



MEMORANDUM

To: The Chairperson and Members

From: Eric Enderlin 
President

Date: March 20, 2026

Re: Multi-Family Housing Revenue Bonds, 2026 Series E, 2026 Series F and Approval of Mortgage Loans

I am pleased to recommend that the Members approve the issuance of the Corporation’s Multi-Family Housing Revenue Bonds, 2026 Series E and 2026 Series F (the “2026 Series E Bonds” and “2026 Series F Bonds,” respectively, and collectively, the “Bonds”) in an amount not expected to exceed \$338,310,000.

The Bonds, together with the Corporation’s unrestricted reserves and available funds of the Multi-Family Housing Revenue Bonds Bond Resolution (the “Open Resolution”), are expected to be used to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects, and other activities as described herein.

Interest on the 2026 Series E Bonds is expected to be exempt from Federal and New York State and local income tax and such bond series will qualify as tax-exempt private activity bonds with an allocation of new private activity bond volume cap, an allocation of “recycled” volume cap in accordance with the Housing and Economic Recovery Act of 2008 (“HERA”), and/or the refunding of certain outstanding bonds or obligations of the Corporation. Interest on the 2026 Series F Bonds is not expected to be exempt from Federal income tax but is expected to be exempt from New York State and local income tax. The anticipated interest rates, maturity dates, and other relevant terms of the Bonds are described herein.

An Authorizing Resolution will authorize the 385th and 386th Supplemental Resolutions.

The following is a background of the Open Resolution, the proposed uses of the Bonds, and a description of their structure and security.

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Background and Status of the Open Resolution

Under the Open Resolution, the Corporation has issued bonds (a) to finance or acquire mortgage loans for multi-family rental and cooperative housing developments throughout New York City, (b) to refund other bond issues of the Corporation, which had financed other multi-family developments, and (c) to acquire a 100% interest in City-owned mortgages. As of October 31, 2025, there were 1,329 mortgage loans (1,183 permanent loans and 146 construction loans) held under the Open Resolution with a total outstanding principal balance of approximately \$14,098,303,650 including \$10,168,724,246 in permanent loans and \$3,929,579,403 in construction loans. These mortgage loans, together with funds in the Bond Proceeds Account and Debt Service Reserve Account, totaled \$16,080,007,660 as of October 31, 2025. There are no material monetary defaults on any of the mortgage loans as of October 31, 2025. Delinquencies over 90 days are disclosed in the Corporation’s offering statement. As of October 31, 2025, there were \$12,877,890,000 of Open Resolution bonds outstanding, not including bonds issued under the Federal New Issue Bond Program (NIBP) and bonds issued under the 2017 Pass-Through Resolution. Subsequent to October 31, 2025, the Corporation issued \$1,554,090,000 of Open Resolution bonds.

Proposed Uses for the 2026 Series E and 2026 Series F Bond Proceeds

It is anticipated that all or a portion of the proceeds of the 2026 Series E Bonds and the 2026 Series F Bonds in an amount not expected to exceed \$248,350,000, together with the Corporation’s unrestricted reserves and/or the available funds in the Open Resolution, will be used to finance all or a portion of the senior and/or subordinate mortgage loans for the two (2) developments described in the table below.

Expected Bond Series	Development Name (Borough)	Units	Project Type	Loan	Expected Not to Exceed Amount
2026 Series E/ 2026 Series F	1959 Jerome Avenue Apartments (Bronx)	290	ELLA	Senior	\$80,670,000
				Subordinate	\$20,735,000
2026 Series E/ 2026 Series F	Willets Point Building 3 (Queens)	221	ELLA /Section 8	Senior	\$131,140,000
				Subordinate	\$15,805,000
TOTAL SENIOR LOAN AMOUNT:					\$211,810,000
TOTAL SUBORDINATE LOAN AMOUNT:					\$36,540,000
TOTAL LOAN AMOUNT:					\$248,350,000

For more information on these developments, please see Attachments “1” through “2”.

