.35% Fixed Rate Serial and Term Bonds due 2048	57,365	—	(1,625)	55,740
2015 Series D-1-B – 0.85% to 4.35% Fixed Rate Serial and Term Bonds due 2048	124,190	—	(2,570)	121,620
2015 Series D-2 – 0.45% to 4.00% Fixed Rate Serial and Term Bonds due 2035	27,410	—	(4,520)	22,890
2015 Series E-1 – 0.30% to 4.05% Fixed Rate Serial and Term Bonds due 2047	30,585	—	(730)	29,855
2015 Series E-2 – 0.30% to 3.75% Fixed Rate Serial and Term Bonds due 2035	1,400	—	(800)	600
2015 Series G-1 (SNB) – 0.30% to 3.95% Fixed Rate Serial and Term Bonds due 2049	48,685	—	(1,225)	47,460
2015 Series G-2 (SNB) – 1.45% to 3.95% Fixed Rate Serial and Term Bonds due 2049	29,875	—	(685)	29,190
2015 Series H (SNB) – 2.95% Term Rate Term Bonds due 2026	136,470	—	—	136,470
2015 Series I (SNB) – 2.95% Term Rate Term Bonds due 2026	60,860	—	—	60,860
2016 Series A (SNB) – 0.35% to 3.75% Fixed Rate Serial and Term Bonds due 2047	33,300	—	(770)	32,530

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2016 Series D (SNB) – 0.50% to 3.75% Fixed Rate Serial and Term Bonds due 2047	42,970	—	(1,690)	41,280
2016 Series C-1-A (SNB) – 1.20% to 3.45% Fixed Rate Serial and Term Bonds due 2050	76,190	—	(2,045)	74,145
2016 Series C-1-B (SNB) – 1.38% to 3.40% Fixed Rate Term Bonds due 2047	20,520	—	—	20,520
2016 Series E-1-A (SNB) – 0.40% to 5.00% Fixed Rate Serial and Term Bonds due 2047	39,925	—	(2,930)	36,995
2016 Series E-1-B (SNB) – 1.30% to 3.40% Fixed Rate Term Bonds due 2047	37,855	—	—	37,855
2016 Series F-1-A (SNB) – 1.95% to 3.37% Fixed Rate Serial and Term Bonds due 2051	12,275	—	(465)	11,810
2016 Series F-1-B (SNB) – 2.75% to 3.15% Fixed Rate Term Bonds due 2041	10,185	—	—	10,185
2016 Series G-1(Federally Taxable) (SNB) – 0.85% to 2.82% Fixed Rate Serial Bonds due 2027	4,300	—	(175)	4,125
2016 Series I-1-A (SNB) – 1.80% to 4.30% Fixed Rate Serial and Term Bonds due 2050	101,865	—	(2,595)	99,270
2016 Series I-1-B (SNB) – 3.60% to 4.30% Fixed Rate Term Bonds due 2050	36,300	—	—	36,300
2016 Series J-1 (Federally Taxable) (SDB) – 5.32% to 5.54% Index Floating Rate Term Bonds due 2052	157,385	—	(1,940)	155,445
2017 Series A-1-A (SNB) – 1.45% to 4.05% Fixed Rate Serial and Term Bonds due 2052	47,475	—	(1,075)	46,400

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2017 Series A-1-B (SNB) – 3.80% to 4.05% Fixed Rate Term Bonds due 2052	11,165	—	—	11,165
2017 Series B-1 (Federally Taxable) (SNB) – 1.60% to 3.81% Fixed Rate Serial and Term Bonds due 2029	11,170	—	(2,140)	9,030
2017 Series C-1 (SNB) – 1.20% to 3.85% Fixed Rate Serial and Term Bonds due 2057	133,065	—	(2,085)	130,980
2017 Series E-1 (SNB) – 1.50% to 3.55% Fixed Rate Serial and Term Bonds due 2043	49,650	—	(2,030)	47,620
2017 Series E-2 (SNB) – 1.20% to 3.35% Fixed Rate Serial and Term Bonds due 2036	1,310	—	—	1,310
2017 Series G-1 (SNB) – 1.15% to 3.85% Fixed Rate Serial and Term Bonds due 2057	182,745	—	(3,630)	179,115
2018 Series A-1 (SNB) – 1.55% to 3.90% Fixed Rate Serial and Term Bonds due 2048	45,865	—	(1,010)	44,855
2018 Series B-1 (Federally Taxable) (SNB) – 2.32% to 3.65% Fixed Rate Serial Bonds due 2028	33,530	—	(7,510)	26,020
2018 Series C-1-A (SNB) – 2.10% to 4.13% Fixed Rate Serial and Term Bonds due 2058	212,190	—	(6,240)	205,950
2018 Series C-1-B (SNB) – 3.70% to 4.00% Fixed Rate Term Bonds due 2053	156,550	—	—	156,550
2018 Series D (Federally Taxable) (SNB) – 3.26% to 4.10% Fixed Rate Serial and Term Bonds due 2038	46,260	—	(5,120)	41,140
2018 Series E-1 (Draper Hall) – 1.25% to 4.00% Fixed Rate Serial and Term Bonds due 2048	14,800	—	(430)	14,370

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2018 Series F (SNB) – 3.20% to 3.80% Fixed Rate Serial and Term Bonds due 2047	11,060	—	—	11,060
2018 Series E-2 (Stanley Commons) – 1.25% to 4.00% Fixed Rate Serial and Term Bonds due 2048	7,705	—	(225)	7,480
2018 Series H (SNB) – 4.00% to 4.05% Fixed Rate Term Bonds due 2048	84,765	—	—	84,765
2018 Series I (Federally Taxable) (SNB) – 3.22% to 4.48% Fixed Rate Serial and Term Bonds due 2038	14,880	—	(6,160)	8,720
2018 Series N (Federally Taxable) (Avalon Morningside Apartments) – 3.95% Term Rate Term Bonds due 2046	12,500	—	—	12,500
2018 Series E-3 (3475 Third Avenue - La Casa del Mundo) – 1.65% to 4.35% Fixed Rate Serial and Term Bonds due 2048	5,170	—	(120)	5,050
2018 Series E-4 (MHANY) – 1.30% to 4.05% Fixed Rate Serial and Term Bonds due 2049	4,545	—	(100)	4,445
2018 Series K (SNB) – 1.75% to 4.20% Fixed Rate Serial and Term Bonds due 2058	201,535	—	(2,805)	198,730
2018 Series L-1 (SDB) – 1.65% to 4.44% Variable Rate Term Bonds due 2050	116,000	—	(2,690)	113,310
2018 Series L-2 (SNB) – 1.55% to 4.45% Variable Rate Term Bonds due 2050	58,100	—	(1,350)	56,750
2019 Series A-1 (SNB) – 4.15% to 4.25% Fixed Rate Term Bonds due 2043	77,570	—	(8,080)	69,490
2019 Series A-2 (SNB) – 3.90% Fixed Rate Term Bonds due 2033	22,820	—	(2,375)	20,445

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2019 Series A-3-A (SNB) – 1.50% to 3.95% Fixed Rate Serial and Term Bonds due 2049	78,410	—	(11,380)	67,030
2019 Series A-3-B (SNB) – 3.90% to 4.05% Fixed Rate Term Bonds due 2054	35,100	—	—	35,100
2019 Series A-4 (SNB) – 1.62% to 4.41% Variable Rate Term Bonds due 2058	30,000	—	—	30,000
2019 Series B-1-A (SNB) – 1.40% to 3.85% Fixed Rate Serial and Term Bonds due 2058	100,075	—	(11,085)	88,990
2019 Series B-1-B (SNB) – 3.40% to 3.75% Fixed Rate Term Bonds due 2054	29,560	—	—	29,560
2019 Series D-1 (Prospect Plaza III) – 1.30% to 3.80% Fixed Rate Serial and Term Bonds due 2049	6,740	—	(160)	6,580
2019 Series E-1 (SNB) – 1.45% to 3.45% Fixed Rate Serial and Term Bonds due 2059	314,160	—	(3,645)	310,515
2019 Series E-3 (SNB) – 1.57% to 4.41% Variable Rate Term Bonds due 2059	45,000	—	—	45,000
2019 Series F (Federally Taxable) (SNB) – 2.02% to 3.77% Fixed Rate Serial and Term Bonds due 2044	139,640	—	(8,745)	130,895
2019 Series G-1-A (SNB) – 1.10% to 2.25% Fixed Rate Serial Bonds due 2031	38,125	—	(3,455)	34,670
2019 Series G-1-B (SNB) – 2.55% to 3.05% Fixed Rate Term Bonds due 2050	93,510	—	—	93,510
2019 Series G-2 (AMT) (SNB) – 1.75% to 2.10% Fixed Rate Serial Bonds due 2027	6,430	—	(2,060)	4,370

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2019 Series J (SNB) – 1.25% to 3.35% Fixed Rate Serial and Term Bonds due 2065	209,345	—	(1,315)	208,030
2019 Series L (Federally Taxable) (SNB) – 1.83% to 3.74% Fixed Rate Serial and Term Bonds due 2055	63,990	—	(2,675)	61,315
2020 Series A-1-A (SNB) – 0.75% to 2.90% Fixed Rate Serial and Term Bonds due 2059	12,865	—	(4,050)	8,815
2020 Series A-1-B (SNB) – 0.90% to 5.00% Fixed Rate Serial and Term Bonds due 2045	25,515	—	(400)	25,115
2020 Series A-1-C (SNB) – 2.35% to 3.00% Fixed Rate Term Bonds due 2055	133,745	—	—	133,745
2020 Series C (One Flushing) – 2.10% to 4.40% Fixed Rate Term Bonds due 2055	40,575	—	(675)	39,900
2020 Series D-1-A (SNB) – 0.15% to 2.30% Fixed Rate Serial and Term Bonds due 2045	36,005	—	(2,845)	33,160
2020 Series D-1-B (SNB) – 2.00% to 2.50% Fixed Rate Term Bonds due 2055	120,710	—	—	120,710
2020 Series E (AMT) (SNB) – 1.60% to 4.45% Variable Rate Term Bonds due 2050	11,510	—	—	11,510
2020 Series F-1 (Federally Taxable) (SNB) – 1.45% to 3.10% Fixed Rate Serial and Term Bonds due 2045	72,500	—	—	72,500
2020 Series F-2 (Federally Taxable) (SNB) – 4.10% to 4.65% Variable Rate Term Bonds due 2060	38,490	—	—	38,490
2020 Series H (SNB) – 1.85% to 2.75% Fixed Rate Serial and Term Bonds due 2060	64,035	—	—	64,035

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2020 Series I-1 (SDB) – 0.50% to 2.80% Fixed Rate Serial and Term Bonds due 2060	315,345	—	(4,100)	311,245
2020 Series I-2 (SDB) – 0.70% Fixed Rate Term Bonds due 2060	137,605	—	(137,605)	—
2020 Series I-3 (SDB) – 1.55% to 4.45% Variable Rate Term Bonds due 2060	80,000	—	—	80,000
2021 Series A-1 (SDB) – 0.90% to 2.45% Fixed Rate Serial and Term Bonds due 2041	90,955	—	—	90,955
2021 Series A-2 (AMT) (SDB) – 0.90% to 1.15% Fixed Rate Serial Bonds due 2026	9,190	—	(1,000)	8,190
2021 Series B (Federally Taxable) (SDB) – 0.52% to 3.05% Fixed Rate Serial and Term Bonds due 2046	212,000	—	(2,540)	209,460
2021 Series C-1 (SDB) – 0.37% to 2.65% Fixed Rate Serial and Term Bonds due 2060	124,395	—	(985)	123,410
2021 Series C-2 (SDB) – 0.70% Fixed Rate Term Bonds due 2060	54,050	—	(54,050)	—
2021 Series D (Federally Taxable) (SDB) – 0.11% to 3.18% Fixed Rate Serial and Term Bonds due 2051	138,555	—	(4,765)	133,790
2021 Series E (Federally Taxable) (SDB) – 5.04% to 5.26% Index Floating Rate Term Bonds due 2050	39,825	—	—	39,825
2021 Series F-1 (SDB) – 0.15% to 2.70% Fixed Rate Serial and Term Bonds due 2061	256,505	—	(1,205)	255,300
2021 Series F-2 (SDB) – 0.60% Fixed Rate Term Bonds due 2061	237,600	—	(237,600)	—

