NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Richard Froehlich CB for RF

SUBJECT: Material for Audit Committee Meeting
March 28, 2019 at 11:00 a.m.

DATE: March 21, 2019

Attached please find the following materials for the Audit Committee meeting:

- Proposed Agenda
- Minutes of January 29, 2019 Meeting
- First Quarter Financial Report (Unaudited)
- Debt Report
- Investment Report
- Credit Risk Report
- Internal Audit Charter
- Internal Audit Reports

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NYC HDC
NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Richard Froehlich CB for RF

SUBJECT: Agenda for Audit Committee Meeting

DATE: March 21, 2019

For the Audit Committee Meeting, which will take place on Thursday, March 28th, at 11:00 a.m., I propose the following agenda:

1. Roll Call
2. Approval of Minutes of the Meeting held on January 29, 2019
3. First Quarter Financial Report (Unaudited)
4. Debt Report
5. Investment Report
6. Credit Risk Update
7. Approval of Internal Audit Charter
8. Internal Audit Reports
9. Other Business

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MINUTES OF THE MEETING OF
THE NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
AUDIT COMMITTEE

January 29th, 2019

A meeting of the Members of the Audit Committee of the New York City Housing Development Corporation (the "Corporation") was held on Tuesday January 29th, 2019 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York.

The meeting was called to order at 11:00 am by Mr. Harry Gould, Board Member, who noted the presence of a quorum. Mr. Gould called for approval of the minutes from the November 29, 2018 meeting. The minutes were approved.

Mr. Gould turned to Mr. Richard Froehlich, Chief Operating Officer and General Counsel of the Corporation to provide an overview of the agenda.

Mr. Eric Enderlin, the Corporation's President noted that there were some organizational changes within the Corporation which resulted in combining functions and gaining efficiency. Mr. Enderlin noted that Chief Credit Risk Officer and Residential Mortgage Insurance Corporation ("REMIC") Executive Vice President Mary Hom was promoted to Chief Risk Officer and has now added the Internal Audit Department to her responsibilities. Ms. Hom will no longer be the EVP of REMIC; the REMIC functions were moved to Asset Management.

Mr. Gould then turned the Committee's attention to Ms. Cathleen Baumann, Senior Vice President and Treasurer of the Corporation, to provide a summary of the Fiscal Year 2018 Audited Financial Statements. Ms. Baumann noted that 2018 was another exceptional year for the Corporation. HDC has maintained its position as one of the nation's leading housing finance agencies and has continued to play a central role in the Mayor's Housing Plan. The financials of the Corporation, as well as the strong leadership and hard work of a dedicated staff, are a strong measure of that continued success: During FY 2018, the Corporation issued 19 bond series totaling $1.6 Billion. In addition, proceeds from debt obligations issued during the fiscal year amounted to $190.4 million, and three new certificates of participation with the FFB totaled $85 Million for a total of $1.9 Billion in proceeds for the fiscal year. Total HDC assets were $19.3 Billion, an increase of $2.96 Billion or 18.09% from fiscal year end 2017 due to the Corporation's robust mortgage lending and bond financing activities throughout the year as well as the securitization of a City mortgage loan portfolio, and the increase in the HPD Section 661 funds granted to HDC for making loans on HPD's behalf to developments that are also financed by HDC. Total liabilities were $16.5 Billion, an increase of $2.7 Billion or 19.5% from 2017 as a result of the Corporation's ongoing debt and lending activities. HDC's Total Net Position at fiscal year-end was $2.8 Billion, an increase of $247.3 Million or 9.57% from 2017 due to normal operating activities and proceeds from the City loan securitization. The increase to net position will allow the Corporation to continue to play a critical role in the Mayor's Housing Plan and provide subsidies to the affordable housing developments that we finance. Ms. Baumann concluded her report by recognizing Mary John, HDC's Controller, as well as the senior managers in the department and the rest of the HDC Accounting staff for all of their hard work and dedication in producing the financial statements and footnotes, as well as working diligently with the E&Y team in wrapping up another successful audit. Ms. Baumann then noted that Louis Roberts and his team will walk the Members through the audit results.

Mr. Gould then asked about the Corporation's debt capacity, Mr. Froehlich answered that there is currently $1.6 billion in capacity left and the total debt capacity still stands at $13.5 billion. Mr. Gould asked whether the Corporation would go for more cap and Mr. Froehlich answered it depends on the Corporation's needs.

Mr. Gould then turned to Mr. Louis Roberts of Ernest & Young to provide an overview of the audit results. Mr. Roberts provided an overview of services and deliverables. Mr. Roberts noted that Ernst & Young did not issue a management letter and there were no material weakness, therefore a "no material" weakness letter was issued so that it could be submitted to the city's Audit Committee. Mr. Roberts noted the audit was consistent to what was communicated to the Members back in September. Mr. Roberts noted there that there were effective communications between HDC's staff and E&Y. Mr. Roberts then reviewed the areas of emphasis. During the audit there were no new GASB requirements and all are in accordance with GASB standards. Mr. Roberts stated that there were no instances of fraud, no pushback from management and no issues regarding oversight of process. Mr. Kyle Kimball asked whether there were any areas of concern and Mr. Roberts answered no. Mr. Roberts noted that Ernst and Young will speak to the new Chief Risk Officer and will bring an E&Y person in to help Internal Audit through the transition process and review good governance. Mr. Gould then requested approval of the Corporation's Financial Statements and the Members approved the 2018 Financial Statements.

Mr. Gould turned to Ms. Ellen Duffy, Senior Vice President of Debt Issuance and Finance to present the Annual Investment Report. Ms. Duffy noted that The New York State Public Authorities Law (PAL) requires HDC to provide an annual investment report and it details the required contents of the report. The New York State Public Authorities Law (PAL) requires HDC to provide an annual investment report and it details the required contents of the report. These requirements are met by the 2018 Annual Investment Report presented, which includes: Data on investments made; Investment earnings and fees paid; Draft Copies of the Corporation's audited financial statements; The Investment Guidelines and; A Draft Report of Independent Auditors on Compliance with Investment Guidelines. The Report also includes descriptive information about the Corporation, the funds it has under management, and the various types of oversight and controls on the Corporation's investment practices. Major points in the report include: 1) Earnings on investments totaled $62.8 million in fiscal year 2018, an increase of $24.98 million from fiscal year 2017, which can be attributed to an increase in short term interest rates and an increase in investment proceeds during FY 2018. The potential rising interest rates across the shorter-term maturities and a flatter yield curve environment are factors to consider in the Corporation's ongoing investment strategy. 2) Because of the Corporation's commitments, the majority of investments must be held for the short term, which provides sufficient liquidity for the Corporation. In response to the current interest rate environment, the Corporation continued to invest primarily in collateralized demand deposits, and direct purchases of U.S. Treasury and Agency obligations in order to optimize yield. 3) As required by GASB No. 31 the Corporation has recorded a fair value adjustment in its investment portfolio. The Corporation recorded a net depreciation of $9.25 million for fiscal year 2018. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in securities with the intent to hold the investment to maturity. As a result, any unrealized appreciation or depreciation is only reported as an accounting gain or loss at this time. 4) HDC funds under management increased about 25.2% from fiscal year-end 2017 to fiscal year-end 2018, from $4.21 billion to $5.26 billion. The Corporation had a 9.57% growth in net position over the last year. 5) Since our fiscal year end in October 2018, short term rates have trended slightly higher. 6) HDC did not incur or pay any fees, commissions or charges for investment services. Treasury operations are conducted by the Corporation's Cash Management Division, which uses electronic and telephone bidding processes to competitively purchase securities that meet the Corporation's Investment Guidelines and funding needs. 7) Oversight is provided internally by an Investment Committee and by various reviews by HDC's Credit Risk and Internal Audit units. There are also investment and credit risk reports presented at each meeting of the Corporation's Audit Committee, and an annual examination by our external auditors, Ernst & Young. The Corporation's Investment Guidelines were approved by the Members on September 26, 2018 with no changes at this time. Upon approval by the Audit Committee and ratification by the Board, the Report will be submitted to the Mayor and to both the City and State Comptrollers, as required by the Public Authorities Law. I will be glad to answer any questions about the 2018 Annual Investment Report or the Investment Guidelines; Ms. Duffy noted that the Corporation requests that the Members approve the 2018 Annual Investment Report and readopt the Investment Guidelines without any changes at this time. The Members then approved the 2018 Investment Report.

Mr. Gould then turned to present the Corporation's Debt Report is as of December 31, 2018. Ms. Duffy noted that the last debt report presented to the Audit Committee was as of October 31, 2018. During this time, the Corporation issued six series of Open Resolution Bonds totaling $478.85 million, remarketed one series of Open resolution bonds in the amount of $100 million, and issued one series of a stand-alone debt obligation in the amount of $24 million. There were bond redemptions in one series of Open Resolution bonds in the amount of $25.4 million and three series of stand-alone debt obligations in the amount of $52.2 million. The Corporation's debt outstanding as of December 31, 2018 is approximately $11.9 billion. The Corporation's statutory debt capacity stands at $13.5 billion.

Ms. Duffy continued noting that on Wednesday, January 16, The Bond Buyer published its annual Top 25 list of municipal bond issuers in the nation for 2018 and ranked HDC at number 21. Acclaiming "HDC vaults 20-plus spots," the periodical applauded HDC's seismic move from a previous ranking of number 45 in 2017. While the publication listed our annual issuance at $1.77 billion, when added with our *directly-placed-bond* amounts of 2018, the amount grows to an astounding total of $1.8 billion for the year. Additionally, the Corporation is ranked as the number one issuer of affordable multi-family housing bonds in the US. HDC has consistently been a top ranked multi-family issuer, however this was the first time the Corporation has had a spot on the Top 25 list of municipal bond issuers which includes those at a city and state level.

Mr. Gould then turned again to Ms. Duffy to provide the Corporation's Investment Report as of January 17, 2019. Funds under management totaled approximately $5.17 billion. This report reflects routine investment activity.

Mr. Gould then recognized Ms. Mary Hom, Chief Risk Officer, for the counterparty credit risk exposure report. Ms. Hom reported that there were no new counterparties added to the approved list of counterparties, and there were no new credit rating agency actions of note. HDC's counterparty exposure remains well-diversified with the largest exposures continuing to be with Fannie Mae and Freddie Mac. Investments rated double-A or higher were 52% of total investments, versus 48% at the last report, and the weighted average maturity was 1.7 years versus 1.5 years at the last report. Ms. Hom concluded her report by noting that exposure to liquidity providers was approximately $172 million.

Mr. Gould then called upon Ms. Hom to present the Annual Audit Committee Report. Ms. Hom reported that pursuant to the New York City Comptroller's Office, Directive No. 22 regarding accounting, financial reporting, and audit requirements, the HDC Audit Committee is required to publish an annual report detailing its activities for the prior calendar year. The report before the Committee is a compilation of the minutes from all the Audit Committee meetings that occurred during the 2018 calendar year. Upon approval and ratification by the HDC Board, a copy of this report will be submitted to the Secretary of the Audit Committee of the City of New York. Ms. Hom then requested approval of the Annual Audit Committee Report for 2018, at which time the Members approved the report.

Mr. Gould then turned the Committee's attention to Mr. Froehlich to present the REMIC approval funding. Mr. Froehlich requested the Members' approval of the Corporation's plan to move funds from the Corporate Services account of HDC to REMIC in the amount of $10 million. REMIC has done well over the years and continues to grow, but to accommodate the pipeline for the next couple of years, an infusion of capital is needed. The 2019 and 2020 pipeline of mortgage commitments is expected to range between $250 million and $350 million, requiring REMIC insurance commitments of between $50 million and $70 million. This translates into a reserve requirement of between $10 million and $14 million.

The transfer of funds will be a 7.9% increase in REMIC's capital base, and it will increase REMIC's capacity to insure by an additional $50 million. REMIC's total capacity to insure will now equal $287 million. The staff recommends that the Members approve a transfer of $10 million from HDC's Corporate Services account to REMIC, to which the Members did approve the transfer.

At 11:28 am, with no further business, Mr. Gould moved to dismiss, and the meeting was adjourned.

Respectfully submitted,

Violine Roberty

MINUTES OF THE MEETING OF
THE NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
AUDIT COMMITTEE

January 29th, 2019

ATTENDANCE LIST

NAME	AFFILIATION
Harry Gould	Audit Committee Member
Denise Scott	Audit Committee Member
Kyle Kimball	Audit Committee Member
Louis Roberts	Ernst & Young
Vincent Halleran	Ernst & Young
Eric Enderlin	NYC Housing Development Corp.
Richard Froehlich	NYC Housing Development Corp.
Jim Quinlivan	NYC Housing Development Corp.
Ellen Duffy	NYC Housing Development Corp.
Cathy Baumann	NYC Housing Development Corp.
Terry Gigliello	NYC Housing Development Corp.
Mary Hom	NYC Housing Development Corp.
Paul Cackler	NYC Housing Development Corp.
Mary John	NYC Housing Development Corp.
Uyen Luu	NYC Housing Development Corp.
Cheuk Yu	NYC Housing Development Corp.
Madhavi Kulkarni	NYC Housing Development Corp.
Horace Greene	NYC Housing Development Corp.
Trisha Ostergaard	NYC Housing Development Corp.
Patrick Ogoke	NYC Housing Development Corp.
Carol Micalizzi	NYC Housing Development Corp.

NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Cathleen Baumann CB

SUBJECT: First Quarter (Unaudited) Financial Information as of January 31, 2019

DATE: March 21, 2019

Attached for the Members review is the Corporation's first quarter financial statements (unaudited), with a summary memo from Controller Mary John. These financial schedules cover the Corporation's first three months of fiscal year 2019, which is November 1, 2018 through January 31, 2019. The combined Net Position (Balance Sheet) and Revenue and Expense Statements for the Corporation and its subsidiaries are attached. In addition, the individual Net Position (Balance Sheet) and Revenue and Expense Statements have also been included for HDC, HAC, REMIC, the Open Resolution (HRB), the New Issue Bond Program (NIBP), and the Mini Open Resolution.

