



MEMORANDUM

To: Members of the Audit Committee

From: Mary Hom *MH*
Chief Risk Officer

Date: September 24, 2026

Re: Counterparty Credit Risk Exposure

Please find attached an unaudited report detailing the Corporation's counterparty exposure as of August 31, 2026. The previous report to the Audit Committee was dated April 30, 2026.

There is one new approved counterparty, Bank of Hope – a regional bank with \$19 billion in assets headquartered in California with branches in various states, including New York. Bank of Hope is currently unrated by both Moody's and S&P, and all HDC deposits with Bank of Hope are backed by a Federal Home Loan Bank municipal letter-of-credit ("MULOC").

There were three rating agency actions of note:

- Capital One Bank was upgraded by S&P to A- from BBB+ on September 8. S&P cited Capital One's improved competitive position and meaningful progress in integrating the Discover franchise that has further strengthened Capital One's core credit card business.
- Flushing Bank was acquired by OceanFirst Bank, and the merger was completed on June 1. All Flushing Bank deposits are now OceanFirst Bank deposits that are rated A3 by Moody's. Flushing Bank was previously not rated by Moody's and S&P.
- Webster Bank was acquired by Santander Bank on August 2. Webster Bank deposits now carry the Santander Bank rating of A- by S&P. Webster Bank was previously rated BBB+ by S&P.

HDC's counterparty exposure remains diversified with the largest exposures being the U.S. Agencies and Wells Fargo. The Wells Fargo exposure is primarily in the form of construction letters-of-credit covering 10 projects and seven interest rate hedges.

Investments rated double-A or higher were 47% of total investments, versus 43% at the last report. Investments rated triple-B and lower or not rated were 34% of total investments, versus 37% at the last report. All investments rated triple-B and lower or not rated are fully collateralized by Federal Home Loan Bank MULOC and/or U.S. Treasury/Agency securities. The weighted average maturity of the investment portfolio was 1.6 years, up from 1.5 years at the last report.

HDC exposure to liquidity providers increased to approximately \$822 million from \$784 million at the last report due to the issuance of the 2026 G-3 bonds. Interest rate hedges outstanding totaled approximately \$2 billion.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Counterparty Credit Risk Exposure Report as of August 31, 2026
(UNAUDITED)



Municipal Investments:									
Issuer			Amount						
Dormitory Authority of the State of NY			\$17,440,000						
NYC GO			\$44,655,000						
NYC TFA			\$74,525,000						
NYS HFA			\$1,440,000						
NYS Urban Dev Corp			\$20,000,000						
Total Municipal Investments			\$158,060,000						
Exposure to Counterparties Rated A-Minus and Below, or Not-Rated:									
Counterparty	Type of Exposure		Amount	% Total Counterparty Exposure					
Bank of Hope*	Money Market		\$10,000,000	0.04%					
Bank OZK*	Money Market		\$377,098,126	1.46%					
Capital One Bank	Construct/Perm Enhancemen		\$533,760,000	2.07%					
Citizens Bank*	Money Market		\$437,892,766	1.70%					
Customers Bank*	Money Market		\$397,868,096	1.54%					
Daiwa Securities*	Repo		\$114,656,000	0.44%					
Dime Community Bank*	Money Market		\$463,908,183	1.80%					
East West Bank*	Money Market		\$363,365,546	1.41%					
Flagstar Bank*	Money Market		\$575,886,641	2.23%					
Hanover Bank*	Money Market		\$178,129,149	0.69%					
Metropolitan Community Bank*	Money Market		\$326,585,911	1.27%					
OceanFirst Bank*	Money Market		\$111,986,403	0.43%					
Promontory (FDIC-insured)	Money Market		\$213,911,500	0.83%					
Valley National Bank*	Money Market		\$371,329,024	1.44%					
Webster Bank*	Money Market		\$460,739,573	1.79%					
TOTAL			\$4,937,116,918	19.13%					
<i>*Fully- or over-collateralized by FHLB MULOC and/or US Treasury/Agency securities</i>									
Country Exposure (Ex-U.S.):									
Country	Type		\$ Amount	% Total Counterparty Exposure					
Canada (TD Bank/TD Securities/Royal Bank of Canada)	LOC/REPO/GIC/Liq		\$1,099,790,000	4.26%					
France (Societe Generale)	GIC		\$2,210,246	0.01%					
Germany (Bayerische Landesbank/LBW)	GIC/LOC		\$75,409,869	0.29%					
Japan (Daiwa/Mizuho/Sumitomo Mitsui)	RP/Liq		\$257,791,000	1.00%					
UK (Barclays Bank)	Liq		\$78,720,000	0.31%					
Switzerland (UBS)	Liq		\$100,000,000	0.39%					
TOTAL			\$1,613,921,115	6.25%					



NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Credit Enhancement Diversification as of August 31, 2026
(UNAUDITED)

CONSTRUCTION LOANS WITH ENHANCEMENT

Provider	Moody's	S&P	Enhancement During Construction:			Expected Permanent Enhancement:		
			Number of Projects	Enhanced Amount	% of Total During Construction	Number of Projects	Expected Permanent	% of Total During Permanent
							Enhanced or Insured Amount	
Bank of America	Aa2	A+	3	\$229,365,000	4.39%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	2	\$161,485,000	3.09%	0	\$0	0.00%
Capital One (FHLB)	A1	BBB+	6	\$511,060,000	9.77%	0	\$0	0.00%
Citibank	Aa3	A+	12	\$932,400,000	17.83%	0	\$0	0.00%
FHA*	Aa1	AA+	0	\$0	0.00%	12	\$455,281,000	45.82%
FHLMC*	Aa1	AA+	0	\$0	0.00%	2	\$148,446,000	14.94%
Goldman Sachs Bank	A1	A+	9	\$886,060,000	16.94%	0	\$0	0.00%
HDC	Aa2	AA	18	\$329,220,000	6.30%	0	\$0	0.00%
JPMorgan Chase	Aa1	AA-	10	\$830,515,000	15.88%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	0	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	53	\$184,444,600	18.56%
SONYMA	Aaa	NR	0	\$0	0.00%	11	\$205,552,500	20.69%
TD Bank NA	Aa3	A+	4	\$314,140,000	6.01%	0	\$0	0.00%
Wells Fargo	Aa2	A+	10	\$1,034,879,882	19.79%	0	\$0	0.00%
TOTAL			76	\$5,229,124,882	100.00%	78	\$993,724,100	100.00%

<u>In Construction:</u>	
<u>Rating</u>	<u>% of Total</u>
AAA	0.00%
AA	15.39%
A	74.84%
BBB	9.77%
TOTAL	100.00%

*Risk share with HDC

PERMANENT LOANS WITH ENHANCEMENT

						% of Total
						Permanent
						Enhanced
<u>Provider</u>	<u>Moody's</u>	<u>S&P</u>	<u>Number of</u>	<u>Current Principal</u>	<u>Enhanced Amount</u>	<u>Amount</u>
			<u>Projects</u>	<u>Amount</u>		
Assured Guaranty	A1	AA	1	\$53,285,000	\$53,285,000	0.67%
Bank of America	Aa2	A+	1	\$18,500,000	\$18,500,000	0.23%
Capital One	A1	BBB+	1	\$22,700,000	\$22,700,000	0.29%
Citibank	Aa3	A+	17	\$192,421,123	\$192,421,123	2.43%
FHA	Aa1	AA+	71	\$3,642,472,093	\$2,236,955,421	28.30%
FHLMC*	Aa1	AA+	30	\$2,099,424,185	\$2,059,386,508	26.06%
FNMA**	Aa1	AA+	32	\$2,156,934,118	\$2,156,934,118	27.29%
HDC^	Aa2	AA	10	\$145,160,976	\$145,160,976	1.84%
JPMorgan Chase	Aa1	AA-	2	\$7,010,000	\$7,010,000	0.09%
Landesbank Baden Wuer	Aa3	NR	1	\$70,000,000	\$70,000,000	0.89%
REMIC	NR	AA	306	\$2,519,515,442	\$506,172,711	6.40%
REMIC/SONYMA Risk Share	NR	NR	2	\$144,620,369	\$72,310,184	0.91%
SONYMA	Aaa	NR	64	\$640,402,333	\$362,485,135	4.59%
TOTAL			538	\$11,712,445,638	\$7,903,321,176	100.00%

<u>In Permanent:</u>	
<u>Rating</u>	<u>% of Total</u>
AA	96.28%
A	3.43%
BBB	0.29%
TOTAL	100.00%

*8 projects are 90/10 risk-share with HDC

**2 projects are 90/10 risk-share with HDC

^All projects are 90/10 risk-share with either FNMA or FHLMC



NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Investment Summary as of August 31, 2026
(UNAUDITED)