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2021 Series F-3 (SDB) – 1.60% to 4.50% Variable Rate Term Bonds due 2061	100,000	—	—	100,000
2021 2008-2018 CONSOLIDATED Series (Federally Taxable) (SDB) – 5.04% to 5.26% Index Floating Rate Term Bonds due 2050	646,515	—	—	646,515
2021 Series G (SDB) – 0.10% to 2.45% Fixed Rate Serial and Term Bonds due 2045	162,905	—	(24,870)	138,035
2021 Series J (Federally Taxable) (SDB) – 0.46% to 2.88% Fixed Rate Serial and Term Bonds due 2041	121,455	—	(3,085)	118,370
2021 Series I (SDB) – 0.75% to 2.80% Fixed Rate Serial and Term Bonds due 2056	43,295	—	—	43,295
2021 Series K-1 (SDB) – 0.85% to 2.75% Fixed Rate Serial and Term Bonds due 2051	134,080	—	—	134,080
2021 Series K-2 (SDB) – 0.90% Fixed Rate Term Bonds due 2060	185,105	—	—	185,105
2021 Series K-3 (SDB) – 1.60% to 4.50% Variable Rate Term Bonds due 2060	50,000	—	—	50,000
2021 Series L (Federally Taxable) (SDB) – 5.05% to 5.27% Index Floating Rate Term Bonds due 2061	100,000	—	—	100,000
2022 Series A (SDB) – 0.90% to 3.50% Fixed Rate Serial and Term Bonds due 2057	170,065	—	(5,285)	164,780
2022 Series B-1 (SDB) – 1.60% to 4.15% Fixed Rate Serial and Term Bonds due 2052	51,525	—	(915)	50,610
2022 Series B-2 (SDB) – 1.97% to 4.76% Index Floating Rate Term Bonds due 2061	11,000	—	—	11,000

Description of Bonds as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
2022 Series C-1 (SDB) – 2.60% to 4.30% Fixed Rate Serial and Term Bonds due 2057	115,705	—	—	115,705
2022 Series C-2-A (SDB) – 2.85% Fixed Rate Term Bonds due 2062	112,195	—	—	112,195
2022 Series C-2-B (SDB) – 2.85% Fixed Rate Term Bonds due 2062	112,200	—	—	112,200
2022 Series C-3 (SDB) – 1.57% to 4.41% Variable Rate Term Bonds due 2062	28,720	—	—	28,720
2022 Series D (Federally Taxable) (SDB) – 5.18% to 5.40% Index Floating Rate Term Bonds due 2062	150,000	—	—	150,000
2022 Series E-1 (SDB) – 1.55% to 5.00% Fixed Rate Serial and Term Bonds due 2045	103,905	—	(4,320)	99,585
2022 Series E-2 (SDB) – 4.00% to 4.30% Fixed Rate Term Bonds due 2045	41,330	—	—	41,330
2022 Series F-1 (SDB) – 3.20% to 4.90% Fixed Rate Serial and Term Bonds due 2057	141,100	—	—	141,100
2022 Series F-2-A (SDB) – 3.40% Fixed Rate Term Bonds due 2062	202,035	—	—	202,035
2022 Series F-2-B (SDB) – 3.40% Fixed Rate Term Bonds due 2062	152,035	—	—	152,035
2022 Series F-3 (SDB) – 1.57% to 4.41% Variable Rate Term Bonds due 2062	100,000	—	—	100,000
2022 Series G (SDB) – 3.20% to 4.95% Fixed Rate Serial and Term Bonds due 2058	53,645	—	—	53,645
2022 Series H (SDB) – 3.63% Fixed Rate Term Bonds due 2029	47,015	—	(675)	46,340

Description of Bonds as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
2023 Series A-1 (SDB) – 3.10% to 5.00% Fixed Rate Serial and Term Bonds due 2063	172,855	—	—	172,855
2023 Series A-2 (SDB) – 3.70% to 3.73% Fixed Rate Term Bonds due 2063	419,870	—	—	419,870
2023 Series A-3 (SDB) – 1.55% to 4.45% Variable Rate Term Bonds due 2063	50,000	—	—	50,000
2023 Series B-1 (SDB) – 3.70% to 5.30% Fixed Rate Serial and Term Bonds due 2053	100,810	—	(385)	100,425
2023 Series B-2 (SDB) – 1.55% to 4.40% Variable Rate Term Bonds due 2054	50,000	—	—	50,000
2023 Series B-3 (SDB) – 2.50% to 4.00% Fixed Rate Serial and Term Bonds due 2048	39,335	—	(945)	38,390
2023 Series C (Federally Taxable) (SDB) – 5.14% to 5.36% Index Floating Rate Term Bonds due 2063	125,000	—	—	125,000
2023 Series D (SDB) – 4.30% Term Rate Term Bonds due 2063	121,500	—	—	121,500
2023 Series E-1 (SDB) – 3.30% to 5.00% Fixed Rate Serial and Term Bonds due 2063	198,030	—	(465)	197,565
2023 Series E-2 (SDB) – 3.80% Fixed Rate Term Bonds due 2063	53,585	—	—	53,585
2023 Series E-3 (SDB) – 1.65% to 4.44% Variable Rate Term Bonds due 2053	32,615	—	—	32,615
2023 Series E-4 (SDB) – 2.50% to 4.00% Fixed Rate Serial and Term Bonds due 2048	19,860	—	(475)	19,385
2024 Series A-1 (SDB) – 3.30% to 4.90% Fixed Rate Serial and Term Bonds due 2063	131,460	—	(290)	131,170

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2024 Series A-2 (SDB) – 3.63% Fixed Rate Term Bonds due 2063	190,835	—	—	190,835
2024 Series B-1-A (SDB) – 3.60% to 4.90% Fixed Rate Serial and Term Bonds due 2064	121,065	—	—	121,065
2024 Series B-1-B (SDB) – 4.50% to 4.85% Fixed Rate Term Bonds due 2059	7,595	—	—	7,595
2024 Series B-2 (SDB) – 3.70% Fixed Rate Term Bonds due 2064	311,725	—	—	311,725
2024 Series C (Federally Taxable) (SDB) – 4.84% to 5.99% Fixed Rate Serial and Term Bonds due 2054	75,000	—	—	75,000
2024 Series D-1 (SDB) – 3.10% to 4.50% Fixed Rate Serial and Term Bonds due 2054	58,565	—	—	58,565
2024 Series D-2 (SDB) – 4.45% to 4.50% Fixed Rate Term Bonds due 2054	34,195	—	—	34,195
2024 Series E (Federally Taxable) (SDB) – 4.97% to 5.23% Index Floating Rate Term Bonds due 2064	75,000	—	—	75,000
2024 Series F-1-A (SDB) – 3.25% to 5.00% Fixed Rate Serial and Term Bonds due 2064	—	245,135	—	245,135
2024 Series F-1-B (SDB) – 4.30% to 4.55% Fixed Rate Term Bonds due 2054	—	30,840	—	30,840
2024 Series F-2 (SDB) – 3.40% Fixed Rate Term Bonds due 2064	—	127,100	—	127,100
2024 Series G – 2.70% to 4.12% Fixed Rate Serial and Term Bonds due 2058	—	25,800	(270)	25,530
2025 Series A-1 (SDB) – 3.30% to 4.85% Fixed Rate Serial and Term Bonds due 2064	—	135,095	—	135,095

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2025 Series A-2 (SDB) – 3.25% Fixed Rate Term Bonds due 2064	—	107,725	—	107,725
2025 Series B-1 (SDB) – 3.95% to 5.35% Fixed Rate Serial and Term Bonds due 2064	—	61,940	—	61,940
2025 Series B-2 (SDB) – 3.95% Fixed Rate Term Bonds due 2064	—	98,220	—	98,220
2025 Series C-1 (SDB) – 3.65% to 5.25% Fixed Rate Serial and Term Bonds due 2065	—	133,665	—	133,665
2025 Series C-2 (SDB) – 3.75% Fixed Rate Term Bonds due 2065	—	247,515	—	247,515
2025 Series D (Federally Taxable) (SDB) – 4.98% Index Floating Rate Term Bonds due 2065	—	150,000	—	150,000
2025 Series E – 3.30% Term Rate Term Bonds due 2055	—	124,095	(124,095)	—
2025 Series F-1 (SDB)– 2.70% to 5.00% Fixed Rate Serial and Term Bonds due 2055	—	82,820	—	82,820
2025 Series F-2 (SDB) – 4.50% to 5.00% Fixed Rate Term Bonds due 2055	—	38,640	—	38,640
Federal New Issue Bond Program (NIBP)				
2009 Series 1-5-A HRB (NIBP) – 2.47% Fixed Rate Term Bonds due 2048	87,130	—	—	87,130
2009 Series 1-5-B HRB (NIBP) (AMT) – 2.47% Fixed Rate Term Bonds due 2041	7,310	—	—	7,310
2009 Series 2-5 HRB (NIBP) – 2.47% Fixed Rate Term Bonds due 2048	10,250	—	—	10,250
Total Housing Revenue Bond Program	12,533,450	1,608,590	(892,720)	13,249,320

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
Pass-Through Revenue Bond Program				
2014 Series A (Federally Taxable) – 3.05% Fixed Rate Term Bonds due 2036	3,418	—	(3,418)	—
2017 Series A (Federally Taxable) (SNB) – 3.10% Fixed Rate Term Bonds due 2046	47,367	—	(1,106)	46,261
Total Pass-Through Revenue Bond Program	50,785	—	(4,524)	46,261
Housing Impact Bond Program				
2020 Series A HIB NYCHA – 2.55% to 2.80% Fixed Rate Term Bonds due 2050	296,380	—	—	296,380
2020 Series B (Federally Taxable) HIB NYCHA – 1.65% to 3.12% Fixed Rate Serial and Term Bonds due 2038	70,375	—	(3,690)	66,685
2020 Series C HIB NYCHA – 2.15% to 2.75% Fixed Rate Term Bonds due 2052	257,535	—	—	257,535
2020 Series D (Federally Taxable) HIB NYCHA – 1.10% to 2.75% Fixed Rate Serial Bonds due 2033	29,945	—	(2,810)	27,135
2022 Series A HIB NYCHA – 1.55% to 3.25% Fixed Rate Serial and Term Bonds due 2051	104,250	—	—	104,250
2023 Series A HIB NYCHA – 4.45% to 4.80% Fixed Rate Term Bonds due 2053	290,725	—	—	290,725
2023 Series B (Federally Taxable) HIB NYCHA – 5.13% to 5.44% Fixed Rate Serial and Term Bonds due 2039	29,580	—	—	29,580
2024 Series A HIB NYCHA – 4.70% Fixed Rate Term Bonds due 2054	80,125	—	—	80,125
2024 Series B (Federally Taxable) HIB NYCHA – 4.83% to 5.83% Fixed Rate Term Bonds due 2054	80,125	—	—	80,125

Description of Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2024 Series C-1 HIB NYCHA – 4.50% Fixed Rate Term Bonds due 2054	36,425	—	—	36,425
2024 Series C-2 HIB NYCHA – 4.50% Fixed Rate Term Bonds due 2054	20,000	—	—	20,000
2024 Series D (Federally Taxable) HIB NYCHA – 4.17% to 5.45% Fixed Rate Serial and Term Bonds due 2054	143,390	—	—	143,390
2025 Series A HIB NYCHA – 5.20% Fixed Rate Term Bonds due 2055	—	85,000	—	85,000
2025 Series B (Federally Taxable) HIB NYCHA – 4.69% to 6.30% Fixed Rate Serial and Term Bonds due 2055	—	163,430	—	163,430
2025 Series C HIB NYCHA – 4.95% Fixed Rate Term Bonds due 2055	—	41,275	—	41,275
2025 Series D (Federally Taxable) HIB NYCHA – 4.23% to 5.88% Fixed Rate Serial and Term Bonds due 2055	—	198,760	—	198,760
Total Housing Impact Bond Program	1,438,855	488,465	(6,500)	1,920,820
Total Bonds Payable Prior to Net Premium Unamortized (Discount) on Bonds Payables	14,023,090	2,097,055	(903,744)	15,216,401
Net Premium (Discount) on Bonds Payables	2,242	3,471	(995)	4,718
Total Bonds Payable (Net)	$14,025,332	$2,100,526	($904,739)	$15,221,119

Interest on the Corporation's variable rate debt is based on the SOFR rate and is reset daily and/or weekly.