It is also anticipated that the remaining portion of the proceeds of the 2026 Series E Bonds, in an amount not expected to exceed \$89,960,000, will be used to finance and/or reimburse the Corporation for amounts previously advanced from its unrestricted reserves to finance all or a portion of certain subordinate loans for certain of the developments described in Attachment “3”.

The Members have previously approved the subordinate loans for the developments described in Attachment “3” and are now being asked to approve the use of the 2026 Series E bond proceeds for the financing of, or reimbursement for, all or a portion of the loans described therein. The issuance of the 2026 Series E Bonds for this purpose will allow for the replenishment of the Corporation’s reserves, which can then be re-lent to new developments in furtherance of the Corporation’s commitment to the mayor’s housing plan.

Structure of the Bonds

The Members are being asked to authorize the issuance of the Bonds pursuant to multi-modal Supplemental Resolutions. Accordingly, all or a portion of the Bonds may be converted to other interest rate modes provided for in the Supplemental Resolution such as a fixed rate or variable rate including term rate bonds, variable-rate index bonds, variable-rate demand obligations, adjustable-rate remarketed securities, and variable-rate remarketed obligations.

The Bonds are expected to be issued as described below; however, the Authorizing Resolution relating to the Bonds will provide that a senior officer of the Corporation may determine to combine supplemental resolutions or issue the Bonds in multiple issuances pursuant to the same resolution and in one or more series or sub-series, as taxable or tax-exempt, as long as the total amount of Bonds issued does not exceed \$338,310,000 and the interest rate on the Bonds does not exceed 15.00% (except as described below). The Corporation expects to designate the 2026 Series E and 2026 Series F Bonds as Sustainable Development Bonds.

2026 Series E

It is anticipated that a portion of the 2026 Series E Bonds, in an amount not expected to exceed \$202,125,000 (the “2026 Series E-1 Bonds”), will initially be issued as tax-exempt, fixed-rate bonds to finance a portion of the long-term 2026 Series E mortgage loans. The 2026 Series E-1 Bonds are expected to have a true interest cost of approximately 5.50% during the initial fixed rate period, which is expected to be approximately forty (40) years.

It is anticipated that the remaining portion of the 2026 Series E Bonds, in an amount not expected to exceed \$88,805,000 (the “2026 Series E-2 Bonds”), will initially be issued as tax-exempt, fixed-rate bonds to finance a portion of the short-term senior 2026 Series E mortgage loans. The 2026 Series E-2 Bonds are expected to have a true interest cost of approximately 3.40% during the initial fixed rate period, which is expected to be approximately four (4) years.

2026 Series F

It is anticipated that the 2026 Series F Bonds, in an amount not expected to exceed \$47,380,000 will be issued as taxable, fixed-rate bonds to finance a portion of the 2026 Series F short-term senior mortgage loans. The 2026 Series F Bonds are expected to have a true interest cost of approximately 4.75% during the initial fixed rate term, which is expected to be approximately four (4) years.

Security for Bonds

All Open Resolution Bonds will be issued on a parity basis with all outstanding previous series of bonds issued under the Open Resolution from July 1993 to date. As a result, all Bonds will be secured on a parity basis with all the collateral currently held under the Open Resolution. As of October 31, 2025, that collateral consisted of the following:

TYPE OF COLLATERAL	# OF LOANS	AMOUNT	% OF TOTAL
FHA Insured Mortgage Loans	56	\$2,118,737,924	13.18%
Fannie Mae/Freddie Mac Enhanced Mortgage Loans	26	694,958,387	4.32%
GNMA	2	15,526,019	0.10%
SONYMA Insured Mortgages	69	683,247,195	4.25%
REMIC/SONYMA Insured Mortgages	3	145,848,748	0.91%
REMIC Insured Mortgages	298	2,366,049,632	14.71%
LOC Insured Mortgages	4	8,084,383	0.05%
Uninsured Permanent Mortgages	399	3,500,301,182	21.77%
Uninsured 2014 Series B Mortgages	63	50,137,850	0.31%
Uninsured 2018 Series B Mortgages	263	585,832,926	3.64%
Partially Funded Construction Loans Secured by LOC	54	2,611,892,258	16.24%
Partially Funded Construction Loans Not Secured by LOC	91	1,270,747,923	7.90%
Partially Funded Construction Loans Secured by Collateral	1	46,939,222	0.29%
Subtotal*	1,329	\$14,098,303,650	87.68%
Undisbursed Funds in Bond Proceeds Account ¹	n/a	1,674,097,154	10.41%
Debt Service Reserve Account ²	n/a	307,606,856	1.91%
Total*	1,329	\$16,080,007,660	100.00%

* May not add due to rounding.