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NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

To: Cathleen Baumann

From: Mary John

Subject: Financial Information as of January 31, 2019

Date: March 6, 2019

The Accounting Division has prepared financial schedules (unaudited) covering the Corporation's first three months of fiscal year 2019, which is November 1, 2018 through January 31, 2019. The combined Net Position (Balance Sheet) and Revenue and Expense Statements for the Corporation and its subsidiaries are attached. In addition, the individual Net Position (Balance Sheet) and Revenue and Expense Statements have also been included for HDC, HAC, REMIC, Open Resolution (HRB), New Issue Bond Program (NIBP) and the Mini Open Resolution. Preceding the statements are Financial Highlights and an Overview that summarize the major components of the financial statements.

cc: Richard Froehlich

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Financial Highlights and Overview of the Financial Statements
First Quarter as of 01/31/2019 (unaudited)

Financial Highlights

- HDC's Net Assets increased by $72.9 million or 2.57% from fiscal year end 2018 ("FYE 2018") to a total of $2.90 billion. The growth in net assets was mainly driven from the Corporation's ongoing financial lending and servicing activities during this period.
- The Corporation had total revenues of $180.0 million at the end of the first quarter of the fiscal year. Operating revenue for the first three months of the fiscal year was $142.4 million, an increase of $27.0 million from a year ago. Operating expenses were $107.1 million, an increase of $18.3 million. As a result, the Corporation had net operating income of $35.3 million, an increase of $8.7 million from a year ago. Non-operating income, which includes investment earnings, was $37.6 million.
- In the first three months of fiscal year 2019, HDC closed on eleven new bonded senior mortgages with loan commitments in excess of $433.4 million and two debt obligation mortgages for $198.1 million. The Corporation also committed $91.6 million of subsidy loans of which $76.6 million will be funded from bond proceeds, and $15.0 million will be funded from the City's continued reimbursement to the Corporation for the Stuyvesant Town Peter Cooper Village loan from December 2015 for $143.2 million. In addition, two Mitchell-Lama mortgages were restructured with a combination of new senior and subordinate mortgages of $121.9 million in total.
- At the end of the first quarter of the fiscal year, HDC had issued 7 new bond series for a total of $483.2 million. HDC also closed on two new debt obligations for projects MEC 125th Street and Caton Flats, under the Funding Loan Agreement with Citibank, N.A, for a total of $198.1 million. Along with draws from other previously issued debt obligations, the combined total draws so far this year were $13.1 million.
- Total Assets (including Deferred Outflows) of $19.91 billion, increased by $544.3 million or 2.81% from FYE 2018.
  - Cash and investments totaled $5.32 billion.
  - Mortgages, notes, loan participation interest receivable, and purpose investments totaled $14.45 billion.
  - Other assets (including $85.0 million of Accrued Interest Receivable) totaled $131.2 million.
  - Deferred Outflows of unamortized interest rate caps, loss on early debt retirement, OPEB and pension related liabilities totaled $8.2 million.
- Total Liabilities (including Deferred Inflows) of $17.0 billion, increased by $471.5 million or 2.85% from FYE 2018.
  - Bonds and Debt Obligations payable (net) totaled $12.02 billion.
  - Payable to the City of New York totaled $3.86 billion, including $2.01 billion related to the Section 661 HPD Grant Program and $1.09 billion related to the City Loan Participation program.
  - Payable to Mortgagors totaled $848.2 million.
  - Other Liabilities (including $71.6 million of Accrued Interest Payable) totaled $270.4 million.

- Deferred Inflows of Resources related to pension liability and interest rate swaps were $6.8 million.

Overview of Assets and Liabilities and Net Position

- The increase in total assets by a net of $544.3 million including deferred outflows is a result of the following:
  - Cash and investments increased by $84.3 million. The increase was primarily due to new money raised from bond and other debt obligations issued, and HPD grant funds received under Section 661 of the private Housing Finance Law.
  - Mortgages, notes, loan participation interest receivable, and purpose investments increased by a net of $482.2 million from FYE 2018 as a result of the Corporation's ongoing financing activities.
  - Other assets decreased by a net of $20.2 million from FYE 2018, mainly due to the $27.3 million change in the fair value of the interest rate swaps. There was also an increase of $4.4 million of accrued mortgage and loan interest receivable. Other receivables which are mainly comprised of principal and interest billed on loans serviced for other entities, loans financed through HDC's participation in the CPC special purpose enterprise, servicing fees, and low income housing tax credit monitoring fees increased by a net of $3.0 million. Capital assets decreased by a net of $0.2 million.
  - Deferred outflow of resources decreased by a net of $2.0 million. The decrease was mainly due to the recognition of $1.8 million pension expense for a payment made subsequent to the pension liability valuation at FYE 2018. The loss of early debt retirement due to an in-substance defeasance decreased by $0.2 million due to amortization.

- Total liabilities increased by a net of $471.5 million, or 2.85%, primarily due to the following:
  - Bonds and Debt Obligations payable increased by a net of $41.6 million. The Corporation issued 7 new bond series and closed two new debt obligation funding loan agreements as of the end of the first quarter. New money raised, including draws on previously issued series, totaled $496.4 million for the period of November 1, 2018 to January 31, 2019. During this same period, $453.1 million of bond principal and debt obligations payments were made which included scheduled principal payments of $145.3 million and redemptions of $307.8 million. Additionally, bond premium of $0.9 million was amortized and $0.7 million of principal payments were made to the Federal Financing Bank during the first quarter.
  - A net increase of $482.8 million in the Payable to New York City was mainly due to the following:
    - An increase of $360.0 million related to HPD grant funds received for mortgage loans under Section 661 of the Private Housing Finance Law.
    - An increase of $134.9 million related mainly to mortgage loan assignments to the Corporation pursuant to Purchase and Sale agreements between HPD and HDC.
    - A net decrease of $7.7 million in the Housing Assistance Corporation was mainly due to the evaporation of the loan principal for Stuyvesant Town Peter Cooper Village of $7.2 million. The Tenant Assistant Contract ("TAC")

payment for the period was $0.6 million for the Ruppert Yorkville housing development.

- A total decrease of $1.3 million relating to the City loan sale and Mitchell Lama loan participation programs ("MLRP") was due to $1.4 million credit facility fees in the City mortgage loan sale program and $0.6 million prepayment of mortgage in the MLRP. This was then offset by $0.5 million in new advances for the loans from the portfolio of mortgage loans acquired by the Corporation in April 2018 and $0.2 million of earnings distribution to the City in this period.
- A decrease of $3.0 million in administering the construction and permanent loans on behalf of HPD.
- As of January 31, 2019, the total reimbursements from the City related to the Stuyvesant Town Peter Cooper Village loan in December 2015 was $97.6 million. The remaining balance of $45.6 million is still due to HDC.

- There was a net decrease of $1.1 million in the Payable to Mortgagors as a result of the following:
  - Mortgage escrows and reserve for replacement funds held by the Corporation in its normal loan servicing function increased by a net of $9.1 million.
  - Prepaid mortgage principal and bond sinking funds held on behalf of mortgagors increased by a net of $1.4 million. This included a net increase of $1.7 million on principal reserve funds and a decrease of $0.3 million of debt service funds held on behalf of mortgagors.
  - Community Development Block Grant ("CDBG") funds payable decreased by $12.1 million. This was mainly due to $12.3 million of funds advanced to the projects. Also, during this period $0.2 million in investment earnings were distributed.
  - Developer's equity funds increased by $0.5 million.
- Other liabilities decreased by a net of $24.5 million mainly due to the following:
  - Accrued Interest Payable decreased by $49.9 million from FYE 2018 primarily due to the timing of the semi-annual debt service payments in the Open Resolution.
  - Accounts and Other Payables increased by $19.9 million. This was mainly due to $15.5 million received for construction loan servicing for two developments. Bonds Issuance Fees payable to NYS increased by a net of $3.4 million and other related payables had a net increase of $1.0 million.
  - Deferred Fees increased by a net of $5.2 million mainly due to a net increase of $5.6 million related to bond financing fees and commitment financing fees collected. Other fees including guaranty fee and earnings related to mortgagors decreased by a net of $0.4 million.
  - Restricted earnings due to mortgagors increased by $0.2 million.
- Deferred Inflows of Resources decreased by a net of $27.3 million mainly due to the change in fair value of the interest rate swaps.

- The total net position (net assets) increased by $72.9 million which is comprised of operating revenues of $142.4 million, non-operating revenues of $37.6 million (including investment income and amortization of participation interest expense), and operating expenses of $107.1 million.

Overview of Revenues and Expenses - Comparison of first 3-months of FY 2019 & FY 2018

Excess of revenues over expenses was $72.9 million for the period November 1, 2018 through January 31, 2019 compared to the same period in FY 2018 when it was $33.2 million. The increase was largely due to investment earnings as well as higher mortgage interest and fees earnings during this period.

- Total operating revenues were $142.4 million, an increase of $27.0 million, or 23.39% from the same period in fiscal year 2018 as a result of the following:
    - Interest on loans increased from $94.1 million to $107.6 million compared to the same period last year. This was an increase of $13.5 million or 14.31% as a result of ongoing financing activities.
    - Fees and charges were $32.9 million, up from $20.9 million a year ago, an increase of $12.0 million or 57.45%. This increase was mainly due to higher fees collected on loans closed during the period. Commitment fees earned this period were $7.9 million compared to $3.1 million a year ago. Deferred construction and bond financing fees earned increased by $6.0 million. Loan servicing and other fees increased by a total of $1.2 million compared to the same period last year.
    - Income on loan participation interest increased by $0.5 million as a result of mortgage prepayments in the Mitchell Lama loan participation programs.
    - Other income increased by $1.1 million. This was mainly due to credit facility and servicing fees earned during this period.
- Operating expenses increased by $18.3 million, compared to the same period in FY 2018 as a result of the following:
    - Bond and debt obligation interest and amortization for the first three months of fiscal year 2019 was $91.4 million, an increase of $16.4 million from a year ago. The increase was mainly due to the issuance of new bonds, in addition to higher interest rates on the variable rate demand obligation bonds ("VRDO").
    - Debt issuance costs at the end of the first quarter were $4.0 million, an increase of $0.7 million from a year ago.
    - Trustee and other fees at the end of the first quarter were $2.3 million, a decrease of $0.2 million from a year ago.
    - Corporate operating expenses were $1.5 million, a slight increase of $0.3 million from a year ago.
    - Salaries and related expenses were $7.9 million, an increase of $1.1 million or 16.16% compared to the same period last year. This includes an increase of $1.0 million in salary related expenses and a $0.1 million increase in the NYCERS appropriation expense.
- Total non-operating revenues were $37.6 million, compared to $6.6 million non-operating revenues a year ago as a result of the increase in realized investment earnings, and the change in the fair value of the investment portfolio.
    - Realized investment earnings were $25.9 million, an increase of $14.5 million over the same period last year.
    - The fair market value appreciation on the investment portfolio for the first three months of the fiscal year was $11.8 million (including $1.7 million of distributions) compared to a depreciation of $4.7 million for the same period a year ago.

NYC Housing Development Corporation
and Subsidiaries
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total All
(in thousands)

Assets

	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ 1,632	$ 615	$ 1,017
Investments	772,164	900,062	(127,898)
Receivables:			
Mortgage loans	449,246	294,485	154,761
Accrued interest	32,297	38,532	(6,235)
Notes	37,386	37,529	(143)
Other	16,170	13,527	2,643
Total receivables	535,099	384,073	151,026
Other assets	15	16	(1)
Total Current Assets	1,308,910	1,284,766	24,144
Noncurrent Assets:			
Restricted cash	9,669	16,380	(6,711)
Restricted investments	4,536,059	4,318,152	217,907
Purpose investment	28,900	29,081	(181)
Mortgage loans	216,509	340,502	(123,993)
Restricted receivables:			
Mortgage loans	11,792,367	11,336,474	455,893
Mortgage loan participation - Federal Financing Bank	281,028	281,943	(915)
Loan participation receivable - The City of NY	1,090,929	1,092,274	(1,345)
Accrued interest	52,673	42,056	10,617
Notes	550,563	552,462	(1,899)
Other	21,147	20,713	434
Total restricted receivables	13,788,707	13,325,922	462,785
Capital assets	1,947	2,165	(218)
Derivative instrument interest rate swaps	4,694	32,012	(27,318)
Other assets	2,293	2,370	(77)
Total Noncurrent Assets	18,588,778	18,066,584	522,194
Total Assets	$ 19,897,688	$ 19,351,350	$ 546,338
Deferred outflows of resources			
Interest rate caps	1,880	1,880	-
Deferred loss on early retirement of debt	5,478	5,660	(182)
Deferred outflows pension related	(233)	1,588	(1,821)
Deferred outflows related to OPEB plan	1,061	1,061	-
Total deferred outflows of resources	$ 8,186	$ 10,189	$ (2,003)

NYC Housing Development Corporation
and Subsidiaries
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total All
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ 452,278	$ 627,161	$ (174,883)
Debt obligations payable	96	94	2
Loan participation payable to Federal Financing Bank	3,049	2,826	223
Accrued interest payable	71,552	121,416	(49,864)
Payable to mortgagors	184,711	182,299	2,412
Restricted earnings on investments	20,939	20,728	211
Accounts and other payables	45,295	25,348	19,947
Due to the United States Government	-	-	-
Total Current Liabilities	**777,920**	**979,872**	**(201,952)**
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	10,921,353	10,647,712	273,641
Debt obligations payable	358,587	415,043	(56,456)
Loan participation payable to Federal Financing Bank	281,028	281,943	(915)
Payable to The City of New York:			
Loan participation due to The City of New York	1,090,929	1,092,274	(1,345)
HPD Grant Fund	2,007,917	1,647,918	359,999
Others	760,884	636,759	124,125
Payable to mortgagors	663,503	667,012	(3,509)
Net pension liability	9,325	9,325	-
Post employment benefits payable	13,822	13,822	-
Unearned revenues and other liabilities	109,440	104,250	5,190
Due to the United States Government	-	8	(8)
Total Noncurrent Liabilities	**16,216,788**	**15,516,066**	**700,722**
Total Liabilities	**16,994,708**	**16,495,938**	**498,770**
Deferred inflows from pension	2,121	2,121	-
Interest rate swap fair value	4,694	32,012	(27,318)
Total Deferred Inflows of Resources	6,815	34,133	**(27,318)**
Net Position:			
Restricted for bond obligations	2,019,221	1,904,075	115,146
Restricted for insurance requirement and others	78,634	79,378	(744)
Unrestricted	806,496	848,015	(41,519)
Total Net Position	**2,904,351**	**2,831,468**	**72,883**
Total Liabilities, Deferred Inflows of Resources and Net Position	$ **19,905,874**	$ **19,361,539**	$ **544,335**