<u>Changes in Conduit Bonds Payable:</u>
(in thousands)

The summary of changes in Conduit Bonds Payable was as follows:

	2025	2024
Conduit Bonds Payable outstanding at beginning of the year	$2,970,464	$3,058,903
Bonds Issued	550,000	—
Bond Principal Retired	(837,370)	(88,440)
Net Premium/Discount on Bonds Payable	1	1
Conduit Bonds Payable outstanding at end of the year	$2,683,095	$2,970,464

Details of changes in HDC's Conduit Bonds Payable for the year ended October 31, 2025 were as follows:

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
MULTI-FAMILY MORTGAGE REVENUE BOND PROGRAM:				
Multi-Family Rental Housing Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced				
1999 Series A (AMT) Brittany Development Project – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2029	$44,000	$—	($3,700)	$40,300
2000 Series A (AMT) Related West 89th Street Development – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2029	53,000	—	—	53,000
2002 Series A (AMT) The Foundry – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2032	52,200	—	(2,800)	49,400
2003 Series A (AMT) Related-Sierra Development – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2033	56,000	—	—	56,000

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2004 Series A (AMT) Related-Westport Development – 1.15% to 5.10% Variable Rate Bonds due upon demand through 2034	110,000	—	—	110,000
2004 Series B (Federally Taxable) Related-Westport Development – 4.08% to 4.76% Variable Rate Bonds due upon demand through 2034	2,900	—	(1,800)	1,100
2005 Series A Royal Charter Properties – 1.20% to 3.57% Variable Rate Bonds due upon demand through 2035	71,900	—	(71,900)	—
2005 Series A (AMT) Atlantic Court Apartments – 1.28% to 4.30% Variable Rate Bonds due upon demand through 2035	83,700	—	—	83,700
2005 Series A The Nicole – 3.42% Fixed Rate Term Bonds due 2035	54,600	—	—	54,600
2007 Series A (AMT) Ocean Gate Development – 1.58% to 4.48% Variable Rate Bonds due upon demand through 2040	8,245	—	(200)	8,045
2007 Series B (AMT) Ocean Gate Development – 4.80% to 5.35% Fixed Rate Term Bonds due 2025	1,395	—	(1,395)	—
2007 Series A (AMT) 155 West 21st Street Apartments – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2037	37,900	—	—	37,900
2007 Series B (Federally Taxable) 155 West 21st Street Apartments – 4.05% to 4.80% Variable Rate Bonds due upon demand through 2037	2,200	—	(1,500)	700
2008 Series A (AMT) Linden Plaza – 2.18% to 3.69% Variable Rate Bonds due upon demand through 2043	46,570	—	(46,570)	—

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2009 Series A The Balton – 1.45% to 4.35% Variable Rate Bonds due upon demand through 2049	29,750	—	—	29,750
2014 Series A-1 NYCHA Triborough Preservation Development – 0.55% to 3.95% Fixed Rate Serial and Term Bonds due 2044	201,655	—	(4,140)	197,515
2019 Series A (Federally Taxable) The Nicole – 3.90% Fixed Rate Term Bonds due 2035	4,400	—	—	4,400
Multi-Family Mortgage Revenue Bonds – Rental Project; Fannie Mae or Freddie Mac Enhanced				
2004 Series A (AMT) State Renaissance Court – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2037	27,500	—	—	27,500
2005 Series A (AMT) 89 Murray Street Development – 1.15% to 5.10% Variable Rate Bonds due upon demand through 2039	49,100	—	(1,400)	47,700
2006 Series A (AMT) Linden Boulevard Apartments – 3.90% to 4.75% Fixed Rate Serial and Term Bonds due 2039	9,560	—	(440)	9,120
2006 Series A (AMT) Markham Garden Apartments – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2040	16,000	—	(16,000)	—
2008 Series A 245 East 124th Street – 2.10% Fixed Rate Term Bonds due 2046	35,400	—	—	35,400
2008 Series A Bruckner by the Bridge – 1.65% to 4.45% Variable Rate Bonds due upon demand through 2048	36,800	—	—	36,800

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2008 Series A Hewitt House Apartments – 1.55% to 4.40% Variable Rate Bonds due upon demand through 2048	4,100	—	—	4,100
2010 Series A Eliot Chelsea Development – 1.64% to 4.44% Variable Rate Bonds due upon demand through 2043	40,750	—	—	40,750
2011 Series A (AMT) West 26th Street Development – 1.63% to 4.42% Variable Rate Bonds due upon demand through 2041	23,600	—	(1,400)	22,200
2011 Series B West 26th Street Development – 1.61% to 4.38% Variable Rate Bonds due upon demand through 2045	8,470	—	—	8,470
2012 Series A West 26th Street Development – 1.61% to 4.38% Variable Rate Bonds due upon demand through 2045	41,530	—	—	41,530
Multi-Family Mortgage Revenue Bonds – Rental Project; Letter of Credit Enhanced				
2003 Series A (AMT) Related-Upper East – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2036	67,000	—	—	67,000
2003 Series B (Federally Taxable) Related-Upper East – 4.08% to 4.90% Variable Rate Bonds due upon demand through 2036	3,000	—	—	3,000
2004 Series A (AMT) Manhattan Court Development – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2036	17,500	—	—	17,500
2005 Series A (AMT) 2007 LaFontaine Avenue Apartments – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2037	3,225	—	(100)	3,125

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2005 Series A (AMT) La Casa del Sol Apartments – 1.55% to 4.45% Variable Rate Bonds due upon demand through 2037	3,350	—	(100)	3,250
2005 Series A (AMT) 15 East Clarke Place Apartments – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2037	3,630	—	—	3,630
2005 Series A (AMT) Urban Horizons II Development – 1.55% to 4.45% Variable Rate Bonds due upon demand through 2038	4,165	—	(200)	3,965
2006 Series A (AMT) Granville Payne Apartments – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2039	4,960	—	(100)	4,860
2006 Series A (AMT) Beacon Mews Development – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2039	18,200	—	—	18,200
2006 Series A (AMT) Granite Terrace Apartments – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2038	3,660	—	—	3,660
2006 Series A (AMT) Intervale Gardens Apartments – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2038	2,815	—	—	2,815
2006 Series A (AMT) 1405 Fifth Avenue Apartments – 1.68% to 4.48% Variable Rate Bonds due upon demand through 2039	13,090	—	—	13,090
2007 Series A (AMT) Susan's Court – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2039	24,000	—	—	24,000

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2007 Series A (AMT) The Dorado Apartments – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2040	3,370	—	—	3,370
2007 Series A (AMT) Boricua Village Apartments Site A-2 – 1.60% to 4.40% Variable Rate Bonds due upon demand through 2042	4,250	—	(100)	4,150
2007 Series A (AMT) Cook Street Apartments – 1.28% to 5.10% Variable Rate Bonds due upon demand through 2040	3,480	—	(100)	3,380
2008 Series A (AMT) Las Casas Development – 1.58% to 4.48% Variable Rate Bonds due upon demand through 2040	18,900	—	(400)	18,500
Residential Revenue Bonds – Residential Housing				
2012 Series A College of Staten Island Residences – 2.00% to 4.15% Fixed Rate Serial and Term Bonds due 2046	56,640	—	(1,650)	54,990
Multi-Family Mortgage Revenue Bonds – Rental Project; Not Rated				
2007 Series A Queens Family Courthouse Apartments – 5.41% Fixed Rate Term Bonds due 2047	40,000	—	—	40,000
2010 Series A 101 Avenue D Apartments – 2.93% to 5.72% Variable Rate Bonds due upon demand through 2043	22,700	—	—	22,700
2016 Series A (Federally Taxable) Queens Family Courthouse Apartments – 5.97% Fixed Rate Term Bonds due 2047	15,000	—	—	15,000

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2019 Series A 535 Carlton Avenue – 4.08% to 6.35% Term Rate Term Bonds due 2027	73,000	—	—	73,000
2020 Series A 38 Sixth Avenue – 5.85% Term Rate Term Bonds due 2059	83,240	—	—	83,240
Multi-Family Commercial Mortgage Backed Securities				
2014 Series A, B and C - 8 Spruce Street (Federally Taxable) – 3.71% to 3.93% Fixed Rate Term Bonds due 2048	346,100	—	(346,100)	—
2024 Series Classes A, B and C (8 Spruce Street) (Federally Taxable) – 5.46% to 6.43% Fixed Rate Term Bonds due 2031	—	346,100	—	346,100
Total Multi-Family Mortgage Revenue Bonds	1,988,500	346,100	(502,095)	1,832,505
<u>MILITARY HOUSING REVENUE BOND PROGRAM:</u>				
2004 Series A (Federally Taxable) Class I & II Fort Hamilton Housing LLC Project – 5.60% to 6.72% Fixed Rate Term Bonds due 2049	40,715	—	(675)	40,040
Total Military Housing Revenue Bond Program	40,715	—	(675)	40,040
<u>LIBERTY BOND PROGRAM:</u>				
Multi-Family Mortgage Revenue Bonds				
2005 Series A 90 Washington Street – 1.77% to 4.45% Variable Rate Bonds due upon demand through 2035	74,800	—	(74,800)	—
2006 Series A 90 West Street – 1.55% to 4.30% Variable Rate Bonds due upon demand through 2036	104,000	—	—	104,000

Description of Conduit Bonds as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
2006 Series B (Federally Taxable) 90 West Street – 4.08% to 4.83% Variable Rate Bonds due upon demand through 2036	3,000	—	(1,000)	2,000
2006 Series A - 2 Gold Street – 1.55% to 4.65% Variable Rate Bonds due upon demand through 2036	162,000	—	—	162,000
2006 Series B (Federally Taxable) - 2 Gold Street – 4.12% to 4.84% Variable Rate Bonds due upon demand through 2036	5,800	—	(5,800)	—
2006 Series A 201 Pearl Street – 1.55% to 4.65% Variable Rate Bonds due upon demand through 2041	65,000	—	—	65,000
2006 Series B (Federally Taxable) 201 Pearl Street – 4.12% to 4.84% Variable Rate Bonds due upon demand through 2041	15,700	—	(1,500)	14,200
2014 Series Classes D, E and F (8 Spruce Street) – 3.00% to 4.50% Fixed Rate Term Bonds due 2048	203,900	—	(203,900)	—
2024 Series Classes D, E and F (8 Spruce Street) – 4.00% to 5.25% Fixed Rate Term Bonds due 2031	—	203,900	—	203,900
Total Liberty Bond Program	634,200	203,900	(287,000)	551,100
CAPTIAL FUND PROGRAM REVENUE BONDS (New York City Housing Authority (‘NYCHA’))				
2022 Series A (Federally Taxable) (SDB) Capital Fund Program – 2.32% to 4.10% Fixed Rate Serial Bonds due 2033	307,060	—	(47,600)	259,460
Total Capital Fund Program Revenue Bonds	307,060	—	(47,600)	259,460

Description of Conduit Bonds as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
Total Bonds Payable Prior to Net Premium Unamortized (Discount) on Bonds Payables	2,970,475	550,000	(837,370)	2,683,105
Net Premium (Discount) on Bonds Payables	(11)	—	1	(10)
Total Bonds Payable (Net)	$2,970,464	$550,000	($837,369)	$2,683,095

Interest on the Corporation's variable rate debt is based on the SIFMA rate and is reset weekly.

Bonds Issued in Fiscal Year 2025

On December 6, 2024, two Multi-Family Mortgage Revenue Bonds (8 Spruce Street), 2024 Series were issued in the amount totaling $550,000,000. The fixed rate series 2024, classes A, B and C (Federally Taxable) Bonds were issued in the amount of $346,100,000, and the fixed rate series 2024, classes D, E and F Bonds were issued in the amount of $203,900,000. The 2024 bonds were issued to refinance the 2014 Multi-Family Mortgage Revenue Bonds (8 Spruce Street) and to pay certain other related costs.

On December 17, 2024, three Multi-Family Housing Revenue Bonds series were issued in an amount totaling $403,075,000. The fixed rate 2024 Series F-1-A Bonds were issued in the amount of $245,135,000, the fixed rate 2024 Series F-1-B Bonds were issued in the amount of $30,840,000, and the fixed rate 2024 Series F-2 Bonds were issued in the amount of $127,100,000. The 2024 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for certain developments and to pay for other related costs.

On December 17, 2024, the fixed rate Multi-Family Housing Revenue Bonds, 2024 Series G, were issued in an amount of $25,800,000. The bonds were issued to refund the Multi-Family Mortgage Revenue Debt Obligations (Far Rockaway Village) and to provide permanent financing as the project converted to permanent status in December 2024.

On March 21, 2025, two Multi-Family Housing Revenue Bonds series were issued in an amount totaling $242,820,000. The fixed rate 2025 Series A-1 Bonds were issued in the amount of $135,095,000, and the fixed rate 2025 Series A-2 Bonds were issued in the amount of $107,725,000. The 2025 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for certain developments and to pay for other related costs.

On April 24, 2025, two Multi-Family Housing Revenue Bonds series were issued in an amount totaling $160,160,000. The fixed rate 2025 Series B-1 Bonds were issued in the amount of $61,940,000, and the fixed rate 2025 Series B-2 Bonds were issued in the amount of $98,220,000. The 2025 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for a development and to pay for other related costs.

On June 18, 2025, four Multi-Family Housing Revenue Bonds series were issued in an amount totaling $655,275,000. The fixed rate 2025 Series C-1 Bonds were issued in the amount of $133,665,000, the fixed rate 2025 Series C-2 Bonds were issued in the amount of $247,515,000, the index floating rate 2025 Series D (Federally Taxable) Bonds were issued in the amount of $150,000,000, and the term rate 2025 Series E Bonds were issued in the amount of $124,095,000. The 2025 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for certain developments and to finance other corporate purposes of the Corporation.

On June 24, 2025, two Housing Impact Bonds series were issued in an amount totaling $248,430,000. The fixed rate 2025 Series A Bonds were issued in the amount of $85,000,000, and the fixed rate 2025 Series B (Federally Taxable) Bonds were issued in the amount of $163,430,000. The bonds were issued to finance mortgage loans to the borrowers for the purpose of paying a portion of the costs of acquiring, rehabilitating, and equipping fourteen public housing buildings located in the Borough of the Bronx, New York, and to pay for certain other related costs.

On September 25, 2025, two Housing Impact Bonds series were issued in an amount totaling $240,035,000. The fixed rate 2025 Series C Bonds were issued in the amount of $41,275,000, and the fixed rate 2025 Series D (Federally Taxable) Bonds were issued in the amount of $198,760,000. The bonds were issued to finance mortgage loans to the borrowers for the purpose of paying a portion of the costs of acquiring, rehabilitating, and equipping eighteen public housing buildings located in the Boroughs of Manhattan and Brooklyn, New York, and to pay for certain other related costs.