1 Undisbursed Funds in Bond Proceeds Accounts are monies held by the Trustee for construction financing of projects under the Open Resolution.

2 Includes a payment obligation of \$8,801,000 of the Corporation, which constitutes a general obligation.

Risks and Risk Mitigation

2026 Series E Bonds and 2026 Series F Bonds

The primary risk to the Corporation related to the 2026 Series E and 2026 Series F bond proceeds financing the senior mortgage loans during the period the project is under construction is the potential failure of a commercial bank to honor its obligation to pay the Corporation under a construction letter of credit (a “LOC”) in the event of a default by a borrower. The ratings of banks

are monitored by the Corporation's Credit Risk department and the Corporation's documents require for the development, except for the Willets Point Building 3 Development which has a LOC from Goldman Sachs Bank USA, the replacement of a LOC or a confirmatory letter of credit if a bank's ratings fall below a long-term rating of A from S&P Global Ratings ("S&P") and a long-term and short-term rating of A2/P-1, respectively, from Moody's Investors Service ("Moody's"). The rating of Goldman Sachs Bank USA will be monitored by the Corporation's Credit Risk department and the Corporation's documents require an additional credit enhancement fee of approximately 30 basis points to compensate the Open Resolution for providing additional credit support if the bank's ratings are below a long-term rating of A from S&P and a long-term and short-term rating of A2/P-1 from Moody's.

The primary risk related to the 2026 Series E and 2026 Series F bond proceeds financing permanent senior mortgage loans is the repayment risk from the borrowers. These senior mortgage loans are expected to be secured by mortgage insurance policies provided by REMIC or FHA Risk Share during the permanent financing period.

The primary risk associated with the 2026 Series E and 2026 Series F bond proceeds financing the subordinate mortgage loans is repayment risk from the borrowers. This risk and the default risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratios.

Deposits and Fees

It is expected that the Corporation will charge each borrower, an upfront commitment fee equal to 1.00% of the mortgage loan amount and 1.50% of the senior mortgage loan amount which is expected to cover the costs of issuance, including the fees of the underwriter, bond counsel, rating agencies, and the trustee plus any additional funds that are required to compensate the Corporation for its management of the Bonds or to reimburse the Corporation for certain costs incurred during the construction of the project.

The Corporation will also charge each borrower an annual servicing fee of at least 0.25% on the original principal amount of each first permanent mortgage loan or other applicable fees.

Ratings

The 2026 Series E and 2026 Series F Bonds are expected to be rated AA+ by S&P and Aa2 by Moody's.

Underwriters

It is anticipated that the Bonds will be underwritten or remarketed by or directly placed with one or more of the banks below or their affiliates. The Authorizing Resolution relating to the Bonds provides that an Authorized Officer of the Corporation may select the underwriter, remarketing agent, or their affiliates at a later time.

Senior Managers:

Morgan Stanley & Co. LLC (*Expected Senior Manager for the 2026 Series E and 2026 Series F Bonds*)

J.P. Morgan Securities LLC (*Expected Co-Senior Manager for the 2026 Series E and 2026 Series F Bonds*)

Co-Managers:

Academy Securities, Inc.

Bancroft Capital, LLC

BofA Securities, Inc.

Jefferies LLC

Loop Capital Markets LLC

Oppenheimer & Co. Inc.

Ramirez & Co., Inc.

Raymond James & Associates, Inc.