NYC Housing Development Corporation
and Subsidiaries
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total All
(in thousands)

		Q1 FY 2019 (11/01/18-01/31/19)		Q1 FY 2018 (11/01/17-01/31/18)		Change
Operating Revenues						
Interest on loans	$	107,573	$	94,105	$	13,468
Fees and charges		32,881		20,883		11,998
Income on loan participation interests		607		149		458
Other		1,304		240		1,064
Total Operating Revenues		**142,365**		**115,377**		**26,988**
Operating Expenses						
Interest and amortization of bond premium and discount		91,386		74,978		16,408
Salaries and related expenses		7,939		6,835		1,104
Trustees' and other fees		2,257		2,457		(200)
Amortization of debt issuance costs		4,002		3,323		679
Corporate operating expenses		1,515		1,237		278
Total Operating Expenses		**107,099**		**88,830**		**18,269**
Operating Income (Loss)		**35,266**		**26,547**		**8,719**
Non-operating Revenues (Expenses)						
Earnings on investments		25,890		11,416		14,474
Unrealized gain (loss) on investment FMV		11,801		(4,655)		16,456
Loss on early retirement of debt		-		-		-
Other non-operating revenues (expenses), net		(74)		(123)		49
Operating transfers to (HDC) Corporate Services Fund		142		137		5
Operating transfers from REMIC Subsidiary		(142)		(137)		(5)
Total Non-operating Revenues (Expenses)		**37,617**		**6,638**		**30,979**
Income (Loss) before Special Item		**72,883**		**33,185**		**39,698**
Capital transfers		-		-		-
Loan participation agreement securitization proceeds (2018 Series B-1)		-		-		-
Extinguishment of debt		-		-		-
Change in Net Position		**72,883**		**33,185**		**39,698**
Total net position - beginning of year		2,831,468		2,584,166		247,302
Total Net Position - End of Year	$	**2,904,351**	$	**2,617,351**	$	**287,000**

Housing Development Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HDC
(in thousands)

Assets

	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ 1,632	$ 615	$ 1,017
Investments	772,164	900,062	(127,898)
Receivables:			
Mortgage loans	449,246	294,485	154,761
Accrued interest	32,297	38,532	(6,235)
Notes	37,386	37,529	(143)
Other	16,170	13,527	2,643
Total receivables	535,099	384,073	151,026
Other assets	15	16	(1)
Total Current Assets	1,308,910	1,284,766	24,144
Noncurrent Assets:			
Restricted cash	9,669	16,380	(6,711)
Restricted investments	4,385,777	4,178,228	207,549
Purpose investment	28,900	29,081	(181)
Mortgage loans	216,509	340,502	(123,993)
Restricted receivables:			
Mortgage loans	11,670,357	11,207,353	463,004
Mortgage loan participation - Federal Financing Bank	281,028	281,943	(915)
Loan participation receivable - The City of NY	1,090,929	1,092,274	(1,345)
Accrued interest	52,672	42,056	10,616
Notes	550,563	552,462	(1,899)
Other	21,147	20,713	434
Total restricted receivables	13,666,696	13,196,801	469,895
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(120)	20	(140)
Capital assets	1,947	2,165	(218)
Derivative instrument interest rate swaps	4,694	32,012	(27,318)
Other assets	2,293	2,370	(77)
Total Noncurrent Assets	18,316,365	17,797,559	518,806
Total Assets	$ 19,625,275	$ 19,082,325	$ 542,950
Deferred outflows of resources			
Interest rate caps	1,880	1,880	-
Deferred loss on early retirement of debt	5,478	5,660	(182)
Deferred outflows pension related	(233)	1,588	(1,821)
Deferred outflows related to OPEB plan	1,061	1,061	-
Total deferred outflows of resources	$ 8,186	$ 10,189	$ (2,003)

NYC Housing Development Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HDC
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ 452,278	$ 627,161	$ (174,883)
Debt obligations payable	96	94	2
Loan participation payable to Federal Financing Bank	3,049	2,826	223
Accrued interest payable	71,552	121,416	(49,864)
Payable to The City of New York	-	-	-
Payable to mortgagors	184,711	182,299	2,412
Restricted earnings on investments	20,939	20,728	211
Accounts and other payables	45,295	25,348	19,947
Due to the United States Government	-	-	-
Total Current Liabilities	**777,920**	**979,872**	**(201,952)**
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	10,921,353	10,647,712	273,641
Debt obligations payable	358,587	415,043	(56,456)
Loan participation payable to Federal Financing Bank	281,028	281,943	(915)
Payable to The City of New York:			
Loan participation due to The City of New York	1,090,929	1,092,274	(1,345)
HPD Grant Fund	2,007,917	1,647,918	359,999
Others	627,304	495,444	131,860
Payable to mortgagors	663,503	667,012	(3,509)
Net pension liabilities	9,325	9,325	-
Post employment benefits payable	13,822	13,822	-
Unearned revenues and other liabilities	109,440	104,250	5,190
Due to the United States Government	-	8	(8)
Total Noncurrent Liabilities	**16,083,208**	**15,374,751**	**708,457**
Total Liabilities	**16,861,128**	**16,354,623**	**506,505**
Deferred inflows from pension	2,121	2,121	-
Interest rate swap fair value	4,694	32,012	(27,318)
Total Deferred Inflows of Resources	6,815	34,133	**(27,318)**
Net Position:			
Restricted for bond obligations	2,019,221	1,904,075	115,146
Restricted for insurance requirement and others	-	-	-
Unrestricted	746,297	799,683	(53,386)
Total Net Position	**2,765,518**	**2,703,758**	**61,760**
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 19,633,461**	**$ 19,092,514**	**$ 540,947**

NYC Housing Development Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total HDC
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ 107,571	$ 94,106	$ 13,465
Fees and charges	32,180	20,099	12,081
Income on loan participation interests	607	149	458
Other	1,305	240	1,065
Total Operating Revenues	**141,663**	**114,594**	**27,069**
Operating Expenses			
Interest and amortization of bond premium and discount	91,386	74,978	16,408
Salaries and related expenses	7,939	6,835	1,104
Trustees' and other fees	2,257	2,457	(200)
Amortization of debt issuance costs	4,003	3,324	679
Corporate operating expenses	1,515	1,237	278
Total Operating Expenses	**107,100**	**88,831**	**18,269**
Operating Income (Loss)	**34,563**	**25,763**	**8,800**
Non-operating Revenues (Expenses)			
Earnings on investments	25,326	10,886	14,440
Unrealized gain (loss) on investment FMV	11,801	(4,655)	16,456
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	(10,072)	(123)	(9,949)
Operating transfers to (HDC) Corporate Services Fund	142	137	5
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues (Expenses)	**27,197**	**6,245**	**20,952**
Income (Loss)	**61,760**	**32,008**	**29,752**
Capital transfers	-	-	-
Loan participation agreement securitization proceeds (2018 Series B-1)	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	**61,760**	**32,008**	**29,752**
Total net position - beginning of year	2,703,758	2,461,869	241,889
Total Net Position - End of Year	**$ 2,765,518**	**$ 2,493,877**	**$ 271,641**

Housing Revenue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HRB
(in thousands)

Assets	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ -	$ -	$ -
Investments	238,867	437,036	(198,169)
Receivables:			
Mortgage loans	432,567	277,980	154,587
Accrued interest	19,674	19,147	527
Notes	-	-	-
Other	178	128	50
Total receivables	452,419	297,255	155,164
Other assets	-	-	-
Total Current Assets	691,286	734,291	(43,005)
Noncurrent Assets:			
Restricted cash	4,878	10,785	(5,907)
Restricted investments	1,950,568	2,006,163	(55,595)
Purpose investment	28,900	29,081	(181)
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	6,643,454	6,411,592	231,862
Mortgage loan participation - Federal Financing Bank	-	-	-
Loan participation receivable - The City of NY	1,090,929	1,092,274	(1,345)
Accrued interest	13,710	10,600	3,110
Notes	-	-	-
Other	-	-	-
Total restricted receivables	7,748,093	7,514,466	233,627
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(37,885)	(37,321)	(564)
Capital assets	-	-	-
Derivative instrument interest rate swaps	(541)	19,673	(20,214)
Other assets	2,293	5,675	(3,382)
Total Noncurrent Assets	9,696,306	9,548,522	147,784
Total Assets	$ 10,387,592	$ 10,282,813	$ 104,779
Deferred outflows of resources			
Interest rate cap	1,368	1,368	-
Deferred loss on early retirement of debt	-	-	-
Deferred outflows pension related	-	-	-
Deferred outflows related to OPEB plan	-	-	-
Total deferred outflows of resources	$ 1,368	$ 1,368	$ -

Housing Revenue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HRB
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ 401,835	$ 576,135	$ (174,300)
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Accrued interest payable	57,892	98,481	(40,589)
Payable to The City of New York	-	-	-
Payable to mortgagors	1,328	1,376	(48)
Restricted earnings on investments	65	75	(10)
Accounts and other payables	248	48	200
Due to the United States Government	-	-	-
Total Current Liabilities	**461,368**	**676,115**	**(214,747)**
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	7,110,129	6,871,518	238,611
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Payable to The City of New York:			
Loan participation due to The City of New York	1,090,929	1,092,274	(1,345)
Others	129	129	-
Payable to mortgagors	9,937	10,139	(202)
Post employment benefits payable	-	-	-
Unearned revenues and other liabilities	74,963	75,417	(454)
Due to the United States Government	-	9	(9)
Total Noncurrent Liabilities	**8,286,087**	**8,049,486**	**236,601**
Total Liabilities	**8,747,455**	**8,725,601**	**21,854**
Deferred inflows from pension	-	-	-
Interest rate swap fair value	(541)	22,978	(23,519)
Total Deferred Inflows of Resources	(541)	22,978	(23,519)
Net Position:			
Restricted for bond obligations	1,642,046	1,535,602	106,444
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Position	**1,642,046**	**1,535,602**	**106,444**
Total Liabilities and Net Position	**$ 10,388,960**	**$ 10,284,181**	**$ 104,779**

Housing Revenue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total HRB
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ 61,873	$ 53,367	$ 8,506
Fees and charges	18,387	11,286	7,101
Income on loan participation interests	607	149	458
Other	1,058	60	998
Total Operating Revenues	**81,925**	**64,862**	**17,063**
Operating Expenses			
Interest and amortization of bond premium and discount	58,849	45,729	13,120
Salaries and related expenses	-	-	-
Trustees' and other fees	130	410	(280)
Amortization of debt issuance costs	3,777	2,813	964
Corporate operating expenses	-	-	-
Total Operating Expenses	**62,756**	**48,952**	**13,804**
Operating Income (Loss)	**19,169**	**15,910**	**3,259**
Non-operating Revenues (Expenses)			
Earnings on investments	14,625	6,844	7,781
Unrealized gain (loss) on investment FMV	3,266	(2,362)	5,628
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	(74)	(123)	49
Operating transfers to (HDC) Corporate Services Fund	(7,279)	(2,667)	(4,612)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues (Expenses)	**10,538**	**1,692**	**8,846**
Income (Loss)	**29,707**	**17,602**	**12,105**
Capital transfers	76,737	151,209	(74,472)
Loan participation agreement securitization proceeds (2018 Series B-1)	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	**106,444**	**168,811**	**(62,367)**
Total net position - beginning of year	1,535,602	1,182,964	352,638
Total Net Position - End of Year	**$ 1,642,046**	**$ 1,351,775**	**$ 290,271**

Housing Assistance Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HAC
(in thousands)

Assets	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ -	$ -	$ -
Investments	-	-	-
Receivables:			
Mortgage loans	-	-	-
Accrued interest	1	-	1
Notes	-	-	-
Other	-	-	-
Total receivables	1	-	1
Other assets	-	-	-
Total Current Assets	1	-	1
Noncurrent Assets:			
Restricted cash	-	-	-
Restricted investments	11,571	12,195	(624)
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	122,011	129,121	(7,110)
Mortgage loan participation - Federal Financing Bank	-	-	-
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	122,011	129,121	(7,110)
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(3)	(1)	(2)
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	133,579	141,315	(7,736)
Total Assets	$ 133,580	$ 141,315	$ (7,735)
Deferred outflows of resources			
Interest rate cap	-	-	-
Deferred loss on early retirement of debt	-	-	-
Deferred outflows pension related	-	-	-
Deferred outflows related to OPEB plan	-	-	-
Total deferred outflows of resources	$ -	$ -	$ -

Housing Assistance Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total HAC
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ -	$ -	$ -
Debt obligations payable			
Loan participation payable to Federal Financing Bank			
Accrued interest payable	-	-	-
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	-	-	-
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	-	-	-
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Payable to The City of New York:			
Loan participation due to The City of New York			
Others	-	-	-
Payable to mortgagors	133,580	141,315	(7,735)
Post employment benefits payable	-	-	-
Unearned revenues and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	133,580	141,315	(7,735)
Total Liabilities	133,580	141,315	(7,735)
Deferred inflows from pension	-	-	-
Interest rate swap fair value	-	-	-
Total Deferred Inflows of Resources	-	-	-
Net Position:			
Restricted for bond obligations	-	-	-
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Position	-	-	-
Total Liabilities and Net Position	$ 133,580	$ 141,315	$ (7,735)