On September 29, 2025, two Multi-Family Housing Revenue Bonds series were issued in an amount totaling $121,460,000. The fixed rate 2025 Series F-1 Bonds were issued in the amount of $82,820,000, and the fixed rate 2025 Series F-2 Bonds were issued in the amount of $38,640,000. The 2025 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for a development and to pay for other related costs.

All the bonds listed above are subject to regular redemption and certain issues are also subject to special redemption provisions as well. The parameters under which the redemptions may occur are set forth in the respective bond resolutions.

In fiscal year 2010, the U.S. Department of the Treasury, as part of the Housing Finance Agency (“HFA”) initiative used authority provided to it pursuant to the Housing and Economic Recovery Act of 2008 (“HERA”) to help expand resources to provide affordable mortgages for low- and middle-income households, and to support the development and rehabilitation of affordable housing units. In this program, the Corporation issued bonds under the New Issue Bond Program (“NIBP”) in the amount of $500 million. HDC issued two programs under the NIBP. The variable rate 2009 Housing Revenue Bonds Series 1 (Federally Taxable) Bonds were issued in the amount of $415,000,000 and the 2009 Housing Revenue Bonds Series 2 (Federally Taxable) Bonds were issued in the amount of $85,000,000 on December 23, 2009. During the period between June 2010 and December 2011, all the principal amount of the 2009 Series 1 (NIBP) Bonds and the 2009 Series 2 (NIBP) Bonds were converted to fixed rate tax exempt bonds. These bonds were designated as the “Converted Bonds”.

As of October 31, 2025, portions of the NIBP Converted Bonds in the amount of $395,310,000 were redeemed and $104,690,000 remain outstanding.

Debt Obligations Program

The Corporation entered into funding loan agreements with Citibank and Jones Lang LaSalle to finance mortgage loans under its Multi-Family Mortgage Revenue Debt Obligations Program. Under the agreements, Citibank and Jones Lang LaSalle will provide the funds to the Corporation, which the Corporation will then use to advance to the project. This is also referred to as "Back-to-Back".

Changes in Debt Obligations Payable:
(in thousands)

The summary of changes in Debt Obligations Payable was as follows:

	2025	**2024**
Debt Obligations Payable outstanding at beginning of the year	$88,142	$145,111
Debt Obligations Issued	—	—
Debt Obligations Principal Retired	(26,896)	(56,969)
Debt Obligations Payable outstanding at end of the year	$61,246	$88,142

Details of changes in HDC debt obligations for the year ended October 31, 2025 were as follows:

Description of Debt Obligations as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
Multi-Family Housing Revenue Debt Obligations Rental Projects; Not Rated				
MFMR Debt Obligations (Harlem Dowling Residential) – 2.49% to 5.21% Fixed Rate due 2047	$4,426	$—	($135)	$4,291
MFMR Debt Obligations (Far Rockaway) – 3.65% Fixed Rate due 2058	25,800	—	(25,800)	—
Multi-Family Mortgage Revenue Debt Obligations – Freddie Mac Enhanced; Not Rated				
MFMR Debt Obligations (1133 Manhattan) – 3.86% Fixed Rate due 2027	45,600	—	—	45,600

Description of Debt Obligations as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
MFMR Debt Obligations (1133 Manhattan) (Federally Taxable) – 3.86% Fixed Rate due 2027	12,316	—	(961)	11,355
Total Debt Obligations Payable	$88,142	$—	($26,896)	$61,246

Federal Financing Bank Loan Participation Certificates Payable

In fiscal year 2014, the Corporation entered into a new financing agreement with the FFB for selling beneficial ownership interests in mortgage loans originated by housing finance agencies and insured with FHA/HFA Risk Sharing mortgage insurance. The Corporation was selected to be the first housing finance agency to participate in this new federal initiative to reduce costs of capital for affordable housing. The Corporation sells beneficial ownership interest in its mortgages to the FFB, which are evidenced by certificates of participation from the Corporation. The participation proceeds are recorded as payable to the FFB. The monthly mortgage payments from the borrower are used to pay the interest due to the FFB as well as principal payments reflected on the mortgage schedule.

The aggregate FFB Loan Participation Certificates Payable balance as of October 31, 2025 and 2024, was $794,854,000 and $502,995,000 (see Note 4: "Mortgage Loans").

Changes in FFB Loan Participation Certificates Payable:
(in thousands)

The summary of changes in FFB Loan Participation Certificates Payable was as follows:

	2025	**2024**
FFB Loan Participation Certificates payable outstanding at beginning of the year	$502,995	$509,520
FFB Loan Participation Proceeds	298,700	—
Repayments to FFB	(6,841)	(6,525)
FFB Loan Participation Certificates payable outstanding at end of the year	$794,854	$502,995

Details of changes in FFB loan participation certificates payable for the year ended October 31, 2025 were as follows:

Description of FFB Loan Participation as Issued	Balance at the beginning of the year	Issued	Retired	Balance at the end of the year
(in thousands)				
FFB Loan Participation - Arverne View Apt – 3.32% Fixed Rate Certificate Pass-Through due 2049	$63,827	$—	($1,129)	$62,698
FFB Loan Participation - 2629 Sedgwick Avenue – 3.28% Fixed Rate Certificate Pass-Through due 2051	2,536	—	(54)	2,482
FFB Loan Participation - Marseilles Apartments – 2.85% Fixed Rate Certificate Pass-Through due 2051	15,877	—	(346)	15,531
FFB Loan Participation - Sons of Italy Apartments – 2.76% Fixed Rate Certificate Pass-Through due 2051	7,251	—	(153)	7,098
FFB Loan Participation - Stevenson Commons – 2.96% Fixed Rate Certificate Pass-Through due 2057	96,370	—	(1,142)	95,228
FFB Loan Participation - Independence House – 3.04% Fixed Rate Certificate Pass-Through due 2057	6,730	—	(91)	6,639
FFB Loan Participation - Carol Gardens – 3.02% Fixed Rate Certificate Pass-Through due 2058	20,540	—	(237)	20,303
FFB Loan Participation - La Cabana Houses – 3.35% Fixed Rate Certificate Pass-Through due 2053	52,193	—	(735)	51,458
FFB Loan Participation - Alvista Towers – 2.57% Fixed Rate Certificate Pass-Through due 2059	62,645	—	(708)	61,937
FFB Loan Participation - Baychester Murphy – 3.37% Fixed Rate Certificate Pass-Through due 2061	129,352	—	(1,840)	127,512

Description of FFB Loan Participation as Issued	**Balance at the beginning of the year**	**Issued**	**Retired**	**Balance at the end of the year**
(in thousands)				
FFB Loan Participation - Lexington Garden II – 3.07% Fixed Rate Certificate Pass-Through due 2062	45,674	—	(406)	45,268
FFB Loan Participation - PACT Williamsburg– 4.98% Fixed Rate Certificate Pass-Through due 2065	—	298,700	—	298,700
Total FFB Loan Participation Certificates Payables	$502,995	$298,700	($6,841)	$794,854

On September 25, 2025, the Corporation sold a beneficial ownership interest in a mortgage for the development named PACT Williamsburg Houses in the amount of $298,700,000. The FFB Loan Participation Certificate Payable as of October 31, 2025, was $298,700,000.

Future Debt Service:

Required debt payments for bonds payable by the Corporation for the next five years and thereafter are as follows:

Enterprise Fund

Year Ending October 31,	Principal	Interest	Total
(in thousands)			
2026…......................	$198,926	$567,591	$766,517
2027…......................	200,425	565,153	765,578
2028…......................	228,670	560,063	788,733
2029…......................	218,230	553,361	771,591
2030…......................	277,840	545,956	823,796
2031 – 2035…...........	1,343,525	2,603,951	3,947,476
2036 – 2040…...........	1,792,920	2,327,933	4,120,853
2041 – 2045…...........	2,035,285	1,966,018	4,001,303
2046 – 2050…...........	2,507,166	1,525,396	4,032,562
2051 – 2055…...........	2,742,520	1,043,586	3,786,106
2056 – 2060…...........	846,770	582,903	1,429,673
2061 – 2065…...........	2,822,544	318,085	3,140,629
2066 – 2070…...........	1,580	26	1,606
Total	$15,216,401	$13,160,022	$28,376,423

Conduit Debt

Year Ending October 31,	Principal	Interest	Total
(in thousands)			
2026…………………….	$35,825	$108,110	$143,935
2027…………………….	36,935	107,357	144,292
2028…………………….	111,335	102,240	213,575
2029…………………….	80,140	99,416	179,556
2030…………………….	94,465	95,438	189,903
2031 – 2035………….	922,940	324,792	1,247,732
2036 – 2040………….	787,695	164,956	952,651
2041 – 2045………….	354,015	96,149	450,164
2046 – 2050………….	176,515	39,867	216,382
2051 – 2055………….	—	24,348	24,348
2056 – 2060………….	83,240	17,855	101,095
Total	$2,683,105	$1,180,528	$3,863,633

Changes in Liabilities:

Liability activities for the year ended October 31, 2025, are as follows:

Enterprise Fund

Descriptions	Balance at Beginning of the Year	Additions	Deductions	Balance at End of the Year	Due Within 1 Year
(in thousands)					
Bonds Payable, (net)	$14,025,332	$2,100,526	($904,739)	$15,221,119	$198,926
Debt Obligations	88,142	—	(26,896)	61,246	1,141
Payable to FFB - Loan Participation	502,995	298,700	(6,841)	794,854	9,060
Payable to City of New York	6,911,302	1,669,941	(29,932)	8,551,311	—
Payable to Mortgagors & Restricted Earnings on Investments	1,243,301	1,146,337	(858,323)	1,531,315	289
Others	972,652	706,678	(644,715)	1,034,615	416,418
Total	$23,743,724	$5,922,182	($2,471,446)	$27,194,460	$625,834

Conduit Debt

Descriptions	Balance at Beginning of the Year	Additions	Deductions	Balance at End of the Year	Due Within 1 Year
(in thousands)					
Bonds Payable, (net)	$2,970,464	$550,000	($837,369)	$2,683,095	$35,825
Payable to Mortgagors & Restricted Earnings on Investments	183,653	334,095	(350,673)	167,075	34,238
Others	33,805	112,027	(124,159)	21,673	13,363
Total	$3,187,922	$996,122	($1,312,201)	$2,871,843	$83,426

Liability activities for the year ended October 31, 2024, are as follows:

Enterprise Fund

Descriptions	Balance at Beginning of the Year	Additions	Deductions	Balance at End of the Year	Due Within 1 Year
(in thousands)					
Bonds Payable, (net)	$12,619,731	$1,791,440	($385,839)	$14,025,332	$227,202
Debt Obligations	145,111	—	(56,969)	88,142	1,095
Payable to FFB - Loan Participation	509,520	—	(6,525)	502,995	6,841
Payable to City of New York	5,320,757	1,604,881	(14,336)	6,911,302	—
Payable to Mortgagors & Restricted Earnings on Investments	398,857	1,118,932	(274,488)	1,243,301	283
Others	1,079,955	635,549	(742,852)	972,652	348,828
Total	$20,073,931	$5,150,802	($1,481,009)	$23,743,724	$584,249

<u>Conduit Debt</u>

Descriptions	Balance at Beginning of the Year	Additions	Deductions	Balance at End of the Year	Due Within 1 Year
(in thousands)					
Bonds Payable, (net)	$3,058,903	$ —	($88,439)	$2,970,464	$57,420
Payable to Mortgagors & Restricted Earnings on Investments	174,171	121,417	(111,935)	183,653	31,102
Others	35,018	111,240	(112,453)	33,805	15,366
Total	$3,268,092	$232,657	($312,827)	$3,187,922	$103,888

Note 10: Payable to The City of New York and Mortgagors

(A) New York City Housing Development Corporation

In 2009, HPD and HDC entered into a Memorandum of Understanding ("MOU"), which provides for the granting of funds by HPD to HDC pursuant to Section 661 of the PHFL, to make subordinate loans for affordable housing. As of October 31, 2025 and 2024, the total payable to the City relating to this MOU was $7,946,385,000 and $6,300,569,000, respectively.

The Corporation has completed numerous transactions as part of its Mitchell-Lama Restructuring Program ("MLRP"), an affordable housing preservation program. Under this program, the Corporation has funded various new first and second mortgage loans as well as the acquisition of participation interests in City-owned second mortgages and associated cash flows. As long as any Mitchell-Lama Restructuring Bonds are outstanding, all cash flows from the purchased interests must be applied to debt service on such bonds. Once all such bonds are retired, HDC's participation interests in City-owned second mortgages revert to the City. HDC also has sold to the City a residual interest in the second mortgage loans the Corporation originated. These loans also transfer to the City when the Mitchell-Lama Restructuring Bonds are retired. As of October 31, 2025 and 2024, the Corporation's payable to the City under the MLRP was $449,258,000 and $451,550,000, respectively.

On December 18, 2015, at the request of the City, the Corporation funded a $143,236,000 subordinate loan to the purchasers of Stuyvesant Town-Peter Cooper Village to assist with the preservation the affordability of this project. As of October 31, 2025, the fund has been fully reimbursed to HDC by the City.