Siebert Williams Shank & Co., LLC

Wells Fargo Bank, National Association

It is anticipated that the selling group for the Bonds will include one or more of the following or their affiliates:

American Veterans Group, PBC

AmeriVet Securities, Inc.

D.A. Davidson & Co.

Essex Securities LLC

Fidelity Capital Markets

InspereX LLC

Mischler Financial Group, Inc.

Underwriters' Counsel for the Bonds

Orrick, Herrington & Sutcliffe LLP

Bond Trustee

Bank of New York Mellon

Bond Counsel

Hawkins Delafield & Wood LLP

Action by the Members

The Members are requested to approve an authorizing resolution that provides for (a) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the Bonds; (b) the distribution of preliminary and final Official Statement(s) for the Bonds; (c) the execution of bond purchase agreement(s) with the Underwriter(s) of any or all of the Bonds or a direct purchaser

of any or all of the Bonds; (d) the use of the Corporation's unrestricted reserves to fund costs of issuance for the Bonds and to fund all or a portion of the debt service reserve account requirements in connection with any or all of the series of Bonds, as may be required; (e) the execution by the President or any Authorized Officer of the Corporation of any and all documents necessary to issue the Bonds, and to make the mortgage loans relating to the Bonds; (f) the pledge to the Open Resolution of any mortgage loans or assets of the Corporation; and (g) the terms of any liquidity facility or facilities and related documents.

The Members are requested to approve (a) the making of two (2) senior loans and subordinate loans for two (2) ELLA developments from proceeds of the 2026 Series E Bonds and 2026 Series F Bonds and/or available funds of the Open Resolution or the Corporation's unrestricted reserves in an amount not to exceed \$248,350,000; and (b) the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the financing.

Attachment "1"

**Willetts Point Building 3
Queens, New York**

Project Location: 38-02 126th Lane

HDC Program: ELLA (Section 8)

Project Description: The project will consist of the new construction of one 12-story building containing 221 residential units in the Willetts Point neighborhood of Queens. 100% of the residential rental units will be affordable to households earning at or below 60% AMI.

Total Rental Units: 220 (plus one superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	113
1 bedroom	107
<u>2 bedroom</u>	<u>1</u>
Total Units*	221

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$121,485,000

Expected HDC Permanent Financing Amount: \$50,345,000

Expected HDC Second Mortgage: \$14,365,000

Expected Total Development Cost: \$194,739,151

Owner: QDG SARA Owner, LLC, the beneficial owner, comprised of Queens Development Group, LLC whose members are Related Willetts, LLC, and Sterling Willetts, LLC. The principals of Related Willetts, LLC are Stephen M. Ross, Jeff T. Blau, Bruce A. Beal, Jr., and Kenneth P. Wong. The principals of Sterling Willetts, LLC are Gregory Katz, Jeffrey Wilpon, and Scott Wilpon. Willetts Point Building 3 Housing Development Fund Corporation, the fee owner. Its sole member is Settlement Housing Fund and its board of directors consists of Judith Herbstman, Graikelis Morales, Jacqueline Tom, Emily Lehman, Aaron Lipman, and Eric Saretsky.

Developer: Queens Development Group, LLC

Expected Syndicator and/or Investor: Goldman Sachs Bank USA - Investor
N/A - Syndicator

Credit Enhancer: Construction - Stand-By Letter of Credit provided by Goldman Sachs Bank USA
Permanent - FHA Risk Share (90/10)

Attachment "2"

**1959 Jerome Avenue Apartments
Bronx, New York**

Project Location: 1941-1959 Jerome Avenue

HDC Program: ELLA

Project Description: The Project will consist of the new construction of one 15-story building containing 290 residential units in the Morris Heights neighborhood of the Bronx. 100% of the residential rental units will be affordable to households earning at or below 70% AMI and will include tiers of deeper affordability so that the total unit mix will reflect an average of units affordable to households earning at or below 60% AMI.