Housing Assistance Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total HAC
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ 2	$ -	$ 2
Fees and charges	-	-	-
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	2	-	2
Operating Expenses			
Interest and amortization of bond premium and discount	-	-	-
Salaries and related expenses	-	-	-
Trustees' and other fees	-	-	-
Amortization of debt issuance costs	-	-	-
Corporate operating expenses	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	2	-	2
Non-operating Revenues (Expenses)			
Earnings on investments	-	1	(1)
Unrealized gain (loss) on investment FMV	-	-	-
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	(2)	(1)	(1)
Operating transfers from HAC Subsidiary	-	-	-
Total Non-operating Revenues (Expenses)	(2)	-	(2)
Income (Loss)	-	-	-
Capital transfers	-	-	-
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	-	-	-
Total net position - beginning of year	-	-	-
Total Net Position - End of Year	$ -	$ -	$ -

Residential Mortgage Insurance Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total REMIC
(in thousands)

Assets	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ -	$ -	$ -
Investments	-	-	-
Receivables:			
Mortgage loans	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total receivables	-	-	-
Other assets	-	-	-
Total Current Assets	-	-	-
Noncurrent Assets:			
Restricted cash	-	-	-
Restricted investments	138,710	127,729	10,981
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	-	-	-
Mortgage loan participation - Federal Financing Bank	-	-	-
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	-	-	-
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	123	(19)	142
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	138,833	127,710	11,123
Total Assets	$ 138,833	$ 127,710	$ 11,123
Deferred outflows of resources			
Interest rate cap	-	-	-
Deferred loss on early retirement of debt	-	-	-
Deferred outflows pension related	-	-	-
Deferred outflows related to OPEB plan	-	-	-
Total deferred outflows of resources	$ -	$ -	$ -

Residential Mortgage Insurance Corporation
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total REMIC
(in thousands)

Liabilities and Net Position	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ -	$ -	$ -
Debt obligations payable			
Loan participation payable to Federal Financing Bank			
Accrued interest payable	-	-	-
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	-	-	-
Noncurrent Liabilities:			
Bonds and debt obligations payable:	-	-	-
Bonds payable (net)	-	-	-
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Payable to The City of New York:	-	-	
Loan participation due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefits payable	-	-	-
Unearned revenues and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	-	-	-
Total Liabilities	-	-	-
Deferred inflows from pension	-	-	-
Interest rate swap fair value	-	-	-
Total Deferred Inflows of Resources	-	-	-
Net Position:			
Restricted for bond obligations	-	-	-
Restricted for insurance requirement and others	78,633	79,378	(745)
Unrestricted	60,200	48,332	11,868
Total Net Position	**138,833**	**127,710**	**11,123**
Total Liabilities and Net Position	**$ 138,833**	**$ 127,710**	**$ 11,123**

Residential Mortgage Insurance Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total REMIC
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ -	$ -	$ -
Fees and charges	700	784	(84)
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	**700**	**784**	**(84)**
Operating Expenses			
Interest and amortization of bond premium and discount	-	-	-
Salaries and related expenses	-	-	-
Trustees' and other fees	-	-	-
Amortization of debt issuance costs	-	-	-
Corporate operating expenses	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	**700**	**784**	**(84)**
Non-operating Revenues (Expenses)			
Earnings on investments	565	530	35
Unrealized gain (loss) on investment FMV	-	-	-
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	10,000	-	10,000
Operating transfers to (HDC) Corporate Services Fund	(142)	(136)	(6)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues (Expenses)	**10,423**	**394**	**10,029**
Income (Loss)	**11,123**	**1,178**	**9,945**
Capital transfers	-	-	-
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	**11,123**	**1,178**	**9,945**
Total net position - beginning of year	127,710	122,296	5,414
Total Net Position - End of Year	**$ 138,833**	**$ 123,474**	**$ 15,359**

New Issue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total NIBP
(in thousands)

Assets

	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ -	$ -	$ -
Investments	5,949	10,182	(4,233)
Receivables:			
Mortgage loans	2,028	2,002	26
Accrued interest	768	565	203
Notes	-	-	-
Other	-	-	-
Total receivables	2,796	2,567	229
Other assets	-	-	-
Total Current Assets	8,745	12,749	(4,004)
Noncurrent Assets:			
Restricted cash	-	395	(395)
Restricted investments	4,702	4,686	16
Purpose investment	10,178	10,259	(81)
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	264,989	265,506	(517)
Mortgage loan participation - Federal Financing Bank	-	-	-
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	264,989	265,506	(517)
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(1,200)	(1,200)	-
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	278,669	279,646	(977)
Total Assets	$ 287,414	$ 292,395	$ (4,981)
Deferred outflows of resources			
Interest rate cap	-	-	-
Deferred loss on early retirement of debt	-	-	-
Deferred outflows pension related	-	-	-
Deferred outflows related to OPEB plan	-	-	-
Total deferred outflows of resources	$ -	$ -	$ -

New Issue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total NIBP
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ 3,460	$ 3,480	$ (20)
Debt obligations payable			
Loan participation payable to Federal Financing Bank			
Accrued interest payable	1,850	3,720	(1,870)
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	**5,310**	**7,200**	**(1,890)**
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	278,620	280,340	(1,720)
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Payable to The City of New York:	-	-	
Loan participation due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefits payable	-	-	-
Unearned revenues and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	**278,620**	**280,340**	**(1,720)**
Total Liabilities	**283,930**	**287,540**	**(3,610)**
Deferred inflows from pension	-	-	-
Interest rate swap fair value	-	-	-
Total Deferred Inflows of Resources	-	-	-
Net Position:			
Restricted for bond obligations	3,484	4,855	(1,371)
Total Net Position	**3,484**	**4,855**	**(1,371)**
Total Liabilities and Net Position	**$ 287,414**	**$ 292,395**	**$ (4,981)**

New Issue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total NIBP
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ 2,876	$ 2,898	$ (22)
Fees and charges	-	-	-
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	**2,876**	**2,898**	**(22)**
Operating Expenses			
Interest and amortization of bond premium and discount	1,849	1,871	(22)
Salaries and related expenses	-	-	-
Trustees' and other fees	-	-	-
Amortization of debt issuance costs	-	-	-
Corporate operating expenses	-	-	-
Total Operating Expenses	**1,849**	**1,871**	**(22)**
Operating Income (Loss)	**1,027**	**1,027**	**-**
Non-operating Revenues (Expenses)			
Earnings on investments	191	185	6
Unrealized gain (loss) on investment FMV	-	-	-
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	-	-	-
Total Non-operating Revenues (Expenses)	**191**	**185**	**6**
Income (Loss)	**1,218**	**1,212**	**6**
Capital transfers	(2,589)	(914)	(1,675)
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	**(1,371)**	**298**	**(1,669)**
Total net position - beginning of year	4,855	3,424	1,431
Total Net Position - End of Year	**$ 3,484**	**$ 3,722**	**$ (238)**

Mini Housing Revenue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total MINI Open
(in thousands)

Assets

	January 31, 2019	October 31, 2018	Change
Current Assets:			
Cash	$ -	$ -	$ -
Investments	16,113	8,919	7,194
Receivables:			
Mortgage loans	4,555	4,763	(208)
Accrued interest	631	862	(231)
Notes	-	-	-
Other	-	-	-
Total receivables	5,186	5,625	(439)
Other assets	-	-	-
Total Current Assets	**21,299**	**14,544**	**6,755**
Noncurrent Assets:			
Restricted cash	-	72	(72)
Restricted investments	5,696	5,696	-
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	156,194	161,084	(4,890)
Mortgage loan participation - Federal Financing Bank	-	-	-
Loan participation receivable - The City of NY	-	-	-
Accrued interest	938	938	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	157,132	162,022	(4,890)
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(4,037)	(4,037)	-
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	**158,791**	**163,753**	**(4,962)**
Total Assets	**$ 180,090**	**$ 178,297**	**$ 1,793**
Deferred outflows of resources			
Interest rate cap	512	512	-
Deferred loss on early retirement of debt	-	-	-
Deferred outflows pension related	-	-	-
Deferred outflows related to OPEB plan	-	-	-
Total deferred outflows of resources	**$ 512**	**$ 512**	**$ -**

MINI Housing Revenue Bond Program
Net Position Summary
Current Period JAN-19
Unaudited

Program=Total MINI Open
(in thousands)

Liabilities and Net Position

	January 31, 2019	October 31, 2018	Change
Current Liabilities:			
Bonds payable (net)	$ 7,605	$ 7,605	$ -
Debt obligations payable			
Loan participation payable to Federal Financing Bank			
Accrued interest payable	2,063	1,161	902
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	**9,668**	**8,766**	**902**
Noncurrent Liabilities:			
Bonds and debt obligations payable:			
Bonds payable (net)	121,280	121,280	-
Debt obligations payable	-	-	-
Loan participation payable to Federal Financing Bank	-	-	-
Payable to The City of New York:	-	-	
Loan participation due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefits payable	-	-	-
Unearned revenues and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	**121,280**	**121,280**	**-**
Total Liabilities	**130,948**	**130,046**	**902**
Deferred inflows from pension	-	-	-
Interest rate swap fair value	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**
Net Position:			
Restricted for bond obligations	49,654	48,763	891
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Position	**49,654**	**48,763**	**891**
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 180,602**	**$ 178,809**	**$ 1,793**

Mini Housing Revenue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-19
Unaudited

Program=Total MINI Open
(in thousands)

	Q1 FY 2019 (11/01/18-01/31/19)	Q1 FY 2018 (11/01/17-01/31/18)	Change
Operating Revenues			
Interest on loans	$ 1,968	$ 2,053	$ (85)
Fees and charges	-	-	-
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	**1,968**	**2,053**	**(85)**
Operating Expenses			
Interest and amortization of bond premium and discount	1,182	1,145	37
Salaries and related expenses	-	-	-
Trustees' and other fees	-	-	-
Amortization of debt issuance costs	-	161	(161)
Corporate operating expenses	-	-	-
Total Operating Expenses	**1,182**	**1,306**	**(124)**
Operating Income (Loss)	**786**	**747**	**39**
Non-operating Revenues (Expenses)			
Earnings on investments	105	60	45
Unrealized gain (loss) on investment FMV	-	-	-
Loss on early retirement of debt	-	-	-
Other non-operating revenues (expenses), net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	-	-	-
Total Non-operating Revenues (Expenses)	**105**	**60**	**45**
Income (Loss)	**891**	**807**	**84**
Capital transfers	-	3,312	(3,312)
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of debt	-	-	-
Change in Net Position	**891**	**4,119**	**(3,228)**
Total net position - beginning of year	48,763	41,577	7,186
Total Net Position - End of Year	**$ 49,654**	**$ 45,696**	**$ 3,958**

NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO:	Members of the Audit Committee
FROM:	Ellen Duffy
SUBJECT:	Debt Report as of February 28, 2019
DATE:	MARCH 21, 2019

Attached please find the Corporation's Debt Report as of February 28, 2019.

The last debt report presented to the Audit Committee was as of December 31, 2018. During this time, the Corporation issued two series of Open Resolution Bonds totaling $110 million, remarketed one series of stand-alone bonds in the amount of $54.6 million, and issued one series of a stand-alone bonds in the amount of $4.4 million.

There were bond redemptions in three series of Open Resolution bonds in the amount of $121.62 million and two series of stand-alone bonds in the amount of $54.9 million.

The Corporation's debt outstanding as of February 28, 2019 is approximately $11.8 billion. The Corporation's statutory debt capacity stands at $13.5 billion.

HDC Debt -- Monthly Report of February 28, 2019

Total HDC Debt

Outstanding Principal	Open Resolution Amount	Open Resolution Percent	New Issue Bond Program Amount	New Issue Bond Program Percent	Stand-Alone Bonds Amount		Stand-Alone Bonds Percent	MF Secured Resolution Amount	MF Secured Resolution Percent	MF Pass-Thru Resolution Amount	MF Pass-Thru Resolution Percent	Total HDC Bonds Amount	Total HDC Bonds Percent
Fixed Rate	5,695,750,000	77.19%	282,080,000	100%	1,771,808,251	(1)	44.68%	85,225,000	68%	63,170,535	100%	7,898,033,785.94	66.85%
Var-Term	414,150,000	5.61%	-	0%	-		0.00%	-	0%	-	0%	414,150,000.00	3.51%
Var-Index (2)	1,110,485,000	15.05%	-	0%	156,495,399	(3)	3.95%	39,825,000	32%	-	0%	1,306,805,399.00	11.06%
VRDO	158,780,000	2.15%	-	0%	2,037,115,000		51.37%	-	0%	-	0%	2,195,895,000.00	18.59%
Total	7,379,165,000	100%	282,080,000	100%	3,965,418,650		100.00%	125,050,000	100%	63,170,535	100%	11,814,884,184.94	100.00%
Draw Down Bond Allocations												0.00	
Government Debt Obligation Allocation												29,834,762.32	
Statutory Limit												*13,500,000,000.00*	
Remaining Capacity												1,655,281,052.74	12.26%