From time to time, HPD and HDC jointly engage in other programs under which both HPD and HDC provide construction and permanent financing for affordable housing projects wherein HPD and HDC are participating in construction loans and will swap funds. As of October 31, 2025 and 2024, the Corporation has an outstanding balance of $38,141,000 under this program.

The Corporation also has an outstanding payable of $40,977,000 and $35,228,000 as of October 31, 2025 and 2024, respectively, related to other loan funding agreements with the City.

(B) Housing Assistance Corporation

Funding for HAC was received through the City in 1985. All of HAC's assets, after repayment of HDC advances to HAC, and if unused for HAC purposes, will revert to the City. As of October 31, 2025, total resources payable to the City amounted to $76,550,000 of which $78,780,000 was related to the funding of Stuyvesant Town-Peter Cooper Village. As of July 2025, the funds allocated in HAC for the RY Subsidy Program have been depleted. As there are no longer assets available in HAC to support the RY Subsidy Program, HDC is authorized to transfer, in monthly increments, an estimated not-to-exceed amount of $3,400,000 from its corporate reserves to fund the RY Subsidy Program through December 2025.

(C) Fiduciary Funds

Under normal HDC underwriting guidelines, all subordinate loans must be coterminous with the senior loan in order to avoid scenarios where the repayment of the subordinate loan is made before the senior loan. Prior to the enactment of recent legislation, HPD could not make a loan longer than a 30-year term due to statutory authority limits. Thus, when HDC and HPD co-lend on a project, and HDC intends to make a 35-year loan, HPD assigns its loan to HDC in the form of a Purchase and Sale Agreement. HDC then makes the subordinate loan in its name with a 35-year term, which ultimately returns to HPD upon maturity.

As of October 31, 2025, the assets that HDC held on behalf of HPD consisted of cash and investments, mortgage and other receivables in the amounts of $7,983,000 and $764,825,000 respectively. As of October 31, 2024, the assets that HDC held on behalf of HPD consisted of cash and investments, mortgage and other receivables in the amounts of $7,065,000 and $753,848,000, respectively.

The Corporation also administers construction and permanent loans on behalf of HPD, using funds provided by HPD as well as funds received from Battery Park City Authority ("BPCA") on HPD's behalf. All such funds are the property of HPD and thus are reported as restricted net position for the City in the Fiduciary Funds financial statements. As of October 31, 2025 and 2024, the assets held and restricted for the City amounted to $279,538,000 and $208,988,000, respectively.

In FY 2024, the City and BPCA entered into an agreement under which BPCA will make annual payments into an Affordable Housing Fund administered by HDC, for a total of $500 million. This funding aims to assist in creating more affordable housing in NYC. Under a separate MOU between HPD and HDC, the BPCA funds will be administered by HDC and allocated between the two entities. HPD's portion is broken out into two funds: (1) a mortgage loan fund and (2) a tech fund, which will be up to 10% of the total and used for related technology improvements. HDC will administer and service the HPD portion. For financial statement reporting purposes, the HPD portion qualifies as fiduciary activities under GASB 84, *Fiduciary Activities*, and is reported accordingly. HDC's portion is recorded under the Enterprise Fund. In FY 2025, HDC received a total of $46,022,000 from BPCA, with $26,011,000 reported under the Fiduciary Funds and $20,011,000 under the Enterprise Fund.

Under HDC's normal loan servicing function, the Corporation is in possession of escrow and reserve funds held on behalf of its mortgagors. The funds are used to pay taxes on the underlying mortgage property, held as reserve for replacements, or for other contingencies. The funds received from the mortgagors are invested in accordance with HDC's investment guidelines and the assets are offset by a corresponding restricted net position for mortgagors. The balance as of October 31, 2025 and 2024 was $1,073,945,000 and $958,143,000, respectively.

Note 11: Retirement Programs

(A) NYCERS

The Corporation is a participating employer in NYCERS, a cost-sharing multi-employer plan, of which 123 current employees of the Corporation are members. NYCERS provides defined benefit pension benefits to 184,000 active municipal employees and 173,000 pensioners through its plan that has $93.1 billion in net position. City employees who receive permanent appointment to a competitive position and have completed six months of service are required to participate in NYCERS, and all other employees such as HDC employees are eligible, but not required, to participate in NYCERS. NYCERS provides three main types of retirement benefits: service retirements, ordinary disability retirements (non-job-related disabilities) and accident disability retirements (job-related disabilities) to members who are in different "tiers." The members' tier is determined by the date of membership. Subject to certain conditions, members generally become fully vested as to benefits upon completion of five years of service. Employees may be required to contribute a percentage of their salary to the pension plan based on their tier. Annual pension benefit is calculated as a percentage of final average salary times the number of years of membership service.

Contribution requirements of the active employees and the participating New York City agencies are established and may be amended by the NYCERS Board. Employees' contributions are determined by their tier and number of years of service. They may range between 3.00% and 6.00% of their annual pay. Statutorily required contributions to NYCERS, determined by the New York City Office of the Actuary in accordance with State statutes and City laws, are funded by the employer within the appropriate fiscal year.

Copies of NYCERS' financial statements can be obtained by writing to NYCERS at 335 Adams Street, Suite 2300, Brooklyn, NY 11201-3724 or its website (www.nycers.org).

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of NYCERS and additions to/deductions from NYCERS' fiduciary net position have been determined on the same basis as they are reported by NYCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investments are recorded at fair value.

As of October 31, 2025, the Corporation reported a liability of $9,797,000 for its proportionate share of NYCERS' net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Corporation's proportion of the net pension liability was based on a projection of the Corporation's long-term share of contributions to the pension plan relative to the projected contributions of all participating employees, actuarially determined. On June 30, 2025, the Corporation's proportionate share was 0.07%.

As of October 31, 2025, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings on pension plan investments	$ —	$ 848,000
Differences between expected and actual experience	1,528,000	19,000
Changes in proportion and differences between Corporation's contributions and proportionate share of contributions	1,484,000	181,000
Changes in assumptions	—	49,000
Sub-Total	3,012,000	1,097,000
Corporation contributions subsequent to the measurement date	3,310,000	—
Total	$6,322,000	$1,097,000

Of the deferred outflows of resources related to pensions, $3,310,000 was a contribution that the Corporation made subsequent to the measurement date, and it will be recognized as a reduction of the net pension liability in fiscal year ended October 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2026	$ 383,000
2027	383,000
2028	383,000
2029	383,000
2030	383,000
Total	$1,915,000

The Corporation recorded pension expense for fiscal year ended October 31, 2025 in the amount of $2,254,000.

Actuarial assumptions

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	7% per annum, net of investment expenses
Salary Increases	In general, merit and promotion increase plus assumed general wage increases of 3.0% per annum
Cost-of-Living Adjustments	1.5% and 2.5% for certain tiers

Mortality tables for service and disability pensioners were developed from an experience study of NYCERS. The mortality tables for beneficiaries were developed from an experience review. Periodically the New York City Office of the Actuary (NYCOA) conducts a full review of the actuarial assumptions and methods used to fund the NYCERS. These reviews lead to formalized recommendations that are then presented to each of the NYCERS Boards. Electronic versions are available on the NYCOA website (www.nyc.gov/actuary) under Assumptions and Methods.

Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially funded NYCERS are conducted every two years.

Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return	Weighted Average Rate of Return
Public Markets:			
U.S. Public Market Equities	23.50%	6.70%	1.57%
Developed Public Market Equities	11.60%	7.10%	0.82%
Emerging Public Market Equities	4.90%	8.30%	0.41%
Fixed Income	31.00%	3.00%	0.93%
Public Markets (Alternative Investments):			
Private Equities	10.00%	11.20%	1.12%
Private Real Estate	8.00%	7.00%	0.56%
Infrastructure	4.50%	6.30%	0.28%
Opportunistic Fixed Income	6.50%	8.30%	0.54%

Management of the pension plan has determined its expected rate of return on investments to be 7.0%. This is based upon the weighted average rate of return from investments of 6.2% and a long-term Consumer Price Inflation assumption of 2.5% per year, which is offset by investment related expenses.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025, was 7.0% per annum. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable to the current tier for each member and that employer contributions will be made based on rates determined by the Actuary. Based on those assumptions, the NYCERS fiduciary net position is projected to be available to make all projected future benefit payments of current active and non-active NYCERS members. Therefore, the long-term expected rate of return on NYCERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Corporation's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the Corporation's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6%) or one percentage point higher (8%) than the current rate.

Sensitivity Analysis			
	1% decrease (6%)	Discount rate (7%)	1% increase (8%)
HDC's proportionate share of the net pension liability	$ 18,557,000	$ 9,797,000	$2,412,000

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NYCERS' report, which is available on their website (www.nycers.org).

(B) Tax-Sheltered Annuity Plan

The Corporation also offers its employees the option of participating in a Tax-Sheltered Annuity Plan managed by Principal as an alternate or supplemental retirement plan under Section 403(b) of the Internal Revenue Code. The Internal Revenue Service has approved the Corporation as an entity that can provide this type of plan to its employees. The majority of the Corporation's employees participate in this plan.

Note 12: Postemployment Benefits Other Than Pensions

Plan description. The Corporation sponsors a single employer postemployment defined benefit health care plan for eligible retirees and their spouses. Eligible retirees generally are classified into two groups as either NYCERS members or Non-NYCERS members. Both groups require 10 years of service to be eligible for health care and prescription drug coverage through either the New York City Health Benefit Program ("NYCHBP") or the New York State Health Insurance Program ("NYSHIP"), as applicable.

Benefits provided. The Corporation provides comprehensive health care and prescription drug coverage for its eligible retirees and their spouses. No other benefits are provided. Benefit provisions for the plan are established and amended by actions taken by the Corporation's Board Members and there is no statutory requirement for HDC to continue this plan for future HDC employees. The plan is currently a non-contributory plan with all payments for plan benefits being funded by HDC on a pay-as-you-go basis.

HDC's annual OPEB cost for the plan is calculated based on the Entry Age Normal level percentage cost method, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The covered-employee payroll (annual payroll of active employees covered by the plan) was $29,317,000 and the ratio of the net OPEB liability to the covered-employee payroll was 24.15%. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between HDC and the plan members to that point.

Employees covered by benefit terms. As of October 31, 2024, the measurement date, the following employees were covered by the benefit terms:

Membership Status as of October 31, 2024	Count
Inactive employees or beneficiaries currently receiving benefit payments	42
Inactive employees entitled to but not yet receiving benefit payments	6
Active plan employees	228
Total	276

Net OPEB Liability

As of the reporting date, October 31, 2025, HDC's total OPEB liability was $19,373,000 and the net OPEB liability was $7,081,000 as reported by the Corporation's consultants' report prepared by Arthur J. Gallagher & Co. The measurement date of October 31, 2024, was used to calculate the net OPEB liability, which was determined by an actuarial valuation as of that date. Therefore, all the following information reflects fiscal year 2024 plan data unless otherwise noted.

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Net OPEB liability at beginning of the year	$14,207,000	$11,765,000	$2,442,000
Changes for the year:			
Service cost	857,000	—	857,000
Interest	760,000	—	760,000
Difference between expected and actual experience	886,000	—	886,000
Changes of assumptions	3,125,000	—	3,125,000
Net investment income	—	994,000	(994,000)
Benefit payments	(462,000)	(462,000)	—
Administrative expense	—	(5,000)	5,000
Net changes	5,166,000	527,000	4,639,000
Net OPEB liability at end of the year	$19,373,000	$12,292,000	$7,081,000

OPEB Plan Fiduciary Net Position

Since establishing an irrevocable OPEB trust in fiscal year 2012, the Corporation has funded a total of $13,000,000 to date, with the most recent being a $5,000,000 contribution in fiscal year 2022. All OPEB plan assets are held in a separate trust account for the exclusive purpose of paying OPEB obligations.
Investment policy. The Corporation's investment policy is set by the HDC Act and the guidelines are established and adopted by HDC's Board Members on an annual basis.

All investment transactions are recorded on the trade date. As of October 31, 2025, the fair value of OPEB trust investments was $13,725,000.

		Investment Maturities as of October 31, 2025			
Investment Type	2025	Less than 1	1-5	6-10	More than 10
(in thousands)					
FFCB Bonds	$ 8,192	$ —	$ 8,192	$ —	$ —
FHLB Bonds	4,088	—	4,088	—	—
U.S. Treasuries	1,445	1,445	—	—	—
Total	13,725	1,445	12,280	—	—
Less amounts classified as cash equivalents	(1,445)	(1,445)	—	—	—
Total investments	$12,280	$ —	$12,280	$ —	$ —

The Corporation has the following recurring fair value measurements as of October 31, 2025:

- U.S. Agency securities of $12,280,000 are valued based on models using observable inputs. (Level 2 inputs)
- U.S. Treasury securities of $1,445,000 are valued based on models using observable inputs. (Level 2 inputs)

As of October 31, 2025, the OPEB plan asset held $7,000 in cash.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Corporation's Investment Guidelines charge the Investment Committee with "…determining appropriate investment instruments…based on…length of time funds are available for investment purposes..." among other factors. Thus, maturities are matched to the Corporation's liquidity needs. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long-term securities that carry a higher yield, with the intent to hold the investments to maturity.

