Presentation
on

New York City Housing Development Corporation

September 11, 2020

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Overview of NYC Housing Development Corporation

- Established in 1971 under laws of the State of New York as a public benefit corporation for the purpose of financing affordable multi-family housing in the City of New York

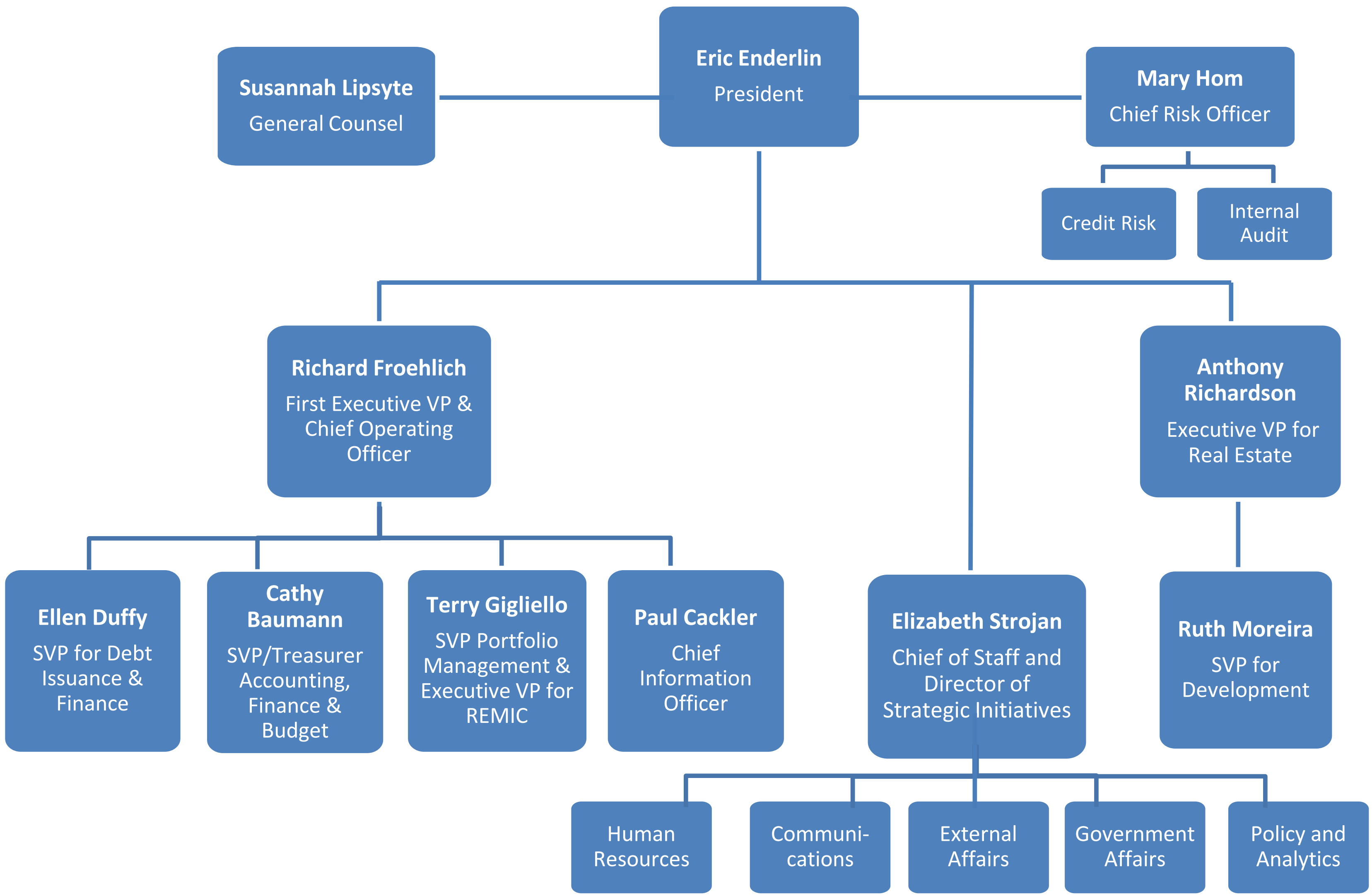
- Governed by 7-member Board of Directors appointed by Mayor and Governor; chaired by Commissioner of NYC Department of Housing Preservation and Development