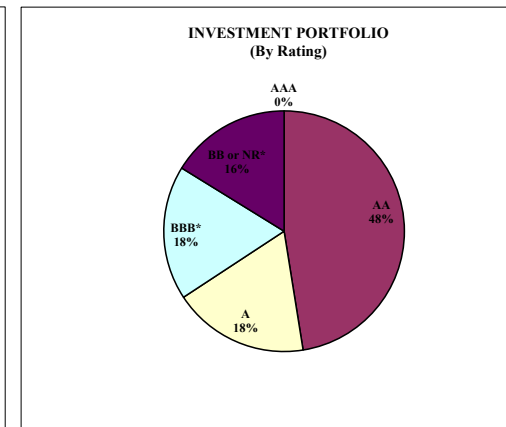
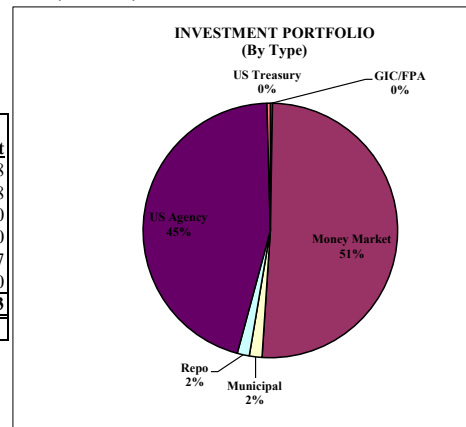
Investment Securities & Repo-By Rating:

Counterparty	Type	Amount	NRSRO Rating-August 31, 2026:				
			AAA	AA	A	BBB*	BB or NR*
Bank of Hope (FHLB MULOC)	MM	\$10,000,000					\$10,000,000
Bank OZK (FHLB MULOC)*	MM	\$377,098,126			\$377,098,126		
Bayerische Landesbank	GIC	\$5,409,869		\$5,409,869			
Citibank NA	FPA	\$18,884,723			\$18,884,723		
Citizens Bank (FHLB MULOC)*	MM	\$437,892,766			\$437,892,766		
Customers Bank (FHLB MULOC)*	MM	\$397,868,096					\$397,868,096
Daiwa Securities (TSY/AGCY)*	REPO	\$114,656,000			\$114,656,000		
Dime Commercial Bank (FHLB MULOC)*	MM	\$463,908,183					\$463,908,183
Dormitory Authority of the State of NY	MUNI	\$17,440,000		\$17,440,000			
East West Bank (FHLB MULOC)*	MM	\$363,365,546				\$363,365,546	
Flagstar Bank (FHLB MULOC)*	MM	\$575,886,641				\$575,886,641	
Hanover Bank (FHLB MULOC)*	MM	\$178,129,149					\$178,129,149
Metropolitan Commercial Bank	MM	\$326,585,911					\$326,585,911
NYC GO	MUNI	\$44,655,000		\$44,655,000			
NYC TFA	MUNI	\$74,525,000		\$74,525,000			
NYS HFA	MUNI	\$1,440,000		\$1,440,000			
NYS Urban Development Corp	MUNI	\$20,000,000		\$20,000,000			
OceanFirst Bank (FHLB MULOC)	MM	\$111,986,403			\$111,986,403		
PNC Bank	MM	\$306,553,714			\$306,553,714		
Promontory (FDIC-insured)	MM	\$213,911,500					\$213,911,500
Societe Generale	GIC	\$2,210,246			\$2,210,246		
US Agency	US Agency	\$4,454,792,087	\$4,454,792,087				
US Bank NA	REPO	\$36,094,000			\$36,094,000		
US Treasury	US Treasury	\$41,927,000		\$41,927,000			
Valley National Bank	MM	\$371,329,024				\$371,329,024	
Webster Bank (FHLB MULOC)*	MM	\$460,739,573				\$460,739,573	
Wells Fargo Bank	MM	\$389,244,726			\$389,244,726		
		\$9,816,533,283	\$0	\$4,660,188,956	\$1,794,620,704	\$1,771,320,784	\$1,590,402,839
% of Total		100.00%	0.00%	47.47%	18.28%	18.04%	16.20%

*Fully-collateralized by US Treasury/Agency securities and/or FHLB municipal letters-of-credit (MULOC)

Weighted Average Maturity (Years): 1.61

Investment Portfolio-By Type of Investment:		
	% Total	Amount
GIC/FPA	0.27%	\$26,504,838
Money Market	50.78%	\$4,984,499,358
Municipal	1.61%	\$158,060,000
Repo	1.54%	\$150,750,000
US Agency	45.38%	\$4,454,792,087
US Treasury	0.43%	\$41,927,000
Total	100.00%	\$9,816,533,283





NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Liquidity Providers as of August 31, 2026
(UNAUDITED)

BARCLAYS BANK (A1/A+)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2021 K-3	12/21/2026	\$50,000,000
2022 C-3	6/18/2027	\$28,720,000
		\$78,720,000

PNC BANK (A2/A)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2026 G-3	6/17/2031	\$40,000,000
		\$40,000,000

ROYAL BANK OF CANADA (Aa1/AA-)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2019 A-4	3/19/2027	\$30,000,000
2019 E-3	3/19/2027	\$45,000,000
2020 E	7/31/2030	\$11,510,000
2020 F-2	7/31/2030	\$38,490,000
2021 F-3	6/17/2031	\$100,000,000
		\$225,000,000