The Corporation's investment guidelines and policies are designed to protect principal by limiting credit risk. This is accomplished by making decisions based on a review of ratings, collateral, and diversification requirements that vary according to the type of investment.

As of October 31, 2025, investments in Federal Home Loan Bank ("FHLB") and Federal Farm Credit Bank ("FFCB") were rated by Standard & Poor's and/or Moody's Investors Service (FHLB and FFCB are collectively referred to as "Agency"). Standard & Poor's ratings for long-term and short-term were AA+ and A-1+, respectively. Moody's long-term and short-term ratings were Aa1 and P-1, respectively. Investments in FHLB and FFCB are implicitly guaranteed by the U.S. government. They carry ratings equivalent to the credit ratings for the U.S. government. Some investments were not rated by Fitch Ratings. Of the investments that were rated by Fitch Ratings, they carried ratings of AA+ for long-term and F1+ for short-term.

The Corporation follows its annually adopted investment guidelines in accordance with concentration limits and reviews its credit concentration monthly. The Corporation's Credit Risk unit monitors concentration risk amongst issuers and reports regularly to the Board Members of the Corporation's Audit Committee.

The following table shows issuers that represent 5% or more of total investments as of October 31, 2025: *(in thousands):*

Issuer	Dollar Amount	Percentage
FFCB	$8,192,000	59.69%
FHLB	$4,088,000	29.79%
US Treasury	$1,445,000	10.53%

For the year ended October 31, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 4.37%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

For the year ended October 31, 2025, HDC's OPEB expense was offset by the amortization of prior year's deferred inflows.

As of October 31, 2025, HDC reported OPEB-related deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Outflows/Inflows as of November 1, 2024	$1,606,000	$13,677,000
Changes for the year		
Difference between expected and actual experience	886,000	—
Change in assumptions	3,125,000	—
Difference between projected and actual investment earnings	(648,000)	—
Recognition of deferred outflows/inflows in FY 2025	(664,000)	(1,744,000)
Deferred Outflows/Inflows as of October 31, 2025	$4,305,000	$11,933,000

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

FY 2026	($1,029,000)
FY 2027	($1,037,000)
FY 2028	($1,375,000)
FY 2029	($1,385,000)
FY 2030	($1,257,000)
Thereafter	($1,545,000)

Actuarial assumptions. The total OPEB liability as of October 31, 2025 used the Entry Age Normal level percent cost method and the actuarial valuation was determined using the following actuarial assumptions.

Inflation	2.5%
Salary increases	3.0% average, including inflation
Investment rate of return	3.0%
Healthcare cost trend rates	7.0% grading down to a rate of 4.5%

Mortality. The post-retirement mortality rates were based on the actual experience of the NYCERS population and the application of the mortality improvement scale (MP-2020). The mortality improvement scale was updated to MP-2020 based on the latest data released by the Society of Actuaries. The actuarial assumptions used in the October 31, 2023, valuation were based on the results of an actuarial experience study from 2006 to 2020.

Long-Term Expected Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Real Return Arithmetic Basis
U.S. Fixed Income	100.00%	3.00%

Discount Rate. The long-term expected rate of return on plan assets is 3.00% per year, net of investment expenses. The weighted average discount rate is 4.24% in 2024. The projection of cash flows used to determine the discount rate assumed that the Corporation would continue to make payments for future benefits based on currently available assets and investment returns and will not make any additional contributions to the Trust. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees until 2035. Therefore, the long-term expected rate of return on OPEB plan investments was applied until 2034 and the 20-year S&P bond index rate was applied for all years after 2034.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability and what it would be if it were calculated using a rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate and healthcare cost trend rate.

Sensitivity of the net OPEB liability to changes in the discount rate	1% Decrease (3.24%)	Discount Rate (4.24%)	1% Increase (5.24%)
Net OPEB liability	$9,793,000	$7,081,000	$4,826,000

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	$4,229,000	$7,081,000	$10,741,000

Note 13: Due to the United States Government – Non-Current Liabilities

In order to maintain the exemption from federal income tax of interest on bonds issued subsequent to January 1, 1986, the Corporation established a separate fund, the Rebate Fund, into which amounts required to be rebated to the Federal Government pursuant to Section 148 of the Code are deposited. In general, the Code requires the payment to the U.S. Treasury of the excess of the amount earned on all non-purpose obligations over the amount that would have been earned if the gross proceeds of the issue were invested at a rate equal to the yield on the issue. Project or construction funds, debt service funds or any other funds or accounts funded with proceeds of such bonds, including earnings, or pledged to or expected to be used to pay interest on such bonds are subject to this requirement. Issues with respect to which all gross proceeds are expended for the governmental purpose of the issue within the required time period after the date of issue and debt service funds with annual gross earnings of less than $100,000 are exempt from this requirement. Payment is to be made after the end of the fifth bond year and after every fifth bond year thereafter, and within 60 days after retirement of the bonds. As of October 31, 2025 and 2024, the Corporation had an accrued rebate liability of $8,132,000 and $8,481,000, respectively.

Note 14: Commitments

(A) New York City Housing Development Corporation

(i) The Corporation's practice is to close loans only when all the funds committed to be advanced have been made available through bond proceeds or a reservation of corporate funds. Funds are invested prior to being advanced, as described in Note 3: "Investments and Deposits" and are reported as restricted assets.

(ii) The portion of closed construction loans that had not yet been advanced as of October 31, 2025 and 2024, is as follows: *(in thousands)*

Programs:	2025	2024
Multi-Family Bond Programs		
Housing Revenue	$1,365,731	$1,442,074
Corporate Services Fund Loans	47,731	111,818
HPD Grant Funds	1,202,288	1,180,978
Unadvanced Construction Loans (closed loans)	$2,615,750	$2,734,870

As of October 31, 2025, the Corporation has executed commitments to provide funding for nine bonded senior mortgage loans in the amount of $867,830,000 and subordinate loans in the amount of $78,555,000. The timing and amount will be determined at the time of loan closing.

(iii) The Corporation has made a programmatic funding commitment in support of the City's housing initiatives. HDC has reserved funds to fulfill these commitments, but the timing and amount of remaining loan closings cannot be determined. The programmatic commitment is as follows:

- On June 6, 2016, the Corporation entered into an MOU with HPD, which was amended on December 15, 2016, and amended again on June 24, 2019, that outlines the Corporation's obligations to use corporate reserves to fund construction loans for projects eligible under the Green Housing Preservation Program ("GHPP"). Under the GHPP, HPD extends construction and permanent loans to projects specifically to finance energy efficiency and water conservation improvements, as well as moderate rehabilitation to improve building conditions, reduce greenhouse gas emissions and preserve affordability. HDC has set aside $13,361,000 of its reserves for this purpose. The total amount advanced as of October 31, 2025 was $9,685,000.

- On June 13, 2023, the Corporation entered into an MOU with HPD to disburse funds from the Capacity Accelerator Program Account at HPD's direction to pay for temporary staffing, outside counsel and consultants for development work on multi-family affordable housing transactions, legal services, the training of HPD staff, and the review of processes to improve work on multi-family housing transactions. The aggregate amount of HDC corporate reserves deposited in the Capacity Accelerator Program Account will in no event exceed $7,668,000. The total amount advanced as of October 31, 2025 was $4,723,000.

- On June 27, 2023, the Corporation entered into an MOU with HPD to be used for HPD Special Initiatives loans (green loans, aging in place loans and year 15 reserve loans). From time to time, HDC will use corporate reserves to make loans for HPD Special Initiatives Projects. The aggregate amount shall not exceed $25,000,000. As of October 31, 2025, HDC had set aside $13,300,000 of its reserves for this purpose and the total amount advanced as of October 31, 2025 was $3,490,000.

- On August 13, 2024, the Corporation entered into an MOU with HPD, pursuant to which the City and the Battery Park City Authority (BPCA), in accordance with the 2024 Agreement and Consent, determined that a total of $500,000,000 in Section 7A funds (Affordable Housing Allocation) shall be paid to HDC for deposit in the Affordable Housing Accelerator Fund, a program administered by HDC and used as a funding source by HDC and HPD to address New York City's affordable housing challenges. As of October 31, 2025, HDC had received $79,461,000 and had not yet made any advances. As of October 31, 2025, HPD had received $106,961,000 and had advanced a total of $23,898,000.

(B) New York City Residential Mortgage Insurance Corporation

As of October 31, 2025 and 2024, REMIC insured loans with coverage amounts totaling $496,082,000 and $475,259,000, respectively, and had outstanding commitments to insure loans with a maximum insurance coverage amount of $191,629,000 and $185,045,000, respectively.

Note 15: Financial Guaranties

(A) NYCHA Tax Credit Guaranty

On April 2, 2012, the Corporation entered into a Guaranty Agreement with Citibank to guaranty the yield on Citibank's investment in the Low-Income Housing Tax Credit ("LIHTC") created pursuant to the NYCHA Tax Credit Transaction. In return, the Corporation received $16.0 million as a guaranty fee from Citibank, less fees and expenses of $929,000 incurred under this agreement.

On July 15, 2013, Citibank transferred 100% of its rights under the Guaranty Agreement to Wells Fargo Holdings ("Wells Fargo"). As of that date, the Guaranty Agreement between Citibank and HDC was terminated, and a new agreement was signed between HDC and Wells Fargo. As a condition of Citibank selling its rights under the Guaranty Agreement, the Corporation received an additional $8.0 million of guaranty fee from Wells Fargo, less fees and expenses of $320,000 incurred under this agreement.

Under the Guaranty Agreement between HDC and Wells Fargo, the Corporation agreed to guaranty a minimum rate of return on Wells Fargo's tax credit investment in the NYCHA Public Housing Preservation I, LLC through a 15-year compliance period. The minimum rate of return is equal to an annual effective rate of 4.50% on an after-tax basis return on its tax credit investment over the 15-year compliance period. During the compliance period, from time-to-time NYCHA LLC-I will determine if the total benefits allocated or paid to Wells Fargo through such date, together with the tax benefits projected to be received by Wells Fargo thereafter through the coverage period termination date, are sufficient to keep Wells Fargo on track to achieve the minimum return. If it is determined that Wells Fargo is not on track to achieve the minimum return through the coverage period termination date, the Corporation shall have the option, but not the obligation, subject to a cap amount of $96,000,000, to make a payment to Wells Fargo under the Guaranty Agreement in an amount equal to the optional minimum return deficiency amount.

The NYCHA Tax Credit transaction required the establishment and funding of several project reserves and guaranties in order to ensure timely completion of rehabilitation, which has in fact proceeded on time and within budget. As of October 31, 2025, the unamortized guaranty fee was $3,856,000 and the Corporation has designated the same amount for the financial guaranty reserve (see Note 16: "Contingencies"). The likelihood that HDC must pay out under this guaranty decreases with the passage of time. HDC recognizes the guaranty fee on a straight-line basis over the covered period, which is 15 years.

On September 23, 2024, with the consent of HDC, Wells Fargo transferred its interest in NYCHA LLC-I to NYCHA I Housing Development Fund Corporation. HDC reaffirmed its obligation under the original transaction to Wells Fargo which continues past the tax credit compliance periods to allow for certain potential catch-up allocations related to Wells Fargo's tax calculation. It is a condition in HDC's consent letter that NYCHA continue to hold the $15,000,000 reserve, which is expected to be used first before HDC's obligation takes effect. This places HDC in a favorable position, and the exit of Wells Fargo has no material impact on HDC's related guaranty reserve. HDC's obligation extended three additional years through December 31, 2031.

(B) Co-op City Guaranty

On November 28, 2012, and extended on March 3, 2022, the Corporation entered into a Credit Support Agreement with Wells Fargo Bank National Association ("Wells Fargo Bank"), HUD and SONYMA. Wells Fargo Bank agreed to make a mortgage in the amount of $621,500,000 to a Mitchell-Lama cooperative housing development named Co-op City in the Bronx, New York. As a precondition of endorsing the loan for insurance, HUD acting through FHA required SONYMA and HDC each to provide a portion of top–loss guaranty on the loan.

Pursuant to the agreement between HDC and HUD, HDC agreed to provide $15,000,000 as a guaranteed amount to Wells Fargo Bank in the event of a default by the cooperative. The Corporation agreed to fund the full amount of the top-loss guaranty in a segregated designated account for the duration of the HDC top-loss guaranty. As of October 31, 2025 and 2024, the Corporation has designated $15,000,000 as a financial guaranty reserve (see Note 16: "Contingencies").

(C) Federal Housing Administration Risk Sharing Program

In November 2011, the Corporation entered an amended risk sharing agreement with HUD. HDC participates in the Risk Sharing Program to obtain 100% insurance on certain loans made by HDC for affordable multifamily housing. The risk sharing allocation between HDC and HUD will be on a project-by-project basis and take effect when the loan converts to permanent financing.

In fiscal year 2014, the Corporation entered into a second risk-sharing agreement with HUD specifically for loans in the FFB program, which largely mirrors the terms of the existing amended Risk-Sharing Agreement but requires HDC to assume 50% of the loss. HDC has established a guaranty reserve for risk sharing obligations to FHA if there is a loss on a mortgage loan.