- A staff of 180 manages over $21.5 billion of assets, including a multi-family portfolio of over 200,000 units with $13.8 billion in mortgage loans and loan
- Total undesignated and unrestricted assets equal $17 million
- Consistently top-ranked issuer of affordable multi-family housing bonds since 2012
  - CY 2019 was a record year with a total issuance of $2.1 billion
  - $33.2 billion of mortgage revenue bonds issued since inception
  - $13.18 billion of bonds outstanding as of August 31, 2020

- Recipient of multiple national awards, including Top 20 muni bond issuer in 2019, Environmental Finance Sustainability Bond of Year Award – US Muni category for June 2018 issuance
- General obligation of HDC rated Aa2/AA by Moody’s and Standard & Poor’s, respectively

- Separately capitalized, mortgage insurer (REMIC) rated AA by S&P.

HDC Organizational Chart

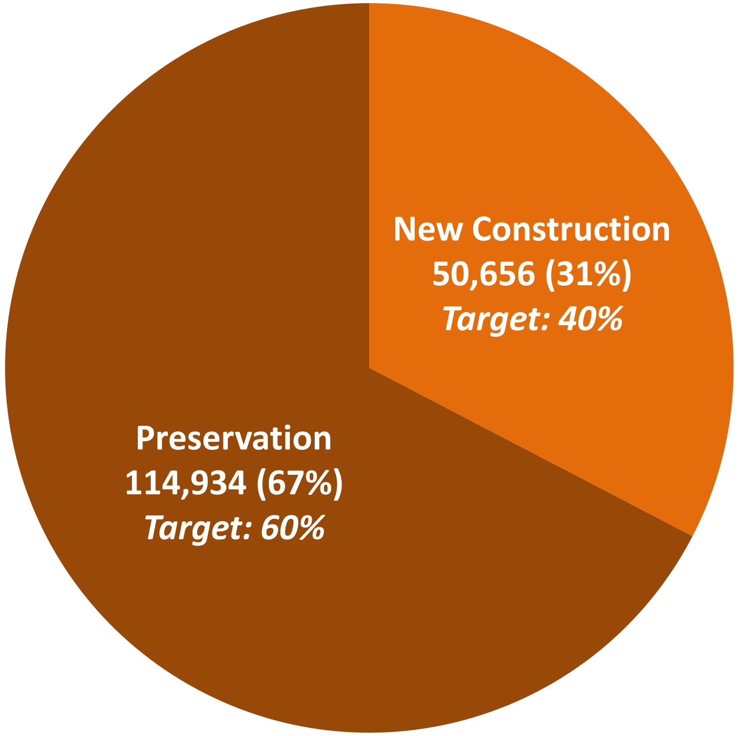


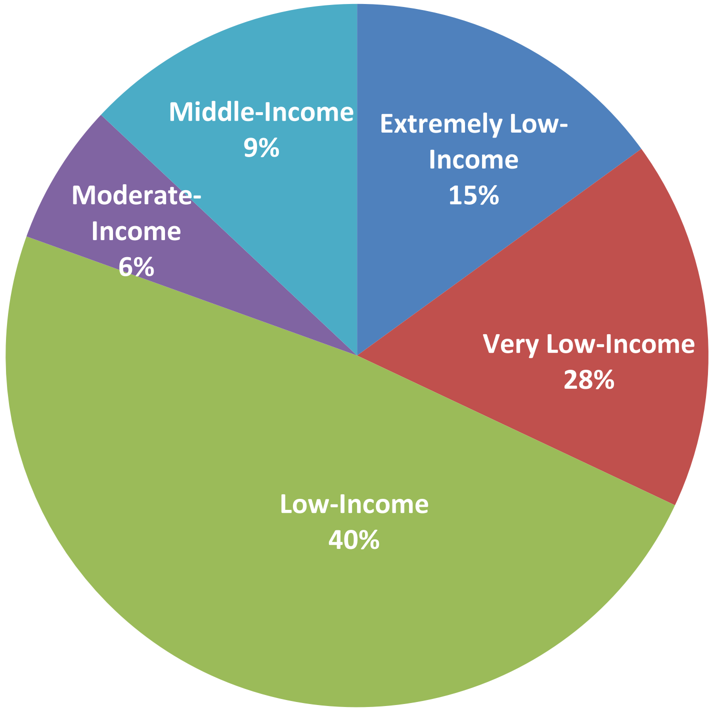
Update on Housing New York 2.0: 300,000 Affordable Homes by 2026

On track to complete the initial *Housing New York* goal of 200,000 units by 2022, two years ahead of schedule. *HNY 2.0* accelerates the pace by setting a new 12-year plan to build or preserve an additional 100,000 homes by 2026.