SUMITOMO MITSUI BANKING CORP (A1/A)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2018 L-1	12/13/2028	\$110,520,000
2023 E-3	12/13/2028	\$32,615,000
		\$143,135,000

TD BANK (Aa3/A+)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2018 L-2	4/5/2028	\$55,350,000
2020 I-3	4/5/2028	\$80,000,000
2023 A-3	6/20/2028	\$50,000,000
2023 B-2	10/25/2028	\$50,000,000
		\$235,350,000

UBS (Aa2/A+)		
<u>Issue</u>	<u>Expiration</u>	<u>Amount</u>
2022 F-3	12/14/2027	\$100,000,000
		\$100,000,000

Diversification:	Amount	% Total
Barclays Bank	\$78,720,000	9.57%
PNC Bank	\$40,000,000	4.86%
Royal Bank of Canada	\$225,000,000	27.37%
Sumitomo Mitsui Banking Corp	\$143,135,000	17.41%
TD Bank	\$235,350,000	28.62%
UBS	\$100,000,000	12.16%
TOTAL	\$822,205,000	100.00%



NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Interest Rate Hedges as of August 31, 2026

BANK OF AMERICA (Aa2/A+/AA)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
2/13/2026	3/1/2044	\$85,000,000	\$85,000,000
		\$85,000,000	\$85,000,000

BANK OF NEW YORK (Aa2/AA-/AA)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
12/1/2022	12/1/2042	\$50,000,000	\$50,000,000
6/9/2023	11/1/2053	\$80,000,000	\$80,000,000
7/1/2025	7/1/2045	\$150,000,000	\$150,000,000
9/8/2025	9/8/2035	\$100,000,000	\$100,000,000
		\$380,000,000	\$380,000,000

CITIBANK (Aa3/A+/A+)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
1/1/2021	11/1/2038	\$128,576,321	\$135,460,000
7/1/2022	5/1/2051	\$98,895,000	\$98,895,000
		\$227,471,321	\$234,355,000

GOLDMAN SACHS MITSUI (Aa2/AA-/NR)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
12/2/2005	5/1/2027	\$120,000	\$120,117,127
12/2/2005	11/1/2032	\$30,515,000	\$132,714,345
		\$30,635,000	\$252,831,472

PNC BANK (A2/A/A+)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
11/1/2014	11/1/2033	\$37,120,000	\$50,000,000
5/1/2018	11/1/2042	\$84,580,000	\$85,000,000
2/1/2019	5/1/2046	\$100,000,000	\$100,000,000
12/15/2022	12/1/2042	\$78,720,000	\$78,720,000
6/20/2023	11/1/2043	\$50,000,000	\$50,000,000
11/1/2024	5/1/2052	\$100,000,000	\$100,000,000
		\$450,420,000	\$463,720,000

ROYAL BANK OF CANADA (Aa1/AA-/AA-)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
12/1/2022	11/1/2042	\$150,000,000	\$150,000,000
5/1/2024	5/1/2050	\$175,300,000	\$184,000,000
		\$325,300,000	\$334,000,000

WELLS FARGO (Aa2/A+/AA-)			
Effective	Termination	Hedge	
Date	Date	Outstanding	Notional Amount
2/1/2019	2/1/2036	\$60,897,767	\$75,000,000
5/1/2019	5/1/2059	\$75,000,000	\$75,000,000
8/1/2019	5/1/2047	\$61,383,495	\$65,630,000
2/1/2021	5/1/2050	\$53,921,161	\$54,126,321
10/27/2023	11/1/2033	\$125,000,000	\$125,000,000
10/30/2024	11/1/2034	\$75,000,000	\$75,000,000
2/13/2026	3/1/2033	\$85,000,000	\$85,000,000
		\$536,202,423	\$554,756,321

		Hedge		
Diversification:		Outstanding	Notional Amount	% Total
Bank of America		\$85,000,000	\$85,000,000	3.69%
Bank of New York		\$380,000,000	\$380,000,000	16.49%
Citibank		\$227,471,321	\$234,355,000	10.17%
Goldman Sachs Mitsui Marine		\$30,635,000	\$252,831,472	10.97%
PNC Bank		\$450,420,000	\$463,720,000	20.12%
Royal Bank of Canada		\$325,300,000	\$334,000,000	14.49%
Wells Fargo		\$536,202,423	\$554,756,321	24.07%
TOTAL		\$2,035,028,744	\$2,304,662,793	100.00%

**Depending on the International Swaps and Derivatives Association (ISDA) credit terms, the counterparty credit rating, and the aggregate mark-to-market value of the applicable swaps, the counterparty may be required to post collateral.*