As of October 31, 2025, the required guaranty fee was $6,882,000 and the Corporation has designated the same amount as a financial guaranty reserve under the FHA risk-sharing mortgage insurance program for fifty-four participating projects (see Note 16: "Contingencies").

(D) NYCHA PACT Program

To support the NYCHA Permanent Affordability Commitment Together ("PACT") Program, the Corporation issued various Housing Impact Bond series since FY 2020 to finance mortgage loans to assist with the rehabilitation and preservation of developments in the NYCHA portfolio. As of October 31, 2025, there were no defaults, and no collateral was required. Below are descriptions of the risk sharing agreements.

1. Funding Loan Agreement that guaranties repayment of the loan in the event of a default by the borrower.

2. Loss Share Agreement either with Fannie Mae or Freddie Mac where HDC will provide 10% top loss guaranty in the event of a default by the borrower. Additionally, under a reserve agreement, HDC is required to post collateral with a collateral custodian if its long-term issuer rating falls below AA-. The collateral is used to reimburse either Freddie Mac or Fannie Mae in the event of a loss.

The summary of the risk-sharing agreements were as follows:

Project	Agreement Type	Outstanding Loan Amount	Top Loss Amount
PACT Brooklyn Bundle II (2020 Series A and B)	Funding Agreement	$361,814,907	$36,386,036
PACT Manhattan Bundle (2020 Series C and D)	Loss Share Agreement (1)	283,955,227	28,395,523
PACT Harlem River I and II (2022 Series A)	Funding Agreement	104,250,000	10,425,000
PACT Edenwald (2023 Series A)	Loss Share Agreement (2)	320,305,000	32,030,500
PACT Sack Wern (2024 Series A and B)	Funding Agreement	72,100,000	7,210,000
PACT West Brighton (2024 Series A and B)	Funding Agreement	88,150,000	8,815,000
PACT Boston Secor, Boston Road Plaza, Middletown Plaza (2024 Series C-1 and D)	Funding Agreement	129,185,000	12,920,000
PACT Frederick Samuels (2024 Series C-2 and D)	Funding Agreement	70,630,000	7,063,000
PACT Northwest Bronx (2025 Series A and B)	Funding Agreement	248,430,000	24,845,000
PACT Metro North White House (2025 Series C and D)	Funding Agreement	89,070,000	8,910,000
PACT Ocean Hill/Stuyvesant Gardens (2025 Series C and D)	Funding Agreement	150,965,000	15,100,000
Total		$1,918,855,134	$192,100,058

(1) Fannie Funding Loan Agreement
(2) Freddie Funding Loan Agreement

Note 16: Contingencies

In the normal conduct of business, the Corporation is involved in litigation matters. In the opinion of management and the Corporation's legal counsel, the ultimate disposition of such litigation should not have a material adverse effect on the financial position of the Corporation.

As discussed in Note 15 above, the Corporation entered into several guaranty agreements with various entities in order to finance certain projects. To meet its obligations, in the event that payments are required, the Corporation set aside various reserves to cover these guaranties. These reserves are held as Designated under Unrestricted Net Position (see Note 17: "Net Position").

The reserves as of October 31, 2025 and 2024 are summarized in the chart below:

Financial Guaranties	2025	2024
NYCHA Tax Credit Guaranty	$3,856,000	$4,556,000
Co-op City Guaranty	15,000,000	15,000,000
FHA Risk Sharing	6,882,000	5,316,000
Total	$25,738,000	$24,872,000

Note 17: Net Position

The Corporation's Net Position represents the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources and consists largely of mortgage loans and investments.

HDC's net position is categorized as follows:

- Restricted Net Position is net position that has been restricted in use in accordance with the terms of an award, agreement, or by State law. This includes net position restricted by bond resolutions, contractual obligations with HPD and HUD, and REMIC reserves that are required by statute, among other items (see chart below).

- Unrestricted Net Position is the remaining net position, which can be further categorized as Designated or Undesignated. Designated Net Position is not governed by statute or contract but is committed for specific purposes pursuant to HDC policy and/or Member directives. Designated Net Position includes funds and assets committed to various housing initiatives, reserves to maintain HDC's credit ratings, and working capital.

Changes in Net Position

The changes in Net Position are as follows:
(in thousands)

HDC and Component Units

	Restricted	Unrestricted	Total
Net position at October 31, 2023	$3,609,719	$495,072	$4,104,791
Income	576,894	163,076	739,970
Transfers	(42,147)	42,147	—
Net position at October 31, 2024	$4,144,466	$700,295	$4,844,761
Income	604,098	142,919	747,017
Transfers	21,922	(21,922)	—
Net position at October 31, 2025	$4,770,486	$821,292	$5,591,778

Summary of Restricted Net Position *(in thousands)*	2025	2024
Multi-Family Bond Programs	$4,401,713	$3,776,920
BPCA Funds	222,430	226,308
Corporate Debt Service Reserve 2014 Series B and 2018 Series B	8,801	9,177
REMIC Insurance Reserve	137,542	132,061
Total Restricted Net Position	$4,770,486	$4,144,466

Of the total Unrestricted Net Position listed below, $441,697,000 and $453,891,000 is for existing mortgages and other loans as of October 31, 2025 and 2024, respectively. An additional fund of $89,346,000 and $40,628,000, respectively, has been designated by senior management of the Corporation for future mortgage advances pursuant to housing programs established by the Corporation. The Corporation also has $52,598,000 and $55,471,000 in leases and other capital assets as of October 31, 2025 and 2024, respectively.

Summary of Unrestricted Net Position *(in thousands)*	2025	2024
Designated Net Position:		
Existing Mortgages	$441,697	$453,891
Housing Programs and Commitments	89,346	40,628
Working Capital	38,661	34,234
Bond Reserve	220,000	200,000
Unrealized Investment Gains (Losses)	(101,484)	(150,108)
Financial Guaranty Reserves (Notes 15 and 16)	25,738	24,872
REMIC Insurance Reserves	54,736	41,307
Total Designated Net Position	768,694	$644,824
Net Investment in Capital Assets:		
Capital Assets, net	52,598	$55,471
Total Net Investment in Capital Assets	$52,598	$55,471

In fiscal year 2025, net position transferred from unrestricted to restricted was a net amount of $21,922,000. The amount represents transfer of mortgage loans originated with corporate reserves into the Open Resolution as a result of securitizations, net of transfers of excess in the Open Resolution, as well as transfer of amounts exceeding REMIC reserve requirement.

Note 18: Subsequent Events

Subsequent to October 31, 2025, bonds issued in the course of the Corporation's normal business activities were $1,470,215,000.

Although the interest rates and inflation have decreased from their peaks, they continue to negatively impact some renters and housing operating costs. HDC is diligently monitoring the mortgage portfolio and providing prompt assistance to borrowers to ensure projects remain on solid footing. As in previous years, the Corporation continues its business of issuing bonds at a healthy pace and maintains strong financial performance.

Schedule 1a:

Schedule of Changes in the Net OPEB Liability and Related Ratios
($ in thousands)

	2025	2024	2023	2022	2021
Total OPEB liability					
Service cost	$ 857	$ 864	$ 1,434	$ 1,572	$ 1,401
Interest	760	698	489	421	689
Changes of benefit terms	-	-	793	-	-
Difference between expected and actual experience	886	(88)	(1,753)	(116)	(1,689)
Changes of assumptions	3,125	(405)	(6,101)	(846)	513
Benefit payments	(462)	(463)	(202)	(214)	(97)
Net change in total OPEB liability	5,166	606	(5,340)	817	817
Total OPEB liability - beginning	14,207	13,601	18,941	18,124	17,307
Total OPEB liability - ending (a)	$ 19,373	$ 14,207	$ 13,601	$ 18,941	$ 18,124
Plan fiduciary net position					
Contribution - employer		-	-	5,000	-
Net investment income	994	291	(1,530)	1	251
Benefit payment	(462)	(463)	(202)	(214)	(97)
Administrative expense	(5)	(5)	(4)	(4)	(4)
Net change in plan fiduciary net position	527	(177)	(1,736)	4,783	150
Plan fiduciary net position - beginning	11,765	11,942	13,678	8,895	8,745
Plan fiduciary net position - ending (b)	$ 12,292	$ 11,765	$ 11,942	$ 13,678	$ 8,895
Net OPEB liability - ending (a) - (b)	$ 7,081	$ 2,442	$ 1,659	$ 5,263	$ 9,229
Plan fiduciary net position as a percentage of the total OPEB liability	63.45%	82.81%	87.80%	72.21%	49.08%
Covered payroll	$29,317	$27,314	$22,618	$21,152	$19,711
Net OPEB liability as a percentage of covered payroll	24.15%	8.94%	7.33%	24.88%	46.82%

	2020	2019	2018	2017
Total OPEB liability				
Service cost	$ 1,308	$ 1,500	$ 1,389	$ 1,346
Interest	657	803	759	683
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(255)	(1,285)	(154)	-
Changes of assumptions	165	(7,568)	(716)	1,007
Benefit payments	(140)	(102)	(107)	(95)
Net change in total OPEB liability	1,735	(6,652)	1,171	2,941
Total OPEB liability - beginning	15,572	22,224	21,053	18,112
Total OPEB liability - ending (a)	$ 17,307	$ 15,572	$ 22,224	$ 21,053
Plan fiduciary net position				
Contribution - employer	-	-	-	-
Net investment income	471	122	131	113
Benefit payment	(140)	(102)	(107)	(95)
Administrative expense	(4)	(4)	(4)	-
Net change in plan fiduciary net position	327	16	20	18
Plan fiduciary net position - beginning	8,418	8,402	8,382	8,364
Plan fiduciary net position - ending (b)	$ 8,745	$ 8,418	$ 8,402	$ 8,382
Net OPEB liability - ending (a) - (b)	$ 8,562	$ 7,154	$ 13,822	$ 12,671
Plan fiduciary net position as a percentage of the total OPEB liability	50.53%	54.06%	37.81%	39.81%
Covered payroll	$18,572	$17,487	$16,535	$15,517
Net OPEB liability as a percentage of covered payroll	46.10%	40.91%	83.59%	81.66%

Notes to Schedule:

Changes of assumptions:

In fiscal year 2025, the projection of cash flows used to determine the discount assumed that HDC will continue to make payments for future benefits payments based on currently available assets and investment returns and will not make any additional contributions to the Trust.

In fiscal year 2025, the termination, disability, and retirement rates were updated to be consistent with those in the 2025 NYCERS Assumptions and Methods Report.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule 1b:

Schedule of the Corporation's OPEB Contributions ($ in thousands)

	2025	2024	2023	2022	2021
Actuarially determined contribution	$ 2,415	$ 1,660	$ 1,806	$ 2,006	$ 1,919
Contributions in relation to the actuarially determined contribution (funded from trust assets)	2,415	1,660	1,806	2,006	1,919
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
HDC covered payroll	$29,317	$27,314	$22,618	$ 21,152	$ 19,711
Contributions as a percentage of covered payroll	8%	6%	8%	9%	10%

	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 1,560	$ 1,555	$ 1,607	$ 1,617	$ 2,132
Contributions in relation to the actuarially determined contribution	1,560	1,555	1,607	1,617	2,132
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
HDC covered employee payroll	$ 18,572	$ 17,487	$ 16,535	$ 15,517	$ 16,165
Contributions as a percentage of covered payroll	8%	9%	10%	10%	13%

Notes to Schedule:

Changes in benefit terms: None

Changes in assumptions: Yes

In 2023 the healthcare cost trend rates changed to "7.0% grading down to a rate of 4.5%" from previous year of "6.1% grading down to a rate of 4.5%".

In the 2023 actuarial valuation, assumed life expectancies were adjusted based on the actual experience of the NYCERS population and the application of the MP-2020 mortality improvement scale.

Valuation date:
Actuarially determined contributions rates are calculated as of October 31, one year prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll closed
Amortization period	30 years
Asset valuation method	5-year amortization market
Inflation	2.5 percent
Salary increases	3.0%, average, including inflation
Investment rate of return	3.0%, net of OPEB plan investment expense
Retirement age	In the 2023 actuarial valuation, expected retirement ages of general employees were updated to be consistent with those in the 2023 NYCERS Assumptions and Methods Report.

Schedule 1c:

Schedule of the Corporation's OPEB Investment Return

	2025	2024	2023	2022	2021
Annual money-weighted rate of return, net of investment expense	4.37%	3.16%	2.72%	2.08%	2.19%

	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	2.19%	2.19%	2.32%	1.17%	1.71%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, OPEB plans should present information for those years for which information is available.

New York City Housing Development Corporation
Required Supplementary Information

October 31, 2025

Schedule 2a:
The following schedule 2a is being presented to provide information on the Corporation's proportionate share of the Net Pension Liability.

