



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: Members of the Audit Committee

From: Mary Hom
Chief Risk Officer

Date: October 29, 2020

Re: Counterparty Credit Risk Exposure

Please find attached an unaudited report detailing the Corporation's counterparty exposure as of September 30, 2020. The previous report to the Audit Committee was dated June 30, 2020.

There were no new additions to the list of counterparties, and there were no rating agency actions of note.

HDC's counterparty exposure remains diversified with the largest exposures continuing to be with FHLMC and FNMA.

Investments rated double-A or higher were 48% of total investments, versus 55% at the last report. Investments rated triple-B or not rated were 28% of total investments, unchanged since the last report, and are fully collateralized by high quality U.S. Treasury/Agency securities and/or FHLB letters-of-credit.

HDC exposure to liquidity providers was up \$50 million since the last report due to the issuance of the 2020 Series E and F-2 bonds in August.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Counterparty Credit Risk Exposure Report as of September 30, 2020
(UNAUDITED)

Counterparty	Moody's	S&P	Construction LOC	Permanent Enhancement	Investment	Liquidity Providers	TOTAL COUNTERPARTY EXPOSURE	% Total Counterparty Exposure
Bank of America NA	Aa2	A+	\$616,300,000	\$26,455,000			\$642,755,000	4.17%
Bank of New York Mellon NA	Aa1	AA-	\$292,635,000				\$292,635,000	1.90%
Bank OZK	NR	NR			\$4,677,781		\$4,677,781	0.03%
Bayerische Landesbank	Aa3	NR			\$10,908,144		\$10,908,144	0.07%
Bridgehampton National Bank	NR	NR			\$173,388,351		\$173,388,351	1.13%
Capital One Bank	A1	BBB+		\$22,700,000			\$22,700,000	0.15%
Citibank NA	Aa3	A+	\$777,325,000	\$275,410,803	\$29,824,394		\$1,082,560,197	7.02%
Customers Bank	NR	NR			\$449,343,307		\$449,343,307	2.92%
Daiwa Securities	A3	A-			\$54,460,000		\$54,460,000	0.35%
Deutsche Bank	A3	BBB+		\$55,000,000			\$55,000,000	0.36%
Dormitory Authority of the State of NY (DASNY)	Aa1	AAA			\$26,335,000		\$26,335,000	0.17%
Empire State Development Corp	Aa1	AA+			\$10,000,000		\$10,000,000	0.06%
Flushing Bank	NR	NR			\$160,247		\$160,247	0.00%
Goldman Sachs Bank	A1	A+	\$191,000,000				\$191,000,000	1.24%
HDC	Aa2	AA	\$286,279,513				\$286,279,513	1.86%
JPMorgan Chase Bank NA	Aa1	A+	\$594,480,000	\$9,010,000			\$603,490,000	3.92%
Lakeland Bank	NR	NR			\$12,154,659		\$12,154,659	0.08%
Landesbank Baden-Wuerttemberg	Aa3	NR		\$70,000,000			\$70,000,000	0.45%
Mizuho Securities	A1	A			\$127,932,000		\$127,932,000	0.83%
NYC GO	Aa2	AA			\$19,800,000		\$19,800,000	0.13%
NYC Transitional Finance Authority	Aa1	AAA			\$138,356,662		\$138,356,662	0.90%
NY Community Bank	A3	BBB-			\$529,524,480		\$529,524,480	3.44%
NYS HFA	NR	A			\$44,415,000		\$44,415,000	0.29%
People's United Bank	A2	A-			\$16,666,573		\$16,666,573	0.11%
Promontory (FDIC-insured)	Aaa	AA+			\$40,601,134		\$40,601,134	0.26%
Rabobank	Aa3	A+			\$5,030,976		\$5,030,976	0.03%
REMIC	NR	AA		\$313,644,307			\$313,644,307	2.04%
Royal Bank of Canada	Aa2	AA-			\$72,057,785	\$125,000,000	\$197,057,785	1.28%
Signature Bank	A2	NR			\$1,050,702,586		\$1,050,702,586	6.82%
Societe Generale	A1	A			\$866,259		\$866,259	0.01%
SONYMA	Aaa/Aa1	NR		\$473,699,430	\$2,190,000		\$475,889,430	3.09%
Sterling National Bank	NR	NR			\$399,503,069		\$399,503,069	2.59%
TD Bank NA	Aa2	AA-	\$170,800,000		\$570,062,514		\$740,862,514	4.81%
US Bank	Aa1	AA-			\$15,450,552		\$15,450,552	0.10%
US Agency:	Aaa	AA+	\$152,025,000	\$3,972,402,535	\$1,809,323,313		\$5,933,750,848	38.50%
FFCB					\$680,393,000		\$680,393,000	4.41%
FHA/HUD				\$451,376,232			\$451,376,232	2.93%
FHLB			\$152,025,000		\$469,605,000		\$621,630,000	4.03%
FHLMC				\$1,537,478,602	\$586,445,436		\$2,123,924,038	13.78%
FNMA				\$1,983,547,701	\$45,000,000		\$2,028,547,701	13.16%
GNMA					\$27,879,877		\$27,879,877	0.18%
US Treasury	Aaa	AA+			\$8,204,000		\$8,204,000	0.05%
Wells Fargo Bank NA	Aa1	A+	\$1,221,350,007			\$143,780,000	\$1,365,130,007	8.86%
TOTAL			\$4,302,194,520	\$5,218,322,076	\$5,621,938,786	\$268,780,000	\$15,411,235,382	100.00%