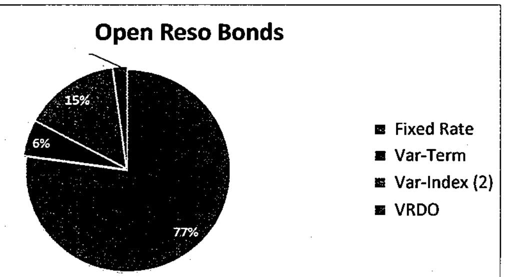
Open Variable Rate Exposure

Series	Bond Total	Mortgage Loan Balance	Cash & Inv Balance		Bond Maturity	Rate Reset Period/ Index	Tax Status	Bond Rate	Bond Interest Due	Avg. Loan Rate	Mortgage Interest Due	Loan Spread		Average Asset Parity Ratio (6)
Var-Index														
2002 C	37,530,000	13,250,330	92,317		2034	Quarterly/ 3 M FHLB Rate + 30 bps	Taxable	2.67%	250,607	6.52%	215,954	(34,653)	(5)	
2008 E	85,415,000	34,649,715	7,575,344		2037	Quarterly/ 3 M FHLB Rate + 30 bps	Taxable	2.67%	570,359	3.23%	279,580	(290,779)	(5)	
2008 F	70,985,000	33,275,437	29,834,176		2041	Quarterly/ 3 M FHLB Rate + 30 bps	Taxable	2.76%	490,329	4.94%	411,318	(79,011)		
2008 J	29,010,000	44,257,182	1,398,457		2043	Quarterly/ 3 M LIBOR + 61 bps	Taxable	3.35%	242,687	5.66%	626,405	383,718		
2008 K	68,190,000	57,054,929	31,571,617		2043	Quarterly/ 3 M LIBOR + 61 bps	Taxable	3.35%	570,452	2.93%	418,184	(152,268)		
2009 I-2	25,000,000	77,649,721	750,637		2039	Quarterly/ 3 M LIBOR + 48 bps	Taxable	3.22%	201,016	1.11%	216,410	15,394		
2010 H	26,960,000	28,426,032	2,215,701		2040	Quarterly/ 3 M LIBOR + 54 bps	Taxable	3.28%	220,819	2.84%	201,654	(19,165)		
2011 F-2	48,355,000	108,651,136	4,406,410		2040	Quarterly/ 3 M LIBOR + 48 bps	Taxable	3.22%	388,804	3.15%	856,796	467,991		
2011 F-3	12,540,000	29,767,200	370,567		2040	Quarterly/ 3 M LIBOR + 48 bps	Taxable	3.22%	100,829	3.36%	250,245	149,416		162.9717%
2013 D-2	55,000,000	193,958,618	2,463,770		2038	Quarterly/ 3 M LIBOR + 65 bps	Taxable	3.39%	465,609	1.92%	930,759	465,150		
2014 B-2	50,000,000	144,568,606	6,636,871		2033	Quarterly/ 3 M LIBOR + 49 bps	Taxable	3.23%	403,281	1.09%	393,949	(9,332)		
2014 D-2	38,000,000	49,197,052	1,813,214		2037	Quarterly/ 3 M LIBOR + 49 bps	Taxable	3.23%	306,494	3.14%	386,074	79,580		
2014 H-2	50,000,000	57,708,516	3,904,736		2044	Quarterly/ 3 M LIBOR + 47 bps	Taxable	3.21%	400,781	4.40%	635,198	234,416		
2015 B-2	33,000,000	51,747,702	15,660,326		2044	Quarterly/ 3 M LIBOR + 40 bps	Taxable	3.14%	258,741	2.26%	292,284	33,543		
2016 G-2	78,000,000	133,658,611	3,910,044		2045	Quarterly/ 3 M LIBOR + 51 bps	Taxable	3.25%	633,019	3.84%	1,283,991	650,973		
2017 B-2	61,500,000	79,111,916	4,505,676		2021	Quarterly/ 3 M LIBOR + 43 bps	Taxable	3.17%	486,811	5.09%	1,007,589	520,778		
2018 B-2 (HDC Portion)	3,395,000	-	146,432		2046	Quarterly/ 3 M LIBOR + 45 bps	Taxable	3.19%	27,043	0.00%	-	(27,043)		
2018 B-2 (NYC Portion)	96,605,000	223,939,405	-	(4)	2046	Quarterly/ 3 M LIBOR + 45 bps	Taxable	3.19%	769,519	0.93%	520,659	(248,860)		231.8093%
Total	**869,485,000**	**1,360,872,107**	**117,256,295**						**6,787,200**		**8,927,049**	**2,139,849**		
Var-Index														
2016 J-1	161,500,000			(7)	2052	Quarterly/ 3 M LIBOR + 68 bps	Taxable	3.42%		3.42%				
2016 J-2	29,500,000			(7)	2052	Quarterly/ 3 M LIBOR + 68 bps	Tax-Exempt	3.42%		3.42%				
2017 A-3	50,000,000				2021	Monthly/LIBOR*70% +54bps	Tax-Exempt	2.30%		2.30%				
Total	**241,000,000**													
VRDO Pass-Through														
2015 D-3	15,000,000			(7)	2020	VRDO (Citibank Liquidity)	Tax-Exempt	1.65%		1.65%				
2017 C-4	57,830,000			(7)	2057	VRDO (Wells Fargo Liquidity)	Tax-Exempt	1.65%		1.65%				
2017 G-3	85,950,000			(7)	2057	VRDO (Wells Fargo Liquidity)	Tax-Exempt	1.66%		1.66%				
Total	**158,780,000**													
Mini-Open Variable Rate Exposure														
Var-Index														
2017 A-2	39,825,000	30,191,214	5,018,068		2041	Quarterly/ 3 M LIBOR + 41 bps	Taxable	2.95%	293,809	5.49%	414,578	120,769		164.4013%
Total	**39,825,000**	**30,191,214**	**5,018,068**						**293,809**		**414,578**	**120,769**		

HDC Short-Term Assets	(8)	203,049,994
Hedge Ratio: Short-Term Assets/Variable Debt		27.11%

2019 Volume Cap

Used up to 1/31	0
Balance Available 1/31/19	0



Rates of the Index Floating Bonds:

3 M FHLB Swap Rate	current (03/15/2019)	2.479
3 M LIBOR -	current (03/14/2019)	2.615
1 M LIBOR -	current (03/14/2019)	2.482
7 D SIFMA -	current (03/14/2019)	1.610

Debt Issuance / Key Events

Debt Issuance in Feb:	**111,538,453.24**
2019 A-1	85,000,000.00
2019 A-2	25,000,000.00
Remarketing in Feb:	**0.00**
Draw Down Advances in Feb:	**1,538,453.24**
MEC 125th St.	450,599.00
One Flushing # 2	1,087,454.24
Prospect Plaza	400.00
Redemption in Feb:	**0.00**

Notes
(1) Includes Debt Obligation issued pursuant to a Funding Loan Agreement.
(2) Includes 2006 J-1 in an amount of $100,000,000 which has been walled off from the Open Resolution.
(3) Includes DD Bonds & certain Debt Obligation.
(4) The 2018 series B mortgage loan balance is a pro-rata balance netting out the portion attributable to 2018 Series B-1.
(5) Prepayments in this series have been releveraged in other securitizations.
(6) Asset parity ratio is calculated using all cash based assets underlying the series.
(7) The bond is structured as a pass-thru deal and the borrower is responsible for the bond interest, which is fully capitalized.
(8) Includes only those assets for which HDC retains the earnings.

Interest Rate Hedges-- Monthly Report of December 31, 2018

Outstanding Interest Rate SWAPs

Purpose: Open Resolution (3 -Month LIBOR)*

Outstanding Notional Amount With PNC	85,000,000
Swap Rate	2.029%
Forward Start Date	5/1/2018
Maturity Date	11/1/2035
Outstanding Notional Amount With PNC	50,000,000
Swap Rate	1.2028%
Forward Start Date	6/1/2017
Maturity Date	8/1/2020
Outstanding Notional Amount With PNC	100,000,000
Swap Rate	3.0949%
Forward Start Date	2/1/2019
Maturity Date	5/1/2046
Outstanding Notional Amount With Wells Fargo	75,000,000
Swap Rate	3.022%
Forward Start Date	2/1/2019
Maturity Date	2/1/2036
Total	**310,000,000**

Purpose: Open Resolution (SIFMA)*

Outstanding Notional Amount With Wells Fargo	75,000,000
Swap Rate	2.538%
Forward Start Date	5/1/2019
Maturity Date	11/1/2043

Purpose: HPS (77.5%1ML)*

Outstanding Notional Amount With RBC	184,000,000
Swap Rate	2.538%
Forward Start Date	5/1/2024
Maturity Date	5/1/2050

Purpose: Caton/MEC (77.5%1ML)*

Outstanding Notional Amount With Citibank	98,895,000
Swap Rate	2.5017%
Forward Start Date	7/1/2022
Maturity Date	5/1/2051
Total	**357,895,000**

Purpose: FFB Forward Hedge - 3-Month LIBOR* >>> ***to hedge interest rate risk during Construction period***

Outstanding Notional Amount With Wells Fargo	65,630,000
Swap Rate	2.240%
Forward Start Date	8/1/2019
Maturity Date	5/1/2047
Outstanding Notional Amount With Wells Fargo	54,126,321
Swap Rate	2.984%
Forward Start Date	2/1/2021
Maturity Date	5/1/2048
Outstanding Notional Amount With Citibank	135,460,000
Swap Rate	2.9563%
Forward Start Date	1/1/2021
Maturity Date	11/1/2038
Total	**255,216,321**

Outstanding Interest Rate CAPs

Purpose: Open Resolution*

Outstanding Notional Amount With Goldman Sachs	153,585,000
Strike Rate	7.35%
Maturity Date	11/1/2032
Outstanding Notional Amount With PNC	50,000,000
Strike Rate	4.50%-7.50%
Maturity Date	11/1/2033
Outstanding Notional Amount With Barclays	150,000,000
Strike Rate	3.50%
Maturity Date	11/1/2020
Total	**353,585,000**

Purpose: Mini-Open Resolution*

Outstanding Notional Amount With US Bank	39,825,000
Strike Rate	3.25%
Maturity Date	2/1/2023

*Interest rate hedges are obligations of the Corporation, with payments pledged to the specific Bond Resolution or program. These interest rate hedges are not legally tied to any specific bond series, therefore provides a hedge to the full Open Resolution variable rate portfolio.

NYC HDC
NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Ellen Duffy

SUBJECT: Investment Report as of March 12, 2019

DATE: MARCH 21, 2019

Attached please find HDC's investment report as of March 21, 2019. Funds under management totaled approximately $5.6 billion. This report reflects routine investment activity.

Weekly Investment Report
Tuesday, March 12, 2019

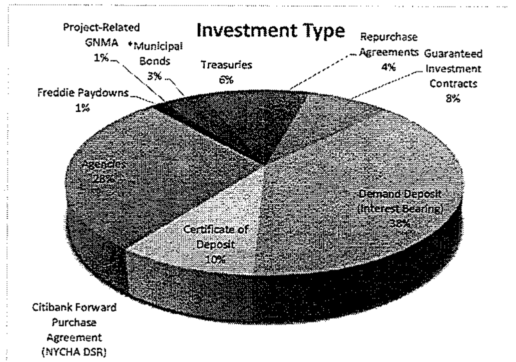
	3/12/2019	2/25/2019	Weekly Change	10/31/2018	Change 10/31/2018 to Current	10/31/2017	10/31/2016
Total Investments	5,563,851,776	5,426,544,523	137,307,252	5,271,957,875	291,893,901	4,209,594,605	3,444,740,628
Investments by Pool:							
Open Resolution Revenue	256,668,538	232,210,825	24,457,713	370,399,349	(113,730,812)	269,248,862	276,744,431
Project-Related GNMAs	28,748,511	28,748,511	-	28,972,751	(224,240)	29,672,230	30,338,668
Open Resolution DSR	156,508,498	156,485,762	22,736	149,360,473	7,148,025	124,554,856	114,471,579
Open Resolution Bond Proceeds	1,337,693,669	1,379,598,947	(41,905,279)	1,432,993,991	(95,300,322)	1,484,466,277	1,055,951,826
Open Resolution Redemption	27,207	27,160	47	38,710,000	(38,682,793)	38,630,000	112,244,900
Open Resolution Prepayment	163,916,378	42,308,171	121,608,207	37,247,645	126,668,733	26,631,775	90,892,478
Debt Paydown Reserve Fund	-	-	-	-	-	147,422	15,512,677
Non Bonded Proceeds	347,067	346,428	638	343,823	3,243	338,374	336,144
Mitchell-Lama Prepayment	4,620,149	4,612,189	7,961	4,097,087	523,062	105,267	1,916,967
NYCHA (Stand Alone, All Funds)	38,625,494	38,617,394	8,100	38,147,344	478,150	37,228,914	73,037,609
HDC Pass Through	3,317,745	3,291,150	26,595	3,546,609	(228,865)	2,385,194	1,472,388
HPD Participating Loan (Schermerhorn)	23,910,737	24,536,979	(626,242)	28,733,274	(4,822,538)	13,489,684	203,120
HPD Grant Funds (Harp Proceeds)	3,728,010	3,713,531	14,479	3,654,001	74,009	3,495,993	3,369,780
Bond Proceeds, Non-OR	181,171,676	187,916,188	(6,744,512)	297,154,431	(115,982,755)	39,081,718	57,100,275
Bond Revenue Funds, Non-OR	381,373,634	375,537,293	5,836,341	201,294,095	180,079,539	125,476,547	119,361,288
Subtotal, Bond-Related	**2,580,657,311**	**2,477,950,527**	**102,706,784**	**2,634,654,874**	**(53,997,563)**	**2,194,953,112**	**1,952,954,130**
HPD Funds	256,149,830	255,463,249	686,582	247,996,899	8,152,931	215,184,390	195,680,920
HPD Grant Funds (Section 661)	1,236,902,894	1,212,359,022	24,543,872	995,776,780	241,126,114	516,028,252	183,065,341
Escrows (HDC retains earnings)	73,856,800	70,088,547	3,768,254	63,439,793	10,417,008	48,194,848	42,916,288
Reserves for Replacement, Escrows	377,158,536	372,036,703	5,121,834	350,711,709	26,446,828	322,500,312	241,842,594
Subtotal, Loan Servicing	**1,944,068,061**	**1,909,947,520**	**34,120,541**	**1,657,925,181**	**286,142,880**	**1,101,907,801**	**663,505,143**
Housing Assistance Corp.	11,360,415	11,361,684	(1,269)	12,173,821	(813,406)	14,943,835	990,130
REMIC	139,752,260	139,227,960	524,300	127,540,110	12,212,150	122,139,173	117,828,947
Mitchell-Lama Claim Payment Fund	9,000	9,000	-	36,000	(27,000)	131,000	363,000
NYSERDA - HFA/JASA Loan Fund Proceeds	14,723,910	15,534,966	(811,056)	4,560	14,719,350	-	-
Construction Loan Mortgagor Equity	17,476,536	18,624,967	(1,148,431)	15,915,062	1,561,473	4,566,485	6,927,746
Community Development Block Grant	46,117,463	49,028,056	(2,910,594)	61,576,464	(15,459,001)	79,577,200	1,820,213
Corporate Services – 421a Funds	139,169,292	139,109,828	59,464	138,793,781	375,511	132,866,169	107,808,244
Corporate Services – DOJ	7,873,508	8,137,515	(264,007)	8,123,524	(250,016)	10,423,674	
Corporate Services – Committed to HDC Loans	42,831,158	28,014,820	14,816,338	26,556,074	16,275,084	64,594,284	112,752,640
Corporate Services – Committed to HDC Open Res	123,772,954	111,341,676	12,431,277	142,150,048	(18,377,094)	107,329,383	79,906,339
Corporate Services – General/Operating***	241,772,376	264,014,124	(22,241,748)	191,395,992	50,376,385	143,812,849	145,445,795
Corporate Services – Revolving/Warehousing	193,271	192,915	355	191,465	1,806	188,431	186,941
Corporate Services – Future Mitchell Lama Loan Fund	41,207,422	41,207,416	6	45,640,071	(4,432,649)	45,583,075	45,491,413
Corporate Services – Mitchell Lama Repair Fund	5,395	5,386	10	8,038,709	(8,033,314)	7,984,093	7,932,461
Corporate Services – HPD 2004 M.O.U.	27,463	40,653	(13,190)	23,062	4,401	27,366	78,394
Corporate Services – HUD Multi-Family Loan Fund	4,296,059	4,289,802	6,257	4,081,130	214,929	4,356,074	4,114,470
Corporate Services – HPD 15 Year Reserves	2,018,687	2,014,974	3,713	2,001,403	17,285	942,247	1,251,790
Corporate Services – OPEB****	8,435,000	8,435,000	-	8,435,000	-	8,435,000	8,435,000
Corporate Services – NYCEEC	986,823	984,930	1,893	988,288	(1,465)	986,738	1,006,037
Corporate Services – Designated and Restricted / Rating and Reserves **	197,097,410	197,070,802	26,608	185,713,256	11,384,154	163,846,618	171,132,132
Subtotal, HDC Non-Bond Programs	**1,039,126,403**	**1,038,646,476**	**479,927**	**979,377,820**	**59,748,583**	**912,733,692**	**828,281,356**
Total, All Pools	**5,563,851,776**	**5,426,544,523**	**137,307,252**	**5,271,957,875**	**291,893,901**	**4,209,594,605**	**3,444,740,628**

* This amount represents the 2nd mortgage payoffs from the Mitchell Lama closing held by HDC prior to transfer to REMIC trustee
** 110,500,000 Rating Agency Reserve
** 4,233,750 2014 B DSR
** 8,273,750 2018 B DSR
** 15,000,000 HDC Risk Sharing Reserves COOP City (139)
** 14,155,556 HDC Financial Guaranty Reserves NYCHA Tax credit (140)
** 2,500,000 CPC Risk Sharing Reserve (139)
** 8,135,200 FHA Risk Sharing Reserve (139)
** 23,579,250 Working Capital
** 11,563,916.32 Green Swap (178)
*** 3M Self Insurance Reserve for Errors and Ommissions
*** 19M Six Month Operating Reserve
*** 2,250,000 Down Payment Asistant Fund (258)
**** OPEB Cash Balance 85,446.47

Total Investments Investments by Security:	3/12/2019 5,563,851,776	% of Securities Held	2/25/2019 5,426,544,523	Weekly Change 137,307,252.26	10/31/2018 5,271,957,875	10/31/2018 to Current 291,893,900.96
Repurchase Agreements	239,918,000	4.31%	181,483,000	58,435,000	147,595,000	92,323,000
Guaranteed Investment Contracts	450,162,314	8.09%	449,628,479	533,834	176,058,986	274,103,328
Demand Deposit (Interest Bearing)	2,133,718,526	38.35%	1,985,829,376	147,889,150	2,399,025,451	(265,306,925)
Certificate of Deposit	532,735,983	9.57%	532,504,575	231,408	254,642,534	278,093,449
Citibank Forward Purchase Agreement (NYCHA DSR)	29,824,394	0.54%	29,824,394	-	29,824,394	-
Agencies	1,532,555,000	27.54%	1,607,555,000	(75,000,000)	1,630,008,000	(97,453,000)
Freddie Paydowns	79,960,048	1.44%	80,075,189	(115,141)	83,066,759	(3,106,712)
Project-Related GNMA	28,748,511	0.52%	28,748,511	-	28,972,751	(224,240)
*Municipal Bonds	191,960,000	3.45%	189,660,000	2,300,000	185,795,000	6,165,000
Treasuries	344,269,000	6.19%	341,236,000	3,033,000	336,969,000	7,300,000
Total	**5,563,851,776**	**100.00%**	**5,426,544,523**	**137,307,252**	**5,271,957,875**	**291,893,901**

*VRDB $52 Million

Diversification Details:



Repurchase Agreements:		Amount Outstanding
Daiwa Securities		102,122,000
Guggenheim Securities		134,913,000
Mizuho Securities Usa, Inc.		2,883,000
	Total	**239,918,000**

Guaranteed Investment Contracts		Amount Outstanding	%	Maturity	Interest Rate
Bayerische Landesbank		10,077,077	2.24%	5/2030-5/2037	*5.47
Rabobank International		5,166,893	1.15%	11/1/2033	*3.87
RBC Capital Markets Corporation		72,057,785	16.01%	12/1/2020	3.319
Societe Generale GIC		1,207,660	0.27%	11/1/2034	3.5
Toronto-Dominion Bank c/o TD Security-GIC - Var Rate*		64,422,899	14.31%	1/31/2021	2.05
Toronto-Dominion Bank c/o TD Security-GIC		72,230,000	16.05%	12/31/2021	3.023
Toronto-Dominion Bank c/o TD Security-GIC		225,000,000	49.98%	1/31/2022	2.921
	Total	**450,162,314**	**100.00%**		

Note: All current agreements are Uncollateralized

*Weighted Avg. for Rabobank and Bayerische

*SIFMA Based Variable Rate

Certificate of Deposit		Amount Outstanding	%	Maturity	Interest Rate
Signature - REMIC		120,000,000	22.53%	2/11/2022	2.85
NYCB - HPD/Reserve		54,285,499	10.19%	5/1/2019	1.5
NYCB - HPD/Reserve		174,450,484	32.75%	6/15/2020	1.72
NYCB - Hunters Point		184,000,000	34.54%	4/1/2024	3.76
	Total	**532,735,983**	**100.00%**		

Demand Deposit (Interest Bearing)		Amount Outstanding	%	Interest Rate	Weighted Avg.
Bridge Hampton National Bank		23,160,673	1.09%	2.00%	0.02%
Customer Bank		380,587,701	17.84%	2.35%	0.42%
Empire National Bank		49,288,890	2.31%	2.05%	0.05%
Flushing Commercial Bank ICS*		68,557,432	3.21%	2.98%	0.10%
Flushing Commercial Bank Non-ICS **		174,522,617	8.18%	3.00%	0.25%
Lakeland Bank		13,273,157	0.62%	2.00%	0.01%
NYC Community Bank*		239,680,729	11.23%	2.26%	0.25%
Bank of the Ozarks		49,674,000	2.33%	2.25%	0.05%
Santander Bank		33,695,027	1.58%	2.15%	0.03%
Signature		673,385,168	31.56%	2.40%	0.76%
Sterling National Bank		364,657,795	17.09%	2.50%	0.43%
US Bank		63,235,338	2.96%	1.70%	0.05%
	Total	**2,133,718,526**	**98.91%**		**2.40%**

*Weighted Avg Rate for NYCB and Flushing ICS

**Special Agreement

Note : Does not include DDA accounts that reconcile to zero.

NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To:	Members of the Audit Committee
From:	Mary Hom MH Chief Risk Officer
Date:	March 15, 2019
Re:	Counterparty Credit Risk Exposure

I have attached an unaudited report detailing the Corporation's counterparty exposure as of February 28, 2019. The previous report to the Audit Committee was dated December 31, 2018.

Please let me know if you have any questions.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Counterparty Credit Risk Exposure Report as of February 28, 2019
(UNAUDITED)

Counterparty	Moody's	S&P	Construction LOC	Permanent Enhancement	Investment	Liquidity Providers	TOTAL COUNTERPARTY EXPOSURE	% Total Counterparty Exposure
Bank of America NA	Aa3	A+	$303,375,000	$26,455,000			$329,830,000	2.30%
Bank of New York Mellon NA	Aa1	AA-	$376,275,000				$376,275,000	2.62%
Bank OZK	NR	NR			$31,432,538		$31,432,538	0.22%
Bayerische Landesbank	Aa3	NR			$9,710,283		$9,710,283	0.07%
Bridgehampton National Bank	NR	NR			$31,214,914		$31,214,914	0.22%
Capital One Bank	A1	BBB+		$22,700,000			$22,700,000	0.16%
Citibank NA	Aa3	A+	$908,500,000	$204,356,369	$29,824,394	$15,000,000	$1,157,680,763	8.08%
Customers Bank	NR	NR			$390,239,492		$390,239,492	2.72%
Daiwa Securities	A3	A			$119,929,000		$119,929,000	0.84%
Deutsche Bank	A3	BBB+		$55,000,000			$55,000,000	0.38%
Dormitory Authority of the State of NY (DASNY)	Aa1	AAA			$13,960,000		$13,960,000	0.10%
Empire National Bank	NR	NR			$59,229,660		$59,229,660	0.41%
Flushing Bank	NR	NR			$176,659,354		$176,659,354	1.23%
Goldman Sachs Bank	A1	A+	$191,000,000				$191,000,000	1.33%
HDC	Aa2	AA	$795,339,642				$795,339,642	5.55%
JPMorgan Chase Bank NA	Aa1	A+	$500,075,000	$9,510,000			$509,585,000	3.55%
Lakeland Bank	NR	NR			$13,252,824		$13,252,824	0.09%
Landesbank Baden-Wuerttemberg	Aa3	NR		$70,000,000			$70,000,000	0.49%
Mizuho Corporate Bank/Mizuho Securities	A1	A			$70,516,000		$70,516,000	0.49%
NYC GO	Aa2	AA			$19,800,000		$19,800,000	0.14%
NYC Transitional Finance Authority	Aa1	AAA			$93,625,000		$93,625,000	0.65%
NY Community Bank	A2	BBB-			$581,884,312		$581,884,312	4.06%
NYS HFA	NR	A			$62,000,000		$62,000,000	0.43%
Promontory (FDIC-insured)	Aaa	AA+			$71,706,062		$71,706,062	0.50%
Rabobank	Aa3	A+			$5,126,913		$5,126,913	0.04%
REMIC	NR	AA		$271,666,516			$271,666,516	1.90%
Royal Bank of Canada	Aa2	AA-			$72,057,785		$72,057,785	0.50%
Santander Bank NA	A2	A-			$33,638,962		$33,638,962	0.23%
Signature Bank	NR	NR			$737,220,376		$737,220,376	5.14%
Societe Generale	A1	A			$1,080,600		$1,080,600	0.01%
SONYMA	Aaa/Aa1	NR		$480,090,172	$275,000		$480,365,172	3.35%
Sterling National Bank	NR	NR			$373,165,611		$373,165,611	2.60%
SunTrust Bank	A1	A-		$112,500,000			$112,500,000	0.78%
TD Bank NA	Aa2	AA-	$61,060,000		$361,652,899		$422,712,899	2.95%
US Bank	Aa1	AA-			$63,416,158		$63,416,158	0.44%
US Agency:	***Aaa***	***AA+***	***$321,655,000***	***$3,303,363,343***	***$1,641,263,559***		***$5,266,281,902***	***36.74%***
FFCB					$81,750,000		$81,750,000	0.57%
FHA/HUD			$0	$353,077,983			$353,077,983	2.46%
FHLB			$321,655,000		$632,175,000		$953,830,000	6.65%
FHLMC			***$0***	***$965,849,586***	***$761,360,048***		***$1,727,209,634***	***12.05%***
FNMA			***$0***	***$1,984,435,774***	***$137,230,000***		***$2,121,665,774***	***14.80%***
GNMA					$28,748,511		$28,748,511	0.20%
US Treasury	Aaa	AA+			$336,986,000		$336,986,000	2.35%
Wells Fargo Bank NA	Aa1	A+	$762,853,007			$143,780,000	$906,633,007	6.32%
TOTAL			**$4,220,132,649**	**$4,555,641,400**	**$5,400,867,696**	**$158,780,000**	**$14,335,421,745**	**100.00%**

Counterparty Exposures Above 10% Are Highlighted

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NYC HDC
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Counterparty Credit Risk Exposure Report as of February 28, 2019
(UNAUDITED)

Municipal Investments:

Issuer	Amount
Dormitory Authority of the State of NY	$13,960,000
NYC GO	$19,800,000
NYC TFA	$93,625,000
NYS HFA	$62,000,000
SONYMA	$275,000
Total Municipal Investments	**$189,660,000**

Exposure to Counterparties Rated A-Minus and Below, or Not-Rated:

Counterparty	Type of Exposure	Amount	% Total Counterparty Exposure
Bank OZK*	Money Market	$31,432,538	0.22%
Bridgehampton National Bank*	Money Market	$31,214,914	0.22%
Capital One Bank	Permanent Enhancement	$22,700,000	0.16%
Customers Bank*	Money Market	$390,239,492	2.72%
Daiwa Securities*	Repo	$119,929,000	0.84%
Deutsche Bank*	Repo/Perm Enhancement	$55,000,000	0.38%
Empire National Bank*	Money Market	$59,229,660	0.41%
Flushing Bank*	Money Market	$176,659,354	1.23%
Lakeland Bank*	Money Market	$13,252,824	0.09%
NY Community Bank*	Money Market	$581,884,312	4.06%
Santander Bank*	Money Market	$33,638,962	0.23%
Signature Bank*	Money Market	$737,220,376	5.14%
Sterling National Bank*	Money Market	$373,165,611	2.60%
SunTrust Bank	Permanent Enhancement	$112,500,000	0.78%
TOTAL		**$2,738,067,043**	**19.10%**