Schedule of the Corporation's Proportionate Share of the Net Pension Liability

	2025	2024	2023	2022	2021
HDC's proportion of the net pension liability	0.074%	0.065%	0.066%	0.067%	0.060%
HDC's proportionate share of the net pension liability	$ 9,797,257	$ 10,728,631	$ 11,808,751	$ 12,203,762	$ 3,840,210
HDC's covered payroll	16,527,525	15,191,946	12,798,635	8,842,746	9,879,152
HDC's proportionate share of the net pension liability as a percentage of its covered payroll	59%	71%	92%	138%	39%
Plan fiduciary net position as a percentage of the total pension liability	87.66%	84.25%	82.22%	81.28%	93.14%

	2020	2019	2018	2017	2016
HDC's proportion of the net pension liability	0.057%	0.054%	0.051%	0.053%	0.053%
HDC's proportionate share of the net pension liability	$ 11,921,719	$ 10,048,926	$ 9,325,396	$ 10,991,263	$ 12,877,315
HDC's covered payroll	9,582,832	9,696,963	9,283,052	10,244,624	10,045,598
HDC's proportionate share of the net pension liability as a percentage of its covered payroll	124%	104%	100%	107%	128%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	78.84%	78.87%	74.84%	69.67%

Notes to Schedule
Changes in benefit terms: None
Changes in assumptions: Yes

The current fiscal year post-retirement mortality tables used were adopted by the Board of Trustees during fiscal year 2020.

New York City Housing Development Corporation
Required Supplementary Information
October 31, 2025

Schedule 2b:
The following schedule 2b is being presented to provide information on the Corporation's Pension Contributions

Schedule of the Corporation's Pension Contributions ($ in thousands)

	2025	2024	2023	2022	2021
Contractually required contribution	$ 2,916	$ 2,330	$ 2,288	$ 2,583	$ 2,253
Contributions in relation to the contractually required contribution	2,916	2,330	2,288	2,583	2,253
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
HDC covered payroll	$ 16,528	$ 15,192	$ 12,799	$ 8,843	$ 9,879
Contributions as a percentage of covered payroll	18%	15%	18%	29%	23%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 2,108	$ 2,003	$ 1,724	$ 1,779	$ 1,784
Contributions in relation to the contractually required contribution	2,108	2,003	1,724	1,779	1,784
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
HDC covered payroll	$ 9,583	$ 9,697	$ 9,283	$ 10,245	$ 10,046
Contributions as a percentage of covered payroll	22%	21%	19%	17%	18%

Schedule 3:
The following schedule is being presented to provide detail information on a program basis for the owners of the Housing Revenue Bond program's obligations

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	$ 883,624	$ 575,783
Investments	24,782	24,274
Receivables:		
Mortgage loans	580,187	625,125
Accrued interest	125,239	93,113
Other	4,498	5,376
Total Receivables	709,924	723,614
Total Current Assets	**1,618,330**	**1,323,671**
Noncurrent Assets:		
Restricted cash and cash equivalents	1,185,777	913,048
Restricted investments	919,877	848,313
Purpose investments	15,577	16,102
Restricted receivables:		
Mortgage loans	13,930,443	13,409,148
Loan participation receivable - The City of NY	426,540	437,189
Accrued interest	115,244	91,821
Total Restricted Receivables	14,472,227	13,938,158
Primary government/component unit receivable (payable)	26,230	27,848
Deferred inflows related to interest rate swaps fair value	211,660	198,199
Total Noncurrent Assets	**16,831,348**	**15,941,668**
Total Assets	**18,449,678**	**17,265,339**
Deferred Outflows of Resources		
Interest rate cap	446	1,324
Deferred outflows related to interest rate swaps	7,982	6,824
Total Deferred Outflows of Resources	**$ 8,428**	**$ 8,148**

Schedule 3 (cont'd):

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Liabilities		
Current Liabilities:		
Bonds payable (net)	$ 191,620	$ 217,195
Accrued interest payable	208,277	185,287
Restricted earnings on investments	3	3
Accounts and other payables	46,939	17,904
Total Current Liabilities	**446,839**	**420,389**
Noncurrent Liabilities:		
Bonds payable (net)	13,062,417	12,318,497
Payable to The City of New York:		
Loan participation agreements	426,540	437,189
Payable to mortgagors	1,230	1,361
Derivative instrument - interest rate swaps	7,982	6,824
Unearned revenues and other liabilities	510,071	523,130
Due to the United States Government	8,058	8,042
Total Noncurrent Liabilities	**14,016,298**	**13,295,043**
Total Liabilities	**14,463,137**	**13,715,432**
Deferred Inflows of Resources		
Interest rate swaps fair value	211,660	198,199
Total Deferred Inflows of Resources	**211,660**	**198,199**
Net Position		
Restricted for bond obligations	3,783,309	3,359,856
Total Net Position	**$ 3,783,309**	**$ 3,359,856**

Schedule 3 (cont'd):

Housing Revenue Bond Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years ended October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Operating Revenues		
Interest on loans	$ 601,972	$ 544,472
Fees and charges	25,715	38,388
Residual interest income	10,676	20,833
Income on loan participation interests	3,010	93
Other	682	1,119
Total Operating Revenues	**642,055**	**604,905**
Operating Expenses		
Trustees' and other fees	2,578	2,550
Total Operating Expenses	**2,578**	**2,550**
Operating Income	**639,477**	**602,355**
Non-operating Revenues (Expenses)		
Interest and amortization of bond premium and discount	(439,871)	(396,553)
Bond issuance costs	(9,938)	(9,730)
Earnings on investments	100,745	82,367
Unrealized gains on investments	38,981	85,186
Total Non-operating Revenues (Expenses)	**(310,083)**	**(238,730)**
Income before Operating transfers to Corporate Services Fund	**329,394**	**363,625**
Operating transfers to Corporate Services Fund	(13,144)	(13,024)
Net Income	**316,250**	**350,601**
Capital transfers	107,203	91,242
Changes in Net Position	**423,453**	**441,843**
Total net position - beginning of year	3,359,856	2,918,013
Total Net Position - End of Year	**$ 3,783,309**	**$ 3,359,856**

Schedule 4:
The following schedule is being presented to provide detail information on a program basis for the owners of the Multi-Family Secured Mortgage Revenue Bonds

Multi-Family Secured Mortgage Revenue Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	$ -	$ 581
Investments	-	-
Receivables:		
Mortgage loans	-	-
Accrued interest	-	-
Total Receivables	-	-
Total Current Assets	**-**	**581**
Noncurrent Assets:		
Restricted investments	-	-
Restricted receivables:		
Mortgage loans	-	-
Total Restricted Receivables	-	-
Total Noncurrent Assets	**-**	**-**
Total Assets	**$ -**	**$ 581**

Schedule 4 (cont'd):

Multi-Family Secured Mortgage Revenue Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Liabilities		
Current Liabilities:		
Bonds payable (net)	$ -	$ -
Accrued interest payable	-	-
Total Current Liabilities	**-**	**-**
Noncurrent Liabilities:		
Bonds payable (net)	-	-
Total Noncurrent Liabilities	**-**	**-**
Total Liabilities	**-**	**-**
Net Position		
Restricted for bond obligations	-	581
Total Net Position	**$ -**	**$ 581**

Schedule 4 (cont'd):

Multi-Family Secured Mortgage Revenue Bond Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years ended October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Operating Revenues		
Interest on loans	$ -	$ 2,653
Total Operating Revenues	**-**	**2,653**
Operating Expenses		
Total Operating Expenses	**-**	**-**
Operating Income	**-**	**2,653**
Non-operating Revenues (Expenses)		
Interest and amortization of bond premium and discount	-	(345)
Earnings on investments	13	427
Total Non-operating Revenues (Expenses)	**13**	**82**
Net Income	**13**	**2,735**
Capital transfers	(594)	(66,024)
Changes in Net Position	**(581)**	**(63,289)**
Total net position - beginning of year	581	63,870
Total Net Position - End of Year	**$ -**	**$ 581**

Schedule 5:
The following schedule is being presented to provide detail information on a program basis for the owners of the Housing Impact Bond

Housing Impact Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	$ 54,146	$ 37,284
Receivables:		
Mortgage loans	7,543	6,654
Accrued interest	7,732	5,397
Total Receivables	15,275	12,051
Total Current Assets	**69,421**	**49,335**
Noncurrent Assets:		
Restricted cash and cash equivalents	46	3
Restricted investments	577,885	449,381
Restricted receivables:		
Mortgage loans	1,911,312	1,430,390
Total Restricted Receivables	1,911,312	1,430,390
Primary government/component unit receivable	5,500	3,789
Total Noncurrent Assets	**2,494,743**	**1,883,563**
Total Assets	**$ 2,564,164**	**$ 1,932,898**

Schedule 5 (cont'd):

Housing Impact Bond Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Liabilities		
Current Liabilities:		
Bonds payable (net)	$ 7,210	$ 6,500
Accrued interest payable	20,177	12,161
Total Current Liabilities	**27,387**	**18,661**
Noncurrent Liabilities:		
Bonds payable (net)	1,913,610	1,432,355
Payable to mortgagors	568,335	449,363
Unearned revenues and other liabilities	5,500	3,789
Due to the United States Government	74	439
Total Noncurrent Liabilities	**2,487,519**	**1,885,946**
Total Liabilities	**2,514,906**	**1,904,607**
Net Position		
Net Position:		
Restricted for bond obligations	49,258	28,291
Total Net Position	**$ 49,258**	**$ 28,291**

Schedule 5 (cont'd):

Housing Impact Bond Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years ended October 31, 2025 and 2024 ($ in thousands)

		2025		2024
Operating Revenues				
Interest on loans	$	69,743	$	47,042
Fees and charges		7,388		5,542
Total Operating Revenues		**77,131**		**52,584**
Operating Expenses				
Total Operating Expenses		**-**		**-**
Operating Income		**77,131**		**52,584**
Non-operating Revenues (Expenses)				
Interest and amortization of bond premium and discount		(61,323)		(40,247)
Bond issuance costs		(4,211)		(2,842)
Earnings on investments		16,878		11,716
Unrealized gains (losses) on investments		(4,331)		(6,751)
Total Non-operating Revenues (Expenses)		**(52,987)**		**(38,124)**
Income before Operating transfers to Corporate Services Fund		**24,144**		**14,460**
Operating transfers to Corporate Services Fund		(3,663)		(2,700)
Net Income		**20,481**		**11,760**
Capital transfers		486		2
Changes in Net Position		**20,967**		**11,762**
Total net position - beginning of year		28,291		16,529
Total Net Position - End of Year	**$**	**49,258**	**$**	**28,291**

Schedule 6:
The following schedule is being presented to provide detail information on a program basis for the owners of Conduit Debt

Conduit Debt Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	$ 111,405	$ 104,125
Investments	43,354	66,774
Receivables:		
Mortgage loans	6,090	7,256
Accrued interest	9,512	11,594
Notes Receivable	29,150	48,275
Total Receivables	44,752	67,125
Total Current Assets	**199,511**	**238,024**
Noncurrent Assets:		
Restricted cash and cash equivalents	4,606	4,459
Restricted investments	19,055	29,310
Restricted receivables:		
Mortgage loans	2,375,736	2,613,736
Notes	270,350	299,500
Total Restricted Receivables	2,646,086	2,913,236
Primary government/component unit receivable	34	-
Total Noncurrent Assets	2,669,781	2,947,005
Total Assets	**2,869,292**	**3,185,029**
Deferred Outflows of Resources		
Deferred loss on early retirement of debt	2,551	2,893
Total Deferred Outflows of Resources	**$ 2,551**	**$ 2,893**

Schedule 6 (cont'd):

Conduit Debt Program
Schedule of Net Position
October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Liabilities		
Current Liabilities:		
Bonds payable (net)	$ 35,825	$ 57,420
Accrued interest payable	13,363	15,366
Restricted earnings on investments	34,238	31,102
Total Current Liabilities	**83,426**	**103,888**
Noncurrent Liabilities:		
Bonds payable (net)	2,647,270	2,913,044
Payable to The City of New York:		
Loan participation agreements	-	-
Others	-	-
Payable to mortgagors	132,837	152,551
Unearned revenues and other liabilities	8,310	18,439
Total Noncurrent Liabilities	**2,788,417**	**3,084,034**
Total Liabilities	**2,871,843**	**3,187,922**
Net Position		
Restricted for bond obligations	-	-
Total Net Position	**$ -**	**$ -**

Schedule 6 (cont'd):

Conduit Debt Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended October 31, 2025 and 2024 ($ in thousands)

	2025	2024
Operating Revenues		
Interest on loans	$ 106,468	$ 111,224
Fees and charges	5,401	-
Other	342	512
Total Operating Revenues	**112,211**	**111,736**
Total Operating Expenses	**-**	**-**
Operating Income	**112,211**	**111,736**
Non-operating Revenues (Expenses)		
Interest and amortization of bond premium and discount	(106,465)	(111,241)
Bond issuance costs	(1,607)	(512)
Earnings on investments	20	17
Total Non-operating Revenues (Expenses)	**(108,052)**	**(111,736)**
Income before Operating transfers to Corporate Services Fund	**4,159**	**-**
Operating transfers to Corporate Services Fund	(4,159)	-
Net Income	**-**	**-**
Capital transfers	-	-
Changes in Net Position	**-**	**-**
Total net position - beginning of year	-	-
Total Net Position - End of Year	**$ -**	**$ -**