*Counterparty Exposures Above 10% Are Highlighted

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Counterparty Credit Risk Exposure Report as of September 30, 2020
(UNAUDITED)

Municipal Investments:				
Issuer			Amount	
Dormitory Authority of the State of NY			\$26,335,000	
Empire State Development Corp			\$10,000,000	
NYC GO			\$19,800,000	
NYC TFA			\$138,356,662	
NYS HFA			\$44,415,000	
SONYMA			\$2,190,000	
Total Municipal Investments			\$241,096,662	
Exposure to Counterparties Rated A-Minus and Below, or Not-Rated:				
Counterparty	Type of Exposure		Amount	% Total Counterparty Exposure
Bank OZK*	Money Market		\$4,677,781	0.03%
Bridgehampton National Bank*	Money Market		\$173,388,351	1.13%
Capital One Bank	Permanent Enhancement		\$22,700,000	0.15%
Customers Bank*	Money Market		\$449,343,307	2.92%
Daiwa Securities*	Repo		\$54,460,000	0.35%
Deutsche Bank*	Repo/Perm Enhancement		\$55,000,000	0.36%
Flushing Bank*	Money Market		\$160,247	0.00%
Lakeland Bank*	Money Market		\$12,154,659	0.08%
NY Community Bank*	Money Market		\$529,524,480	3.44%
People's United Bank*	Money Market		\$16,666,573	0.11%
Sterling National Bank*	Money Market		\$399,503,069	2.59%
TOTAL			\$1,717,578,467	11.14%
<i>*Fully- or over-collateralized by FHLB LOC and/or US Treasury/Agency securities</i>				
Country Exposure (Ex-U.S.):				
Country	Type		\$ Amount	% Total Counterparty Exposure
Canada (TD Bank/Royal Bank of Canada)	LOC/GIC/Liq		\$937,920,299	6.09%
France (Societe Generale)	GIC		\$866,259	0.01%
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC		\$135,908,144	0.88%
Japan (Daiwa/Mizuho)	RP		\$182,392,000	1.18%
Netherlands (Rabobank Nederland)	GIC		\$5,030,976	0.03%
TOTAL			\$1,262,117,678	8.19%

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Credit Enhancement Diversification as of September 30, 2020
(UNAUDITED)