Total Rental Units: 289 (plus one superintendent unit)

Apartment Distribution:

<u>Unit Size</u>	<u>No. of Units</u>
Studio	57
1 bedroom	144
2 bedroom	81
3 bedroom	8
Total Units*	290

*Total Units are inclusive of one superintendent unit

Expected HDC Construction Financing Amount: \$72,840,000

Expected HDC Permanent Financing Amount: \$19,590,000

Expected HDC Second Mortgage: \$18,850,000

Expected Total Development Cost: \$171,054,962

Owner: Jerome Owner LLC, the beneficial owner, comprised of MADDD Jerome LLC and BG Jerome Realty LLC. The members of MADDD Jerome LLC are Jeremy Hoshia, Eli Weiss, David Weissy, Issac Schwartzberg, the Amnon Shalhov Family 2020 Trust, the Chava Lobel 2019 Trust, and the Madruga Family Trust. The principals of BG Jerome Realty LLC are of Spencer An and Edward Suh. HP Jerome Housing Development Fund Company, Inc., is the fee owner. Its sole member is NYC Partnership Housing Development Fund Company, Inc. whose board of directors and officers consists of Jamie Smarr, Nadja Alvarado, and Debbra McAllister.

Developer: Joy Construction Corp, MADDD Equities, and Bogopa Enterprises, Inc.

Expected Syndicator and/or Investor: Hudson Housing Capital LLC - Syndicator
Capital One, N.A. - Investor

Credit Enhancer: Construction - Stand-By Letter of Credit provided by Capital One, N.A.
Permanent - REMIC

Attachment “3”

Expected 2026 Series E Securitization Loans

Development Name (Borough)	Number of Units	Project Type	Subordinate Loan Amount⁽¹⁾	Bonded Subordinate Loan Amount⁽²⁾	Portion of Subordinate Loan Currently Funded by the Corporation’s Unrestricted Reserves	Subordinate Loan Portion to Be Funded with 2026 Series E Bond Proceeds⁽³⁾
North Cove (Manhattan)	611	Mix & Match	\$30,000,000	\$28,970,000 (2022 Series F & 2024 Series F)	\$1,030,000	\$1,030,000
160 Van Cortlandt Park South (Bronx)	339	Mix & Match/ NYC 15/15	25,630,000	1,925,000 (2024 Series F)	23,705,000	14,820,000
Innovative Urban Village Phase 1B (Brooklyn)	453	ELLA	20,000,000	10,000,000 (2025 Series A)	10,000,000	10,000,000
Coney Landing (Brooklyn)	179	ELLA/ NYC 15/15	11,635,000	2,075,000 (2025 Series F)	9,560,000	9,560,000
Ridge Street Apartments (Manhattan)	191	ELLA/ Section 8	12,415,000	11,340,000 (2025 Series F)	1,075,000	1,075,000
Coney Island Phase III (Brooklyn)	420	Mix & Match/ NYC 15/15	27,300,000	N/A	27,300,000	22,980,000
Renova West (f/k/a 280 E. 161 st Street – West Tower) (Bronx)	266	ELLA/ NYC 15/15	17,290,000	N/A	17,290,000	17,290,000
Archer Towers II (Queens)	400	ELLA	20,000,000	N/A	20,000,000	6,500,000
Atlantic Chestnut 3 (Brooklyn)	327	ELLA	20,000,000	N/A	20,000,000	6,165,000
Whitlock Point II (Bronx)	251	ELLA/ NYC 15/15	4,040,000	N/A	4,040,000	540,000
TOTAL:	3,437		\$188,310,000	\$54,310,000	\$134,000,000	\$89,960,000

1. The “Subordinate Loan Amount” represents the total subordinate mortgage loan amount for each development as originally approved by Members to be funded with available funds of the Open Resolution and/or the Corporation’s unrestricted reserves. The Members also approved senior mortgage loans for each development.
2. The Corporation has subsequently issued bonds for certain of these subordinate mortgage loans to partially reimburse the Corporation for amounts previously advanced from its unrestricted reserves.
3. The expected “not to exceed” amounts for each subordinate loan to be funded with 2026 Series E bond proceeds are intended to partially reimburse the Corporation for amounts previously advanced from its unrestricted reserves.