165,590 Homes financed to date

(Through 06/30/20)





Area Median Income (AMI) Levels

AMI	Income*	Sample Occupation	Affordable Rent**
40%	$37,560	Medical Assistant	$810
60%	$56,340	Hair Stylist + Barber	$1,280
80%	$75,120	Textile Buyer	$1,820
100%	$93,900	Postal Service Worker	$2,289
130%	$122,070	Firefighter + Server	$2,993

*2018 New York Metro AMI levels set by HUD for a family of three.
** For a two bedroom apartment

Sustainable Development Bond Designation

Use of Proceeds / Project Evaluation and Selection

- In December 2019 HDC amended the designation from Sustainable Neighborhood Bonds to Sustainable Development Bonds
- The Sustainable Development Bonds designation reflects the use of proceeds consistent with:
  - The "Social Bond Principles" and "Sustainability Bond Guidelines" as promulgated by the International Capital Markets Association ("ICMA")
  - "Goal 1: No Poverty" and "Goal 11: Sustainable Cities and Communities" of the United Nations 17 Sustainable Development Goals ("UNSDGs")
    - ✓ UNSDG 1: Ending poverty in all its forms everywhere
    - ✓ UNSDG 11: Making cities and human settlements inclusive, safe, resilient and sustainable
- Certain of the Developments expected to be financed with the Sustainable Development Bonds will provide environmental benefits
  - Certain Developments have applied for and are expected to receive Enterprise Green Communities ("EGC") or Leadership in Energy and Environmental Design ("LEED") certification

Tracking/ Reporting/ Investments

- Disbursements to developments will be tracked by the Corporation and will be available annually on HDC's website
- The Corporation will continue reporting updates until all proceeds of the applicable series of Sustainable Development Bonds have been expended

HDC Multi-Family Subsidy Programs

Extremely Low & Low-Income Affordability (ELLA) Program

- Funds the new construction or substantial rehabilitation of low income multi-family rental projects
- Approximately 70% of the units are affordable to households earning less than or equal to 60% of the area median income (AMI)
- Also requires tiers of deeper affordability at 30% to 50% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of up to $65,000 per unit

37 Hillside| ELLA - Manhattan

1921 Atlantic| ELLA Program – Bronx

Victory Commons| ELLA - Bronx

Source: Preliminary Official Statement

HDC Multi-Family Subsidy Programs

Mixed-Middle (M2) Program

- 50% of the units are affordable to households earning between 130% of AMI and 165% of AMI; 30% of the units are affordable to households earning between 80% of AMI and 100% of AMI; 20% of the units are affordable to households earning less than or equal to 50% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $85,000-$95,000 per affordable

Mix and Match Program

- Approximately 50% of the units are affordable to households earning between 80% and 165% of AMI; approximately 50% of the units are affordable to households earning less than or equal to 60% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $40,000-$105,000 per affordable unit

Mixed Income Program (50/30/20)

- 50% of the units at market rents; 30% of the units are affordable to households earning between 80% of AMI and 165% of AMI; 20% of units are affordable to households earning less than or equal to 60% of AMI
- Some projects also qualify for as-of-right 4% Federal Low Income Housing Tax Credits
- HDC subordinate loans of $65,000-$85,000 per affordable unit

Jamaica 2 | Mix and Match Program – Queens

Source: Preliminary Official Statement

HDC Multi-Family Subsidy Programs

Preservation Program

- Finances the acquisition and moderate rehabilitation of multi-family rental housing affordable to low-income households
- 100% of the units are usually affordable to households earning less than or equal to 60% of AMI or moderate income households earning between 80% and 165% of AMI
- As-of-right 4% Federal Low Income Housing Tax Credits
- In most cases, HDC does not provide a subordinate loan for these projects

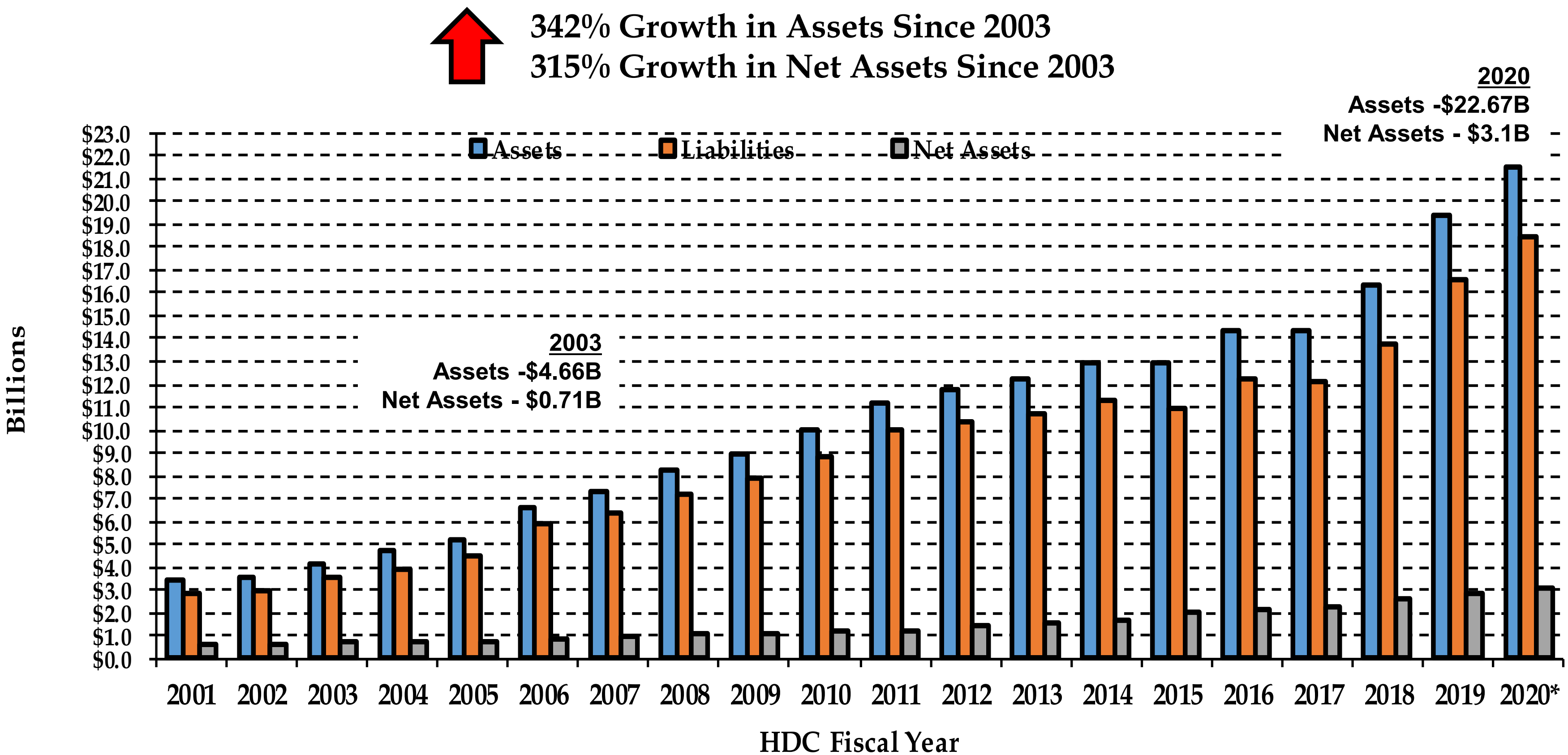
Mitchell-Lama Programs

- Programs provide mortgage refinancing and/or funds for capital improvement, in exchange for extended affordability and a commitment to stay in the Mitchell-Lama program
- Affordable multi-family rental or cooperative housing
- Senior debt restructured at lower rate
- Low interest repair loans available to address capital needs

Arverne View | Mitchell-Lama - Queens

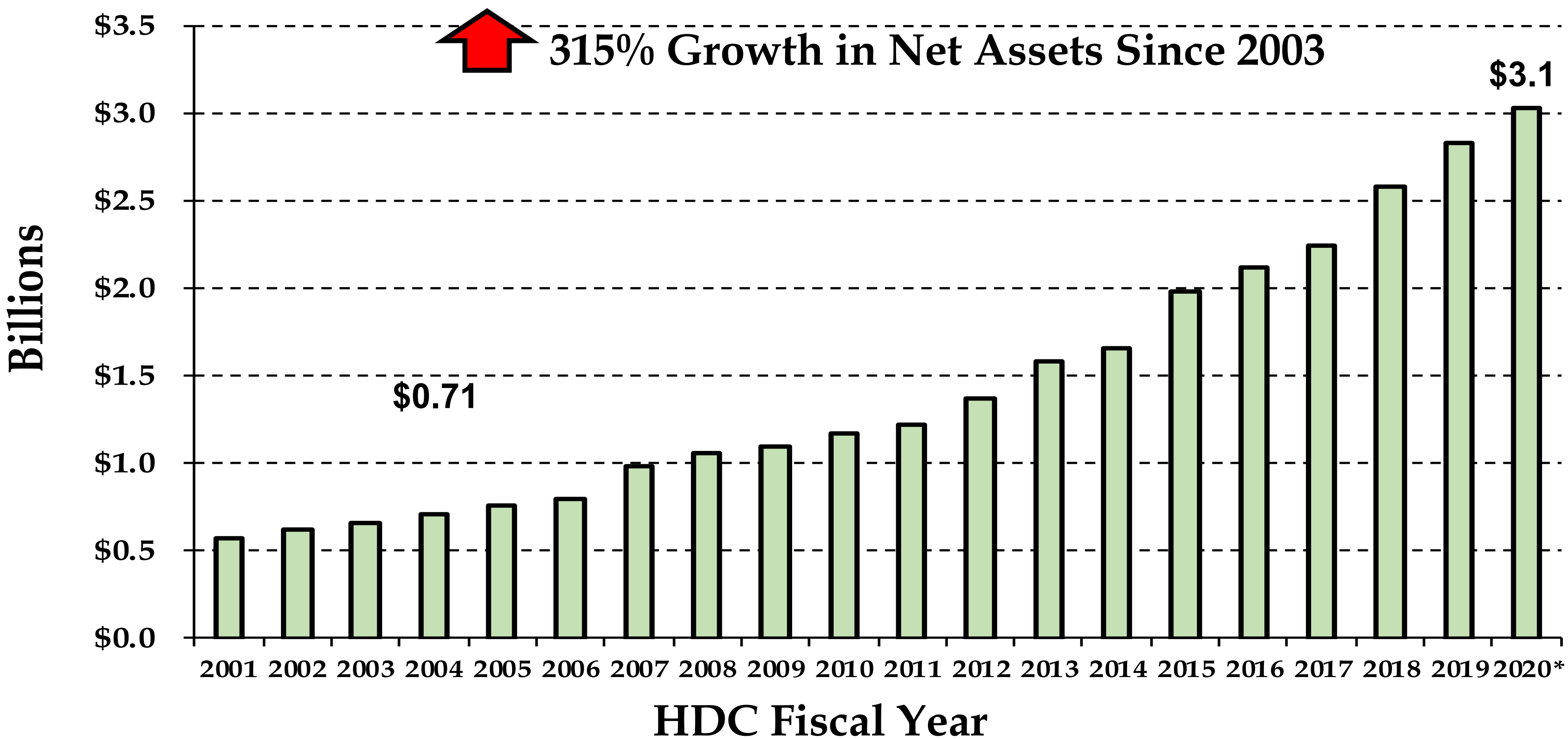
Source: Preliminary Official Statement

HDC Balance Sheet



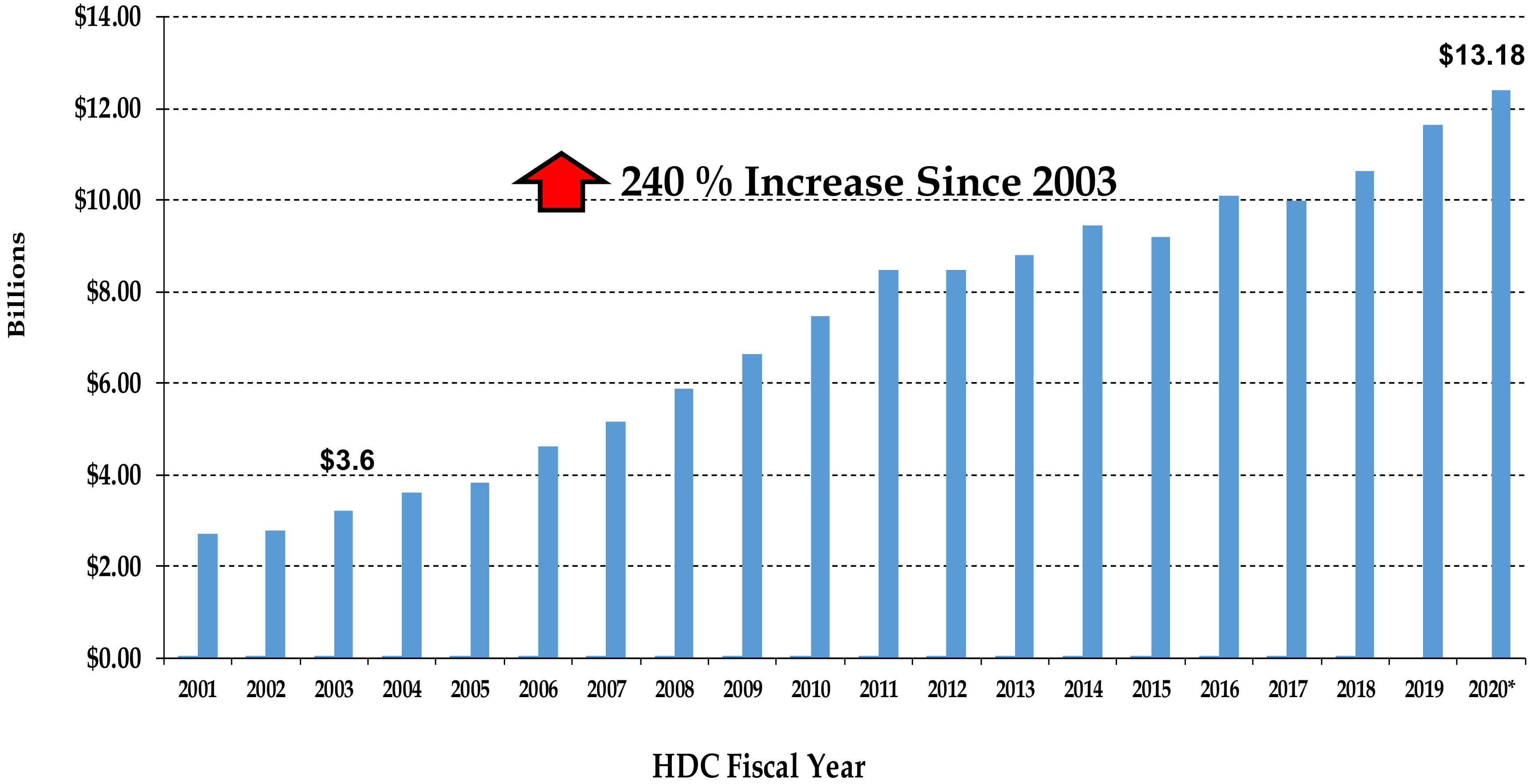
Fiscal Year Basis (11/1-10/31)
*As of Q3 FY2020

HDC Net Assets



Fiscal Year Basis (11/1-10/31)
*As of Q3 FY2020

HDC Bonds Outstanding



Fiscal Year Basis (11/1-10/31)
*As of 7/31/20

HDC Bond Issuance

Multi-Family Housing Revenue Bond Resolution (the "MFHRB" or "Open Resolution")

- Established in 1993, the Open Resolution is HDC's largest single asset, with $8.115 billion of bonds outstanding in 153 series(1) and in excess of $11.39 billion of multi-family loans, reserves and other assets(2).
- The Open Resolution permits the issuance of an unlimited amount of parity debt.
- Surplus revenues can be withdrawn from the Resolution, subject to rating agency cash flow tests. Over the last five years, HDC has withdrawn an average annual amount of $52 million of surplus revenue.
- Rated Aa2/AA+ by Moody's/S&P; 122% over-collateralization(3).
- Frequency of issuance – 2 large new money issuances in June and December to finance tax credit transactions; potential spring and/or fall issuances for deals that do not need VC (including securitization, refunding, or recycled/taxable issuance for new loans)

Multi-Family Secured Revenue Bond Resolution (the "Mini-Open Resolution")

- Established in 2005, the Mini-Open Resolution has $125 million of bonds outstanding in 4 series with $156 million of outstanding mortgage loans and revenues(4). Last issuance was in October 2017.
- Permits the issuance of an unlimited amount of parity debt to finance secured mortgage loans.
- Rated Aa1 by Moody's; 123% over-collateralization(4).

Housing Impact Bond Resolution

- Established in February 2020 to finance mortgage loans for the long-term preservation of NYCHA developments.

Stand Alone Issuance

- Conduit financing for middle-income, 80/20, Liberty Bond deals, mortgage pass through structures, directly placed debt obligations with banks and FFB execution.
- No credit risk to the Corporation.

(1) As of 7/31/2020, excludes $286mm NIBP, $58mm 2017 Pass-Through and $112.5mm of 2006 J-1 & 2018 N (separately secured from all other Open Resolution Bonds)
(2) Based on FY 2019 audited Financials (as of 10/31/2019)
(3) Based on FY 2019 audited financials (as of 10/31/2019); the asset-to-debt ratio is calculated based on (Total assets less Loan Participation receivable from The City of NY)/(Total liabilities less Loan Participation due to The City of NY less 2014 Series B Bonds outstanding –City portion)
(4) As of 6/30/2020

HDC COVID-19 Forbearance Program

Forbearance Program

- *Mortgage Loans Serviced by HDC:* As of July 31, 2020, the Corporation has granted forbearance for up to 90 days to four (4) Mortgagors that have demonstrated financial hardship during the COVID-19 emergency and have already used project level reserves available to pay debt service. Of these four (4) Mortgage Loans in forbearance, two (2) of these Mortgage Loans, with an outstanding principal balance of $18.33M are subject to REMIC Insurance. The remaining two (2) of these Mortgage Loans, with an outstanding principal balance of $8.70M, are not subject to Supplemental Security
  - Since the New York State of Emergency Declaration in March 2020, the Corporation had determined that, as of July 31, 2020, the Mortgagors for thirty-eight (38) developments with seventy-three (73) permanent mortgage loans with an aggregate outstanding principal balance of $471.39M were experiencing a degree of financial hardship and had approved the use of project level reserves to pay loan debt service. Twenty-two (22) of these Mortgage Loans, with an outstanding principal balance of $262.89M, are subject to REMIC Insurance. One (1) Mortgage Loan, with an outstanding principal balance of $52.98M, is subject to SONYMA Insurance
- *Mortgage Loans Not Serviced by HDC:* As of July 31, 2020, HDC is working with the third-party servicers to facilitate forbearance for twelve (12) Mortgagors with thirteen (13) permanent Mortgage Loans, with an aggregate outstanding principal balance of $12.3mm that have demonstrated financial hardship during the COVID-19 emergency and have already used available project level reserves

Forbearance/Delinquency	
O.B. of Loans Currently In Forbearance (as of 7/31/20)	$37,655,361
O.B. of Loans Currently Delinquent* (as of 7/31/20)	$31,427,946
% of all loans In Forbearance	0.20%
% of all loans Delinquent*	0.16%

*Delinquency data includes loans over 60 days delinquent

- Delinquency and Forbearance balances include Non-HDC serviced loan balances as of 8/15/20

COVID-19 Ongoing Mitigation Actions

- **Preservation and Liquidity Creation for HDC COVID-19 Forbearance Program**

- *The Corporation has taken the following steps to preserve and create liquidity in the Program:*
  - No surplus revenues withdrawn from General Resolution since the declaration of a state of emergency in the City, providing Revenue Fund balance of $142.81M as of May 1, 2020, after payment of debt service due on the Bonds on May 1, 2020
  - Cash Flow Statements/Certificates (required for future withdrawals of revenues) will reflect any net impact of temporary suspension of loan payment allowed pursuant to a forbearance agreement

- **HDC-External COVID-19 Economic Mitigation Actions**

- Federal, State and local bodies are continuing to contemplate and enact legislative actions, regulations and/or other administrative directives and guidance to mitigate the impacts of COVID-19 on the general population and the economy. The New York State Legislature passed several COVID-19 related bills aimed at restricting evictions and providing limited financial support for tenants and building owners alike.

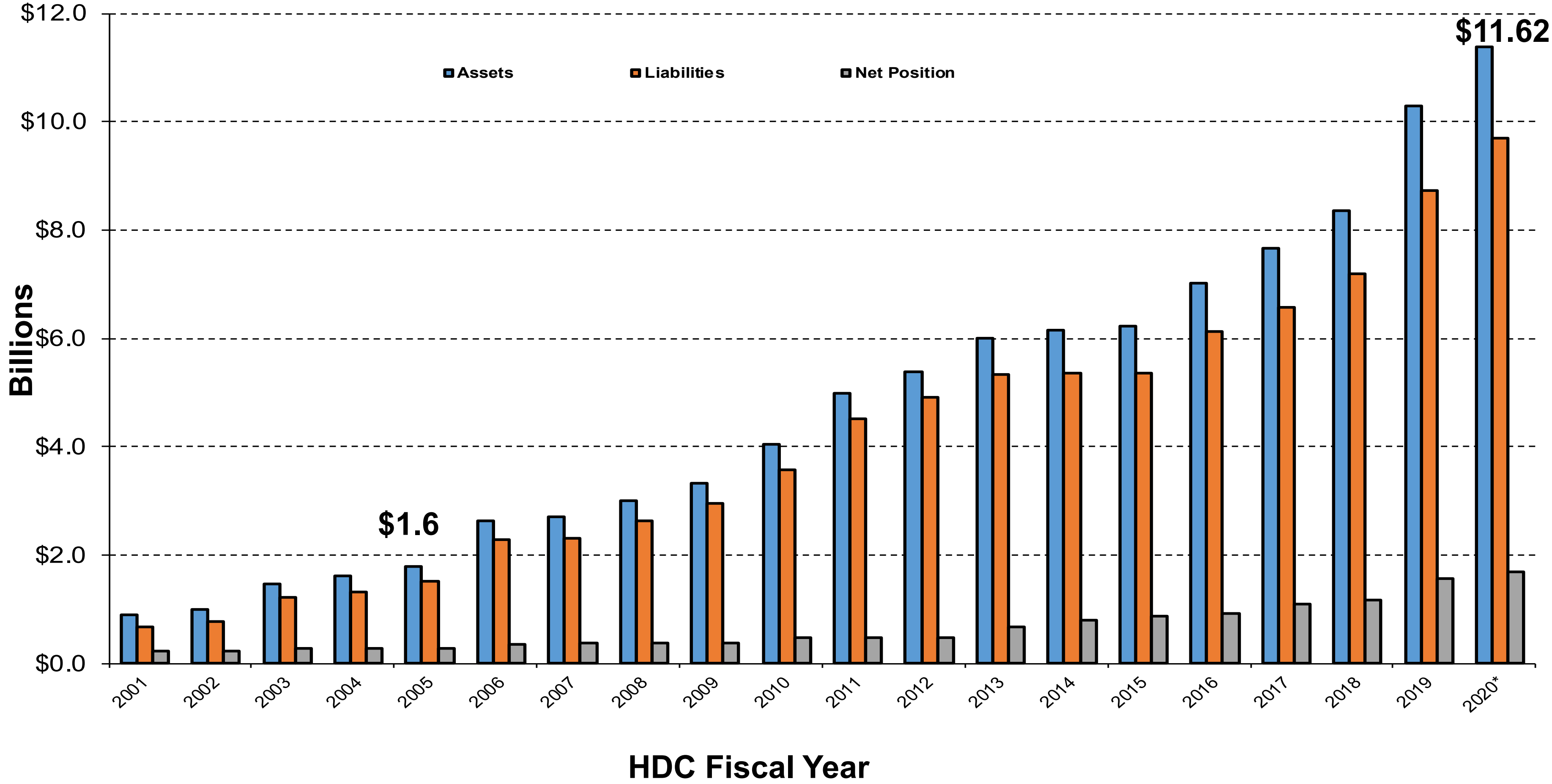
Open Resolution Overview & Security

- Created in 1993, the Open Resolution has grown to be the Corporation's primary financing program for New York City affordable housing
  - $18 billion of Bonds issued in the Open Resolution
  - **$8.65 billion in Bonds outstanding** as of August 31, 2020
  - **$8.32 billion in Mortgages outstanding** as of January 31, 2020
  - **$11.62 billion in total assets** as of July 31, 2020
  - **1.22x asset-to-debt ratio** as of October 31, 2019
- The Bonds are special revenue obligations of NYCHDC payable solely from the Revenues available under the Open Resolution

Pledge of Revenues and Accounts →	▪ Security interest in all assets under the Resolution, including pledged Mortgage Loans
Debt Service Reserve Account →	▪ Provides additional security ▪ Balance is approximately $186 million as of August 31, 2020
Cash Flow Statement / Certificate →	▪ Required for certain material actions taken under Resolution including issuance of additional Bonds ▪ Demonstrate sufficiency to pay debt service in all years
Asset Management and Servicing →	▪ Staff monitors property performance and interacts with outside servicers

* (Total assets less Loan Participation receivable from the City of New York)/(Total liabilities less Loan Participation due to the City of New York less 2014 Series B Bonds outstanding – City portion)
Source: Preliminary Official Statement