CONSTRUCTION PROJECTS

Provider	Moody's	S&P	Enhancement During Construction:			Expected Permanent Enhancement:		
			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	Aa2	A+	14	\$616,300,000	14.33%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	7	\$292,635,000	6.80%	0	\$0	0.00%
Citibank	Aa3	A+	17	\$777,325,000	18.07%	0	\$0	0.00%
FHA	Aaa	AA+	0	\$0	0.00%	25	\$796,436,500	53.87%
FHLB	Aaa	AA+	5	\$152,025,000	3.53%	0	\$0	0.00%
FHLMC*	Aaa	AA+	0	\$0	0.00%	4	\$312,128,500	21.11%
Goldman Sachs Bank	A1	A+	1	\$191,000,000	4.44%	0	\$0	0.00%
HDC	Aa2	AA	14	\$286,279,513	6.65%	0	\$0	0.00%
JPMorgan Chase	Aa1	A+	16	\$594,480,000	13.82%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	1	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	58	\$191,374,503	12.94%
SONYMA	Aa1	NR	0	\$0	0.00%	11	\$178,512,500	12.07%
TD Bank NA	Aa2	AA-	3	\$170,800,000	3.97%	0	\$0	0.00%
Wells Fargo	Aa1	A+	16	\$1,221,350,007	28.39%	0	\$0	0.00%
TOTAL			95	\$4,302,194,520	100.00%	99	\$1,478,452,003	100.00%

In Construction:

Rating	% of Total
AAA	0.00%
AA	20.96%
A	79.04%
TOTAL	100.00%

*Three projects with FHLMC are risk share with HDC

PERMANENT LOANS WITH ENHANCEMENT

Provider	Moody's	S&P	Number of Projects	Enhanced Amount	% of Total	In Permanent:	
					Permanent Enhanced Amount	Rating	% of Total
Bank of America	Aa2	A+	2	\$26,455,000	0.51%	AAA	0.00%
Capital One	A1	BBB+	1	\$22,700,000	0.44%	AA	92.55%
Citibank	Aa3	A+	30	\$275,410,803	5.28%	A	5.96%
Deutsche Bank	A3	BBB+	1	\$55,000,000	1.05%	BBB	1.49%
FHA	Aaa	AA+	32	\$451,376,232	8.65%	TOTAL	100.00%
FHLMC	Aaa	AA+	33	\$1,537,478,602	29.46%		
FNMA	Aaa	AA+	45	\$1,983,547,701	38.01%		
JPMorgan Chase	Aa1	A+	2	\$9,010,000	0.17%		
Landesbank Baden Wuerttemberg	Aa3	NR	1	\$70,000,000	1.34%		
REMIC*	NR	AA	235	\$313,644,307	6.01%		
SONYMA	Aa1	NR	74	\$473,699,430	9.08%		
TOTAL			456	\$5,218,322,076	100.00%		

*Unenhanced portion totals approximately \$1.2 billion

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Investment Summary as of September 30, 2020
 (UNAUDITED)

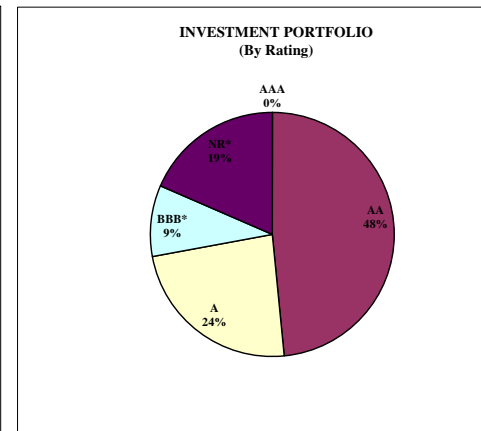
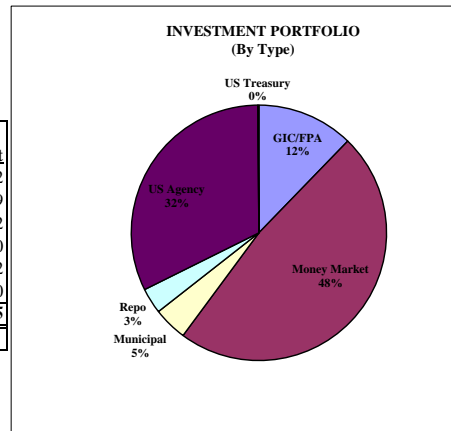
Investment Securities & Repo-By Rating:

Counterparty	Type	Amount	NRSRO Rating-September 30, 2020:				
			AAA	AA	A	BBB*	NR*
Bank OZK	MM	\$4,677,781					\$4,677,781
Bayerische Landesbank	GIC	\$10,908,144		\$10,908,144			
Bridgemanpton National Bank	MM	\$173,388,351					\$173,388,351
Citibank NA	FPA	\$29,824,394			\$29,824,394		
Customers Bank	MM	\$449,343,307					\$449,343,307
Daiwa Securities	REPO	\$54,460,000			\$54,460,000		
Dormitory Authority of the State of NY	MUNI	\$26,335,000		\$26,335,000			
Empire State Development Corp	MUNI	\$10,000,000		\$10,000,000			
Flushing Bank	MM	\$160,247					\$160,247
Lakeland Bank	MM	\$12,154,659					\$12,154,659
Mizuho Securities	REPO	\$127,932,000			\$127,932,000		
NYC GO	MUNI	\$19,800,000		\$19,800,000			
NYC TFA	MUNI	\$138,356,662		\$138,356,662			
NY Community Bank	MM	\$529,524,480				\$529,524,480	
NYS HFA	MUNI	\$44,415,000			\$44,415,000		
People's United Bank	MM	\$16,666,573			\$16,666,573		
Promontory	MM	\$40,601,134		\$40,601,134			
Rabobank	GIC	\$5,030,976			\$5,030,976		
Royal Bank of Canada	GIC	\$72,057,785		\$72,057,785			
Signature Bank	MM	\$1,050,702,586			\$1,050,702,586		
Societe Generale	GIC	\$866,259			\$866,259		
SONYMA	MUNI	\$2,190,000	\$2,190,000				
Sterling National Bank	MM	\$399,503,069					\$399,503,069
TD Bank	GIC	\$570,062,514		\$570,062,514			
US Bank	MM	\$15,450,552		\$15,450,552			
US Agency	US Agency	\$1,809,323,312		\$1,809,323,312			
US Treasury	US Treasury	\$8,204,000		\$8,204,000			
		\$5,621,938,785	\$2,190,000	\$2,721,099,103	\$1,329,897,788	\$529,524,480	\$1,039,227,414
% of Total		100.00%	0.04%	48.40%	23.66%	9.42%	18.49%

*BBB and NR exposures are fully-collateralized

Weighted Average Maturity (Years): 3.06

Investment Portfolio-By Type of Investment:		
	% Total	Amount
GIC/FPA	12.25%	\$688,750,072
Money Market	47.89%	\$2,692,172,739
Municipal	4.29%	\$241,096,662
Repo	3.24%	\$182,392,000
US Agency	32.18%	\$1,809,323,312
US Treasury	0.15%	\$8,204,000
Total	100.00%	\$5,621,938,785



NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Liquidity Providers as of September 30, 2020
(UNAUDITED)

ROYAL BANK OF CANADA

<u>Issue</u>	<u>Amount</u>
2019 A-4	\$30,000,000
2019 E-3	\$45,000,000
2020 E	\$11,510,000
2020 F-2	\$38,490,000
	\$125,000,000

WELLS FARGO BANK

<u>Issue</u>	<u>Amount</u>
2017 C-4	\$57,830,000
2017 G-3	\$85,950,000
	\$143,780,000

<u>Diversification:</u>	<u>Amount</u>	<u>% Total</u>
Royal Bank of Canada	\$125,000,000	46.51%
Wells Fargo Bank	\$143,780,000	53.49%
TOTAL	\$268,780,000	100.00%