**Fully- or over-collateralized by FHLB LOC and/or US Treasury/Agency securities*

Country Exposure (Ex-U.S.):

Country	Type	$ Amount	% Total Counterparty Exposure
Canada (TD Bank/Royal Bank of Canada)	LOC/Liq	$494,770,684	3.45%
France (Societe Generale)	GIC	$1,080,600	0.01%
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC	$134,710,283	0.94%
Japan (Mizuho/Daiwa)	RP/LOC	$190,445,000	1.33%
Netherlands (Rabobank Nederland)	GIC	$5,126,913	0.04%
Spain (Santander)	MM	$33,638,962	0.23%
TOTAL		**$859,772,442**	**6.00%**

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Credit Enhancement Diversification as of February 28, 2019

(UNAUDITED)

CONSTRUCTION PROJECTS

			Enhancement During Construction:			Expected Permanent Enhancement:		
Provider	Moody's	S&P	Number of Projects	LOC Amount	% of Total During Construction	Number of Projects	Expected Permanent Enhanced or Insured Amount	% of Total During Permanent
Bank of America	Aa3	A+	10	$303,375,000	7.19%	0	$0	0.00%
Bank of New York Mellon	Aa1	AA-	9	$376,275,000	8.92%	0	$0	0.00%
Citibank	Aa3	A+	21	$908,500,000	21.53%	2	$156,240,000	10.97%
FHA	Aaa	AA+	0	$0	0.00%	26	$586,792,000	41.19%
FHLB	Aaa	AA+	11	$321,655,000	7.62%	0	$0	0.00%
FHLMC*	Aaa	AA+	0	$0	0.00%	3	$338,685,000	23.77%
Goldman Sachs Bank	A1	A+	1	$191,000,000	4.53%	0	$0	0.00%
HDC	Aa2	AA	15	$795,339,642	18.85%	0	$0	0.00%
JPMorgan Chase	Aa1	A+	17	$500,075,000	11.85%	0	$0	0.00%
NONE	NR	NR	1	$0	0.00%	2	$0	0.00%
REMIC	NR	AA	0	$0	0.00%	61	$177,233,903	12.44%
SONYMA	Aa1	NR	0	$0	0.00%	11	$165,660,000	11.63%
TD Bank NA	Aa2	AA-	2	$61,060,000	1.45%	0	$0	0.00%
Wells Fargo	Aa1	A+	16	$762,853,007	18.08%	0	$0	0.00%
TOTAL			**103**	**$4,220,132,649**	**100.00%**	**105**	**$1,424,610,903**	**100.00%**

In Construction:

Rating	% of Total
AAA	0.00%
AA	36.83%
A	63.17%
TOTAL	**100.00%**

**Two projects with FHLMC are risk share with HDC*

PERMANENT LOANS WITH ENHANCEMENT

Provider	Moody's	S&P	Number of Projects	Enhanced Amount	% of Total Permanent Enhanced Amount
Bank of America	Aa3	A+	2	$26,455,000	0.58%
Capital One	A1	BBB+	1	$22,700,000	0.50%
Citibank	Aa3	A+	30	$204,356,369	4.49%
Deutsche Bank	A3	BBB+	1	$55,000,000	1.21%
FHA	Aaa	AA+	26	$353,077,983	7.75%
FHLMC	Aaa	AA+	32	$965,849,586	21.20%
FNMA	Aaa	AA+	51	$1,984,435,774	43.56%
JPMorgan Chase	Aa1	A+	2	$9,510,000	0.21%
Landesbank Baden Wuer	Aa3	NR	1	$70,000,000	1.54%
REMIC*	NR	AA	217	$271,666,516	5.96%
SONYMA	Aa1	NR	76	$480,090,172	10.54%
SunTrust Bank	A1	A-	1	$112,500,000	2.47%
TOTAL			**440**	**$4,555,641,400**	**100.00%**

In Permanent:

Rating	% of Total
AAA	0.00%
AA	90.55%
A	7.74%
BBB	1.71%
TOTAL	**100.00%**

**Unenhanced portion totals approximately $1.1 billion*

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Investment Summary as of February 28, 2019
(UNAUDITED)

Investment Securities & Repo-By Rating:

Counterparty	Type	Amount	NRSRO Rating-February 28, 2019: AAA	AA	A	BBB*	NR*
Bank OZK	MM	$31,432,538					$31,432,538
Bayerische Landesbank	GIC	$9,710,283		$9,710,283			
Bridgehampton National Bank	MM	$31,214,914					$31,214,914
Citibank NA	FPA	$29,824,394			$29,824,394		
Customers Bank	MM	$390,239,492					$390,239,492
Daiwa Securities	REPO	$119,929,000			$119,929,000		
Dormitory Authority of the State of NY	MUNI	$13,960,000		$13,960,000			
Empire National Bank	MM	$59,229,660					$59,229,660
Flushing Bank	MM	$176,659,354					$176,659,354
Lakeland Bank	MM	$13,252,824					$13,252,824
Mizuho Securities	REPO	$70,516,000			$70,516,000		
NYC GO	MUNI	$19,800,000		$19,800,000			
NYC TFA	MUNI	$93,625,000		$93,625,000			
NY Community Bank	MM	$581,884,312				$581,884,312	
NYS HFA	MUNI	$62,000,000			$62,000,000		
Promontory	MM	$71,706,062		$71,706,062			
Rabobank	GIC	$5,126,913			$5,126,913		
Royal Bank of Canada	GIC	$72,057,785		$72,057,785			
Santander Bank NA	MM	$33,638,962			$33,638,962		
Signature Bank	MM	$737,220,376					$737,220,376
Societe Generale	GIC	$1,080,600			$1,080,600		
SONYMA	MUNI	$275,000	$275,000				
Sterling National Bank	MM	$373,165,611					$373,165,611
TD Bank	GIC	$361,652,899		$361,652,899			
US Bank	MM	$63,416,158		$63,416,158			
US Agency	US Agency	$1,641,263,558		$1,641,263,558			
US Treasury	US Treasury	$336,986,000		$336,986,000			
		$5,400,867,695	**$275,000**	**$2,684,177,745**	**$322,115,869**	**$581,884,312**	**$1,812,414,769**
% of Total		***100.00%***	***0.01%***	***49.70%***	***5.96%***	***10.77%***	***33.56%***

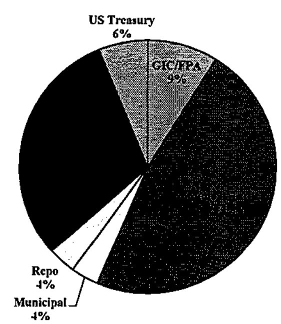
***BBB and NR exposures are fully-collateralized**

Weighted Average Maturity (Years):	1.75

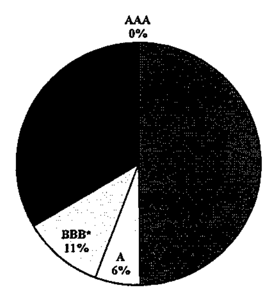
Investment Portfolio-By Type of Investment:

	% Total	Amount
GIC/FPA	8.88%	$479,452,874
Money Market	47.46%	$2,563,060,263
Municipal	3.51%	$189,660,000
Repo	3.53%	$190,445,000
US Agency	30.39%	$1,641,263,558
US Treasury	6.24%	$336,986,000
Total	100.00%	$5,400,867,695

INVESTMENT PORTFOLIO
(By Type)



INVESTMENT PORTFOLIO
(By Rating)



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NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Liquidity Providers as of February 28, 2019

(UNAUDITED)

CITIBANK

Issue	Amount
2015 D-3	$15,000,000
	$15,000,000

WELLS FARGO BANK

Issue	Amount
2017 C-4	$57,830,000
2017 G-3	$85,950,000
	$143,780,000

Diversification:	Amount	% Total
Citibank	$15,000,000	9.45%
Wells Fargo Bank	$143,780,000	90.55%
TOTAL	**$158,780,000**	**100.00%**

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NYC HDC
NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To:	Members of the Audit Committee
From:	Mary Hom MH Chief Risk Officer
Date:	March 15, 2019
Re:	Internal Audit Charter Revisions

Please find attached proposed revisions to the Internal Audit Charter. The last time the Audit Committee approved revisions to the Internal Audit Charter was December 2, 2015. The proposed revisions address the recommendations from the External Quality Assessment Review Report (QAR) performed by BDO USA in 2017 and presented to the Audit Committee on January 26, 2018. The QAR specified four recommended updates to the Internal Audit Charter as follows:

- Update the Charter language to incorporate revised standards as outlined in The Institute of Internal Auditors' (IIA) *International Professional Practices Framework (IPPF).*
    - This recommendation was accepted and incorporated into Charter under the Professional Standards section of the Charter on page 2.

- Define the term "consulting services" in the Charter.
    - This recommendation was accepted and incorporated into the Charter. The term "consulting services" is defined under the Responsibility section of the Charter on page 1.

- Add language outlining when the Internal Audit Charter will be reviewed and approved.
    - This recommendation was accepted and incorporated into the Charter on page 2. Review and approval of the Internal Audit Charter will occur on a periodic basis (once every five years) or as needed upon change in HDC Audit Committee Chair, change in Internal Audit Department reporting, or change in IIA Standards.

- Consider adding appropriate signatures to document agreement.
    - This recommendation was declined. Documentation of agreement is already noted in the Audit Committee minutes whenever the Internal Audit Charter is presented to the Audit Committee, and the Audit Committee approves the Charter.

NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTERNAL AUDIT CHARTER

(Revised March 29, 2019)

MISSION

The mission of the Internal Audit Department ("IAD") is to provide independent, objective assurance, and consulting services designed to add value and improve the Corporation's operations. The IAD helps the Corporation accomplish its objectives by using a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

PURPOSE

The purpose of the IAD is to determine whether the Corporation's systems of internal control, risk management, and governance processes, as designed and represented by management, are adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Employees' actions comply with policies, standards, procedures, applicable laws, and regulations.
- Resources are acquired economically, used efficiently, and are adequately protected.
- Quality and continuous improvement are fostered in the Corporation's control processes.

Recommendations and opportunities for improvement of control and governance processes identified during audits will be communicated to the appropriate level of management.

INDEPENDENCE

The IAD reports to the Chief Risk Officer, who reports administratively to the President of the Corporation and functionally to the HDC Audit Committee. The Chief Risk Officer shall have one-on-one meetings with the President once every month, and a private meeting with the HDC Audit Committee at least once a year to communicate sensitive matters or issues facing Internal Audit or the Corporation. Additionally, the Chief Risk Officer shall confirm the organizational independence of the Internal Audit function to the HDC Audit Committee on an annual basis.

RESPONSIBILITY

The IAD has the responsibility to:

- Develop an annual audit plan and submit that plan to the HDC Audit Committee for review and approval.
- Implement the annual audit plan, as approved, including, and as appropriate, any special tasks or projects requested by management and the HDC Audit Committee.
- Subject to the availability of resources, perform consulting services, beyond Internal Audit's assurance services, to assist management in meeting its objectives. Consulting services are defined as advisory activities, the nature and scope of which are agreed with the client, and are

intended to add value and improve governance, risk management, and control processes without the Internal Auditor assuming management responsibilities.

- Evaluate and assess significant new or changing services, processes, operations, and control processes coincident with their development, implementation and/or expansion.
- Issue periodic reports to the HDC Audit Committee and management summarizing results of audit activities. Management is expected to implement all agreed upon audit recommendations within a reasonable timeframe.
- Assist in the investigation of significant suspected fraudulent activities within the Corporation and notify management and the HDC Audit Committee of the results.
- Consider the scope of work of the external auditors and regulators in order to provide optimal audit coverage to the Corporation.
- Provide an Annual Audit Committee Report to the HDC Audit Committee and the Audit Committee of the City of New York.

AUTHORITY

The IAD is authorized to:

- Have unrestricted access to all functions, records, property, and personnel.
- Have full and free access to the HDC Audit Committee.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Exercise discretion and ensure the safeguarding and confidentiality of audit matters.

The IAD is not authorized to:

- Perform any operational duties for the Corporation.
- Initiate or approve accounting transactions external to the IAD.
- Direct the activities of any employee of the Corporation that is not employed by the IAD, except to the extent such employees have been appropriately assigned to the auditing team or to assist the internal auditors.

PROFESSIONAL STANDARDS

The Institute of Internal Auditors' (IIA) Mandatory Guidance constitutes the fundamental requirements for the professional practice of internal auditing and the principles against which to evaluate the effectiveness of the Internal Audit function. HDC's Internal Audit staff will perform their duties in accordance with the IIA Mandatory Guidance, which includes ***Core Principles for the Professional Practice of Internal Auditing "Code of Ethics,"*** the ***Definition of Internal Auditing,*** and ***International Standards for the Professional Practice of Internal Auditing***. Other professional standards followed by the department, where appropriate, are *Government Auditing Standards* and *General Standards for Information Systems Auditing.*

This formalized charter, approved and accepted by management and the HDC Audit Committee, provides the purpose, authority, and responsibility of the HDC Internal Audit Department. Review and approval of the Internal Audit Charter will occur on a periodic basis (once every five years) or as needed upon change in HDC Audit Committee Chair, change in IAD reporting, or change in IIA Standards.

NYC HDC
NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: Members of the Audit Committee

From: Mary Hom MH
Chief Risk Officer

Date: March 15, 2019

Re: Internal Audit Reports

Three internal audits were completed under Shirley Jarvis, former Vice President-Internal Audit, since the last report to the Audit Committee. A copy of each report is attached, and a summary of each report follows:

2018 Developer Disclosure Report

Objective:
To determine whether the disclosure review process was performed for new projects.

Audit Results:
We noted no matters involving internal controls that we considered material weaknesses. We determined that the disclosure review was performed for the required individuals/entities for the new construction projects which closed during the audit scope period.

2018 Investment Audit

Objective:
To determine the effectiveness of internal controls over investment activity to provide reasonable assurance that:

1. Investment transactions were in accordance with HDC investment guidelines, policies, procedures, laws, and regulations;
2. Investment transactions were properly and accurately executed by Cash Management staff and authorized by Cash Management supervisors; and
3. Investments were reconciled to the General Ledger cash accounts by the Accounting division.

Audit Results:
We noted no matters involving internal control and its operation that we considered material weaknesses. We determined that investment transactions were in accordance with HDC

investment guidelines, policies, procedures, laws, and regulations. Further, we determined that investment transactions that we sampled were properly and accurately executed by Cash Management staff and authorized by appropriate Cash Management supervisors. Finally, we determined that investments were reviewed and reconciled to the General Ledger cash accounts by the Accounting division.

2018 IT Third Party Vendor Management

Objective:

To determine if IT is effectively managing the vendor contracts related to security, statement of work, and service level agreements.

Audit Results:

We noted no matters involving internal controls that we considered material weaknesses. We found that the contracts generally covered data security, statement of work, service level agreements, and data confidentiality of sub-contractors.

Observation & Recommendation:

An observation was noted regarding cyber insurance. HDC does not currently have cyber insurance in place, and the Internal Audit recommendation was for management to consider purchasing a cyber insurance policy to mitigate the risk of data breaches and offset the associated costs. Management response was that although we have implemented multiple layers of security, including data protection, intrusion prevention, and network monitoring, management will reinitiate the review of cyber insurance options available and engage with a cybersecurity consulting firm and insurance broker for advice on appropriate coverage and options.

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

TO: MIRIAM OSNER, ASSISTANT GENERAL COUNSEL
FROM: SHIRLEY JARVIS, VP INTERNAL AUDIT
SUBJECT: 2018 DEVELOPER DISCLOSURE REPORT
DATE: DECEMBER 18, 2018

Internal Audit has completed its 2018 Developer Disclosure Review.

I. Background

All individuals or entities undertaking a new loan transaction with HDC must go through disclosure review before the project can close. This includes the owners of the project (the Developer), the general contractor and the proposed managing agent. Individuals or entities that have completed a full disclosure within three years preceding the date of the new transaction may submit an Affidavit of No Change, providing there have been no significant changes. Entities that are newly created for the transaction and have no financial history provide New Entity Letters. The full disclosure package, including the Disclosure Statement, is located on the company website.

The Legal Department is responsible for ensuring the disclosure review is performed for individuals/entities seeking financing from HDC. The process begins when Legal, with input from the Development Project Manager (PM), reviews the organizational chart for the entity entering into the transaction with HDC to determine who must complete the disclosure. The individuals and entities that are required to disclose are then notified to complete the disclosure package, located on the HDC website. The completed package with all the required documentation is sent to the Sponsor Review Director at HDC. The package is not accepted if it has not been completed in full. The Disclosure forms received are reviewed by the Legal Department to ensure that all questions have been answered; whether additional information is needed; or whether, based on how questions were answered, a follow-up is required. The PM will contact the developer if there are issues and request what is needed.

Once reviewed, a copy of the disclosure package is sent electronically to New York City Department of Investigations (DOI) for review. Searches are performed by DOI, and internally by the Legal Department, on all disclosing individuals and entities to determine whether there are any open items which would prevent HDC from doing business with the individuals or entity, such as investigations, violations, litigation, bankruptcy, etc. Any resulting issues are discussed and resolved as necessary. Once Legal receives a clearance memo from DOI and when HDC signs off on any results from the internal search, Legal will prepare a disclosure clearance memo. The disclosure clearance memo is submitted to the PM, allowing the new construction project to proceed to closing.

II. Audit Objective

Determine whether the disclosure review was performed for new projects closed from November 1, 2017 through June 30, 2018.

III. Audit Scope and Methodology

The audit scope covered the disclosure review for all new projects that closed during the period of November 1, 2017 to June 30, 2018. We performed the following:

- Obtained policies and procedures, and disclosure requirements from the HDC website.
- Reviewed documentation to gain an understanding of the process and the requirements.
- Interviewed personnel directly responsible for ensuring that the disclosure review is performed for individuals/business entities seeking to do business with HDC.
- Reviewed the DOI Clearance memo(s) and Legal Clearance memo(s) for twenty-four new projects that closed during the selected period to confirm that the disclosure review was performed for all individuals/business entities required to disclose.

IV. Audit Results:

Upon completion of the audit, we noted no matters involving internal controls that we considered material weaknesses. Based on our review of documentation, we determined that the disclosure review was performed for the individuals/entities required to disclose for the new construction projects which closed during the period.

Cc: Louise Carroll, General Counsel
Susannah Lipsyte, Deputy General Counsel
Melissa Barkan, Special Counsel
Denise Kimball, Paralegal

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

TO: LISA GEARY, VP, CASH MANAGEMENT

FROM: SHIRLEY JARVIS, VP, INTERNAL AUDIT

SUBJECT: 2018 INVESTMENT AUDIT

DATE: DECEMBER 20, 2018

Internal Audit has completed its review of the Investment function of the Cash Management division.

I. Background

The Investment function is under the Cash Management division in the Debt Issuance/Finance Department. The investment activities are reported in the Annual Investment Report approved by the Board and Audit Committee and submitted to the NYC Mayor's office and NYS Public Authorities Budget Office (ABO), in accordance to the NYS Public Authorities Law, Section 2925. The Corporation's investments are monitored by the HDC Investment Committee. The Committee meets on a biweekly basis to determine the composition of investment portfolio, review HDC's periodic need for funds, and implement investment strategies. The supervision of CM duties and responsibilities include the daily review of available funds to invest from cash accounts; the execution of bids for Repurchase Agreements (Repos) and trades for direct purchase and sales of US Treasury Securities (e.g., T-Bills, Bonds, Notes); NYS and NYC municipal bonds and the overseeing of fund transfers of deposits into and withdrawals from Guaranteed Investment Contracts (GICs), Open Time Deposits (OTDs) and Money Market (MM) Accounts.

<u>Information Systems:</u>

CM uses the Emphasys Investment System and SymPro, a web-based cash management application, to manage all investment transactions and cash balances. Each day, CM staff enters the short-term and long-term investment transactions into Emphasys which automatically distributes the amounts to the respective cash accounts in SymPro and generates the investment tickets. The investments interface with the General Ledger (GL) for posting by Accounting into the GL.

Accountants perform weekly reconciliations of the net change in cash to the cash recorded in SympPro; perform monthly reconciliations of investment outstanding balances between Emphasys and the GL and manually reconcile the monthly investments debited and credited to the GL cash accounts and to the bank statements. The bank reconciliation process is documented on the monthly bank reconciliation reports. The completion of the reconciliation by Accountants is monitored using Excel.

II. Audit Objectives

The main objectives of the audit were to determine the effectiveness of internal controls over investment activity to provide reasonable assurance that:

- Investment transactions were in accordance with HDC investment guidelines, policies, procedures, laws and regulations.
- Investment transactions were properly and accurately executed by CM staff and authorized by CM supervisors.
- The investments are reconciled to the GL cash accounts by Accounting.

III. Audit Scope and Methodology

The audit scope included the investment activity that occurred from June 1, 2018 through September 30, 2018. We performed the following:

- Reviewed applicable NYS laws and HDC investment guidelines, policies, procedures, and practices; and the biweekly, monthly and annual investment reports for fiscal year 2018 to determine compliance with reporting requirements.
- Interviewed key personnel and management to gain an understanding how investments are made and managed.
- Flowcharted the key CM and Accounting investment processes and interviewed key personnel to obtain an understanding of the process.
- Reconciled the investment purchases from Emphasys to the GL to ensure that all transactions were properly recorded.
- Selected on a sample basis, investment purchases and reviewed investment ticket to ensure that the repos had 3 bids, the amount on the ticket matched what was in Emphasys and the GL and the tickets were signed by appropriate supervisors in Cash Management.

IV. Audit Results

Upon completion of this review, we noted no matters involving internal control and its operation that we consider material weaknesses. With respect to the specific audit results, we found that:

- Investment transactions were in accordance with HDC investment guidelines, policies, procedures, laws and regulations.
- For the sample selected for purchases from June to September 2018, investment transactions were properly and accurately executed by CM staff and authorized by appropriate CM supervisors.
- Investments were reviewed and reconciled to the GL cash accounts by Accounting.

Cc: Eric Enderlin, President
Richard Froehlich, First EVP & Chief Operating Officer
Ellen Duffy, SVP Debt Issuance/Finance
Jim Quinlivan, SVP for Administration
Mary John, VP and Controller

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

To: Madhavi Kulkarni, VP-IT Operations

From: Mary Hom, Chief Risk Officer

Date: March 4, 2019

Re: 2018 IT Third Party Vendor Management

The 2018 IT Third Party Vendor Management review was completed by Shirley Jarvis prior to her retirement. The following is her report:

I. Background

IT follows the HDC purchasing guidelines when selecting vendors. Once the vendor is selected and a contract signed, the vendor generally performs a one-time implementation of the system software as outlined in the Statement of Work (SOW).

IT uses some vendors that have an associated contract that is maintained by IT and Legal. When a contract is up for renewal, IT follows the purchasing guidelines and requests for bids. Once a vendor is selected, the Chief Information Officer (CIO) prepares a memo containing a description of services that the vendor will provide. Each contract/vendor has to provide paperwork such as a Master Service Agreement, Statement of Work, Doing Business Data Form, etc. The Master Service Agreement and contract has to be approved by Legal, the Treasurer, and Head of Department or Division.

IT uses other vendors that do not have an associated contract. These vendors are used for annual maintenance and are maintained by IT in an Oracle database.

Vendor relationships are maintained between IT and their vendor. IT has written and oral communication with the vendors via emails, reports, conference calls. These meetings allow the vendors as well as IT to share information, discuss service expectations, and discuss any issues that may arise.

The SOW, prior to contract award, defines what the roles are between HDC and the vendor. On an ongoing basis, a primary contact person within IT is assigned to each vendor and is responsible for ongoing support, resolution of any issues, and for ongoing maintenance and upgrades.

Customer satisfaction data is gathered on an event basis, a periodic basis or both. Event basis data is gathered after a specific event occurs, such as calls to the Help Desk. Help Desk calls are reviewed regularly to gather information on potential repeat issues.

II. Audit Objectives

To determine if IT is effectively managing the vendor contracts related to security, statement of work, and service level agreements.

III. Audit Scope and Methodology

We reviewed the contracts of vendors who have access to HDC data during the period of January 1, 2017 through May 31, 2018. Although Ceridian, the HR system, and ProLink, an Asset Management System, are not IT vendor contracts because they contain highly confidential and personally identifiable information, and because IT reviewed their security features, we included them in the scope of the audit.

The scope of this audit begins after the selection of the vendors. We did not focus on the vendor selection function as far as the review process for establishing vendors, the risk assessment process for rating the vendors, and the criticality of the contract nor the due diligence review when selecting the vendor. This was a narrow scope to review the vendors who have access to HDC data and the provisions in the contract concerning data security, the statement of work, service level agreements, data confidentiality of sub-contractors, and off-shoring of data.

We performed this audit by:

1. Reviewing IT Third Party Vendor policies and procedures.
2. Interviewing key personnel and management to gain an understanding how HDC data is kept secure by vendors who have access to its data.
3. Reviewing whether selected vendors had Service and Organization Controls (SOC 2) reports or any significant audit exceptions.
4. Reviewing the provisions in the contracts of vendors who have access to HDC data regarding data security, statement of work, service level agreements, sub-contractors and off-shoring of data were included.

IV. Audit Results:

Upon completion of the audit, we noted no matters involving internal controls that we considered material weaknesses. We found that the contracts generally covered data security, statement of work, service level agreements, and data confidentiality of sub-contractors.

Observation 1: Cyber-insurance

Criteria:

A cyber-insurance policy is designed to help an organization mitigate risk exposure by offsetting costs involved with recovery after a cyber-related security breach or similar event. Cyber-insurance typically covers expenses related to first parties as well as claims by third parties. Although there is no standard for underwriting these policies, some common reimbursable expenses are for investigation, business losses, data breach notification and lawsuits and extortion.

Condition

HDC does not have a cyber-insurance policy for data breaches.

Cause:

IT is aware of this and had researched vendors to purchase such a policy, but the project was put on hold at management's request.

Risk:
Attacks against all business are increasing. Although sources differ (Forbes Business, Centre for Strategic and International Studies, Symantec) the average cost of a data breach incident to small businesses is $85,000 to $150,000 per breach.

Recommendation:
Management should consider purchasing a cyber-insurance to mitigate the risk of data breaches and offset the associated cost.

Management Response:
Cyber insurance covers us in the event of a cyber-incident. Cyber incidents can range from the following: Hacking incidents, Viruses, Worms, Malware, Disgruntled Employee in releasing information, Data extraction due to cyber-attack, Network extortion due to ransom ware. Any of these examples can result in us requiring a response in the forms of data reconstruction, or the request for assistance for Legal and outside forensic specialists. If we do need outside help, the cyber insurance can cover these costs. This will also cover any costs or fines incurred if the government initiates an investigation. Breach response coverage ranges include legal counsel and fees and business interruption costs.

Although we have implemented multiple layers of security, including data protection, intrusion prevention, and network monitoring, we do not currently have a cyber insurance policy. In the past, IT has explored options in the marketplace and requested quotes from vendors. We found there was no uniformed underwriting policy with cyber insurance and coverage varied substantially between vendors. As cyber insurance is a relatively new offering in the industry, the project was put on hold pending engagement with specialized experts. For fiscal year 2019, we have reinitiated the project and are reviewing options with our insurance broker. As part of the current project we will be engaging with a cybersecurity consulting firm for advice on appropriate coverage and options.

cc: Eric Enderlin, President
Paul Cackler, Chief Information Officer