


MEMORANDUM

TO: Members of the Audit Committee
FROM: Ellen Duff 
SUBJECT: Investment Report for November 16, 2020
DATE: NOVEMBER 23, 2020

Attached please find HDC's investment report as of November 16, 2020. Funds under management totaled approximately \$5.1 billion. This report reflects routine investment activity.

Regarding the Rating Agency Reserve Fund, which was previously approved by the Audit Committee. After debt service on the Open Resolution was paid on November 1, 2020 and certain redemptions made, the amount of long-term bonds outstanding in the Open Resolution is approximately \$7.0 billion. Based on this balance a 2.00% reserve would amount to \$140.3 million, a 2.25% reserve would be \$157.9 million, and a 2.50% reserve would amount to \$175.4 million. During FY 2020, the Reserve was funded in the amount of \$135 million. Due to the higher amount of bonds outstanding, the strong, diversified cash flow in the Open Resolution, and the \$25.6 million of guaranty reserves currently cash funded, HDC Staff recommends that the Reserve should be increased to \$140 million at this time.

Monday, November 16, 2020

	11/16/2020	11/2/2020	Weekly Change	10/31/2019	Change from 10/31/2019	10/31/2018
Total Investments	5,063,108,420	5,108,454,866	(45,346,446)	5,866,845,217	(803,736,798)	5,263,704,639
Investments by Pool:						
Open Resolution Revenue	202,803,884	177,276,736	25,527,148	321,329,800	(118,525,917)	370,399,349
Project-Related GNMA's	27,832,399	27,832,399	-	28,390,390	(557,991)	28,972,751
Open Resolution DSR	198,800,215	198,800,215	-	178,459,957	20,340,258	149,360,473
Open Resolution Bond Proceeds	1,616,690,557	1,648,577,598	(31,887,041)	1,874,888,903	(258,198,347)	1,432,993,991
Open Resolution Redemption	14,398,487	14,398,487	-	13,692,839	705,649	38,710,000
Open Resolution Prepayment	38,535,101	47,082,296	(8,547,195)	118,027,698	(79,492,597)	37,247,645
Debt Paydown Reserve Fund	-	-	-	-	-	-
Non Bonded Proceeds	356,377	356,377	-	351,882	4,495	343,823
Mitchell-Lama Prepayment	15,025,964	15,025,964	-	19,147,182	(4,121,218)	4,097,087
NYCHA (Stand Alone, All Funds)	40,025,594	40,025,494	100	39,159,124	866,470	38,147,344
HDC Pass Through	4,719,154	4,365,747	353,407	3,317,986	1,401,168	3,546,609
HPD Participating Loan (Schermerhorn)	3,903,228	3,813,028	90,200	14,302,164	(10,398,936)	28,733,274
HPD Grant Funds (Harp Proceeds)	3,997,309	3,988,409	8,900	3,400,203	597,106	3,654,001
Bond Proceeds, Non-OR	12,097,472	12,097,472	-	61,301,334	(49,203,862)	297,154,431
Bond Revenue Funds, Non-OR	181,086,364	189,056,098	(7,969,735)	145,995,043	35,091,321	201,294,095
Subtotal, Bond-Related	2,360,272,104	2,382,696,320	(22,424,216)	2,821,764,505	(461,492,400)	2,634,654,874
Housing Impact Bonds - Bond Proceeds	-	-	-	-	-	-
Housing Impact Bonds - Debt Service Reserve	-	-	-	-	-	-
Housing Impact Bonds - Borrowers Equity	27,318	27,317	0	-	27,318	-
Housing Impact Bonds - Loan Funds	230,011,289	235,415,796	(5,404,507)	-	230,011,289	-
Housing Impact Bonds - Mortgage Reserve	1,700,015	1,700,015	-	-	1,700,015	-
Housing Impact Bonds - Rebate	-	-	-	-	-	-
Housing Impact Bonds - Redemption	-	-	-	-	-	-
Housing Impact Bonds - Revenue	6,128,219	5,025,610	1,102,609	-	6,128,219	-
Housing Impact Bonds - Sun Loan Proceeds	-	-	-	-	-	-
Subtotal, HIB Bond-Related	237,866,841	242,168,739	(4,301,898)	-	237,866,841	-
HPD Funds	303,097,439	303,517,212	(419,773)	281,683,244	21,414,195	247,996,899
HPD Grant Funds (Section 661)	903,453,049	909,120,308	(5,667,258)	1,328,760,902	(425,307,852)	995,776,780
Escrows (HDC retains earnings)	74,755,388	68,412,877	6,342,511	64,901,523	9,853,865	63,439,793
Reserves for Replacement, Escrows	381,991,546	375,367,955	6,623,591	381,932,561	58,984	350,711,709
Subtotal, Loan Servicing	1,663,297,422	1,656,418,351	6,879,070	2,057,278,230	(393,980,808)	1,657,925,181
Housing Assistance Corp.	7,239,362	7,436,027	(196,665)	9,802,466	(2,563,103)	12,173,821
REMIC	150,984,180	150,959,051	25,129	144,106,497	6,877,684	127,540,110
Mitchell-Lama Claim Payment Fund	-	-	-	-	-	36,000
NYSERDA - HFA/JASA Loan Fund Proceeds	4,198,418	4,525,006	(326,588)	6,130,429	(1,932,011)	4,560
Construction Loan Mortgagor Equity	27,729,624	27,411,213	318,411	18,837,976	8,891,648	15,915,062
Community Development Block Grant	4,010,896	4,010,823	73	13,017,391	(9,006,495)	61,576,464
Corporate Services -- 421a Funds	175,742,938	189,480,238	(13,737,300)	181,741,208	(5,998,270)	138,793,781
Corporate Services -- DOJ	1,452,835	1,452,835	-	5,523,086	(4,070,251)	8,123,524
Corporate Services -- Committed to HDC Loans	16,907,441	17,169,241	(261,800)	16,296,221	611,220	26,556,074
Corporate Services -- Committed to HDC Open Res	43,620,366	43,919,361	(298,995)	51,005,261	(7,384,895)	142,150,048
Corporate Services -- General/Operating***	71,060,429	84,093,123	(13,032,694)	283,376,116	(212,315,687)	191,395,992
Corporate Services -- Future Mitchell Lama Loan Fund	61,543,097	61,543,097	-	45,781,061	15,762,036	45,640,071
Corporate Services -- HUD Multi-Family Loan Fund	4,738,728	4,734,128	4,600	4,504,326	234,401	4,081,130
Corporate Services -- HPD 15 Year Reserves	2,092,930	2,092,230	700	1,241,054	851,877	2,001,403
HPDMOU	15,900	12,200	3,700	19,200	-	-
Corporate Services -- OPEB****	8,435,000	8,435,000	-	8,435,000	-	8,435,000
Corporate Services -- NYCEEC	987,108	987,108	-	988,665	(1,558)	988,288
Corporate Services -- Designated and Restricted / Rating and Reserves **	220,912,801	218,910,775	2,002,026	196,996,526	23,916,276	185,713,256
Subtotal, HDC Non-Bond Programs	801,672,053	827,171,456	(25,499,403)	987,802,483	(186,130,430)	971,124,584
Total, All Pools	5,063,108,420	5,108,454,866	(45,346,446)	5,866,845,217	(803,736,798)	5,263,704,639

* This amount represents the 2nd mortgage payoffs from the Mitchell Lama closing held by HDC prior to transfer to REMIC trustee

** 135,000,000 Rating Agency Reserve

** 3,791,250 2014 B DSR

** 8,270,500 2018 B DSR

** 15,000,000 HDC Risk Sharing Reserves COOP City (139)

** 12,555,556 HDC Financial Guaranty Reserves NYCHA Tax credit (140)

** 8,135,200 FHA Risk Sharing Reserve (139)

** 24,112,679 Working Capital

** 9,160,484.51 Green Swap (137)

*** 3M Self Insurance Reserve for Errors and Omissions

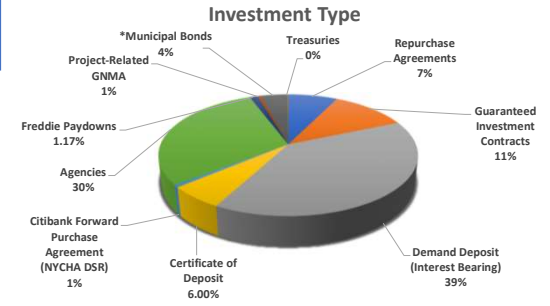
*** 2,250,000 Down Payment Assistant Fund (258)

**** OPEB Cash Balance 203,694.20

Monday, November 16, 2020

	11/16/2020	% of Securities Held	11/2/2020	Weekly Change	10/31/2019	10/31/2019 to Now
Total Investments	5,063,108,420		5,108,454,866	(45,346,446.17)	5,866,845,217	(803,736,797.67)
Investments by Security:						
Repurchase Agreements	370,701,000	7.32%	381,043,000	(10,342,000)	165,504,000	205,197,000
Guaranteed Investment Contracts	569,769,437	11.25%	583,171,982	(13,402,544)	378,118,926	191,650,511
Demand Deposit (Interest Bearing)	1,989,462,059	39.29%	2,039,804,961	(50,342,902)	2,251,955,104	(262,493,045)
Certificate of Deposit	304,000,000	6.00%	304,000,000	-	580,220,975	(276,220,975)
Citibank Forward Purchase Agreement (NYCHA DSR)	29,824,394	0.59%	29,824,394	-	29,824,394	-
Agencies	1,508,852,000	29.80%	1,490,602,000	18,250,000.00	1,825,012,000	(316,160,000)
Freddie Paydowns	59,213,131	1.17%	59,213,131	-	71,516,429	(12,303,298)
Project-Related GNMA	27,832,399	0.55%	27,832,399	-	28,390,390	(557,991)
*Municipal Bonds	194,830,000	3.85%	184,550,000	10,280,000	220,185,000	(25,355,000)
Treasuries	8,624,000	0.17%	8,413,000	211,000	316,118,000	(307,494,000)
Total	5,063,108,420	100.00%	5,108,454,866	(45,346,446)	5,866,845,217	(803,736,798)

*VRDB \$52 Million



Diversification Details:

Repurchase Agreements:	Amount Outstanding	Weighted Avg.
Daiwa Securities	301,429,000	
Guggenheim Securities	-	0.06
Mizuho Securities Usa, Inc.	69,272,000	
Total	370,701,000	

Guaranteed Investment Contracts	Amount Outstanding	%	Maturity	Interest Rate
Bayerische Landesbank	7,399,993	1.30%	5/2030-5/2037	*5.47
Rabobank International	3,870,351	0.68%	11/1/2033	*3.87
RBC Capital Markets Corporation	72,057,785	12.65%	12/1/2020	3.319
Societe Generale GIC	153,570	0.03%	11/1/2034	3.5
Toronto-Dominion Bank c/o TD Security-GIC - Var Rate*	14,135,041	2.48%	1/31/2021	1.39
Toronto-Dominion Bank c/o TD Security-GIC	12,097,472	2.12%	12/31/2021	3.023
Toronto-Dominion Bank c/o TD Security-GIC	94,275,559	16.55%	1/31/2022	2.921
Toronto-Dominion Bank c/o TD Security-GIC	47,200,677	8.28%	4/1/2022	1.773
Toronto-Dominion Bank c/o TD Security-GIC	228,615,819	40.12%	4/1/2022	1.607
Toronto-Dominion Bank c/o TD Security-GIC	89,963,169	15.79%	10/1/2023	0.577
Total	569,769,437	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	39.47%	2/11/2022	2.85
NYCB - Hunters Point	184,000,000	60.53%	4/1/2024	3.76
Total	304,000,000	100.00%		

Demand Deposit (Interest Bearing)	Amount Outstanding	%	Interest Rate	Weighted Avg.
Bridge Hampton National Bank	146,595,749	8.82%	0.90%	0.08%
Customer Bank	449,499,106	27.05%	1.04%	0.28%
Lakeland Bank	12,169,693	0.73%	0.60%	0.00%
NYC Community Bank	87,129,133	5.24%	1.68%	0.09%
Bank of the Ozarks	4,630,247	0.28%	0.15%	0.00%
Peoples Bank	17,352,105	1.04%	0.15%	0.00%
Santander Bank	-	0.00%	0.20%	0.00%
Signature	653,824,153	39.35%	0.77%	0.30%
Sterling National Bank	275,975,995	16.61%	0.20%	0.03%
US Bank	14,345,643	0.86%	0.02%	0.00%
Total	1,661,521,824	100.00%		0.71%

Demand Deposit - Fixed Rate Special Agreements	Amount Outstanding	%	Interest Rate	Weighted Avg.
NYC Community Bank***	235,413,545	71.79%	2.30%	1.65%
Flushing Commercial Bank ICS*	36,143,083	11.02%	3.00%	0.33%
Flushing Commercial Bank ICS* (HPD)	89,434	0.03%	0.45%	0.00%
Flushing Commercial Bank Non-ICS **	160,247	0.05%	3.00%	0.00%
Signature	56,133,926	17.12%	2.60%	0.45%
Total	327,940,236	100.00%		2.43%

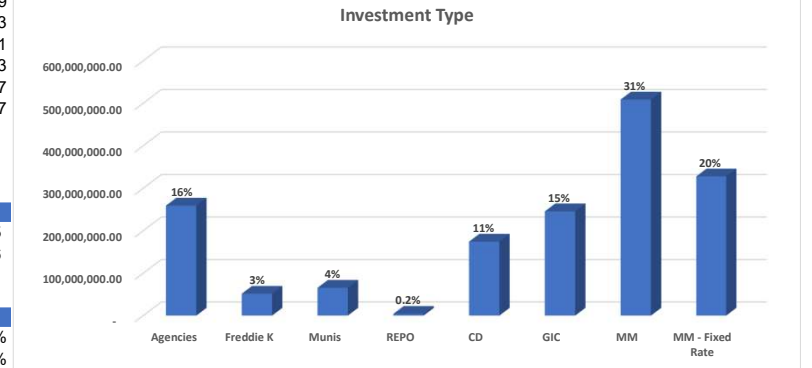
Note : Does not include DDA accounts that reconcile to zero.

Market Highlights	
SOFR	0.09
1 yr Treasury	0.12
2 yr Treasury	0.19
3 yr Treasury	0.24
7 yr Treasury	0.66
10 yr Treasury	0.91
SIFMA	0.11

Portfolio Market Value	
Book Value	1,770,435,464
Market Value	1,780,232,233

Shock Analysis	
Market Value Dn 50	1,795,697,993
Market Value Dn 25	1,798,183,115
Market Value Up 25	1,770,843,491
Market Value Up 50	1,741,395,878

Bond Proceeds Analysis



Bond W/A Return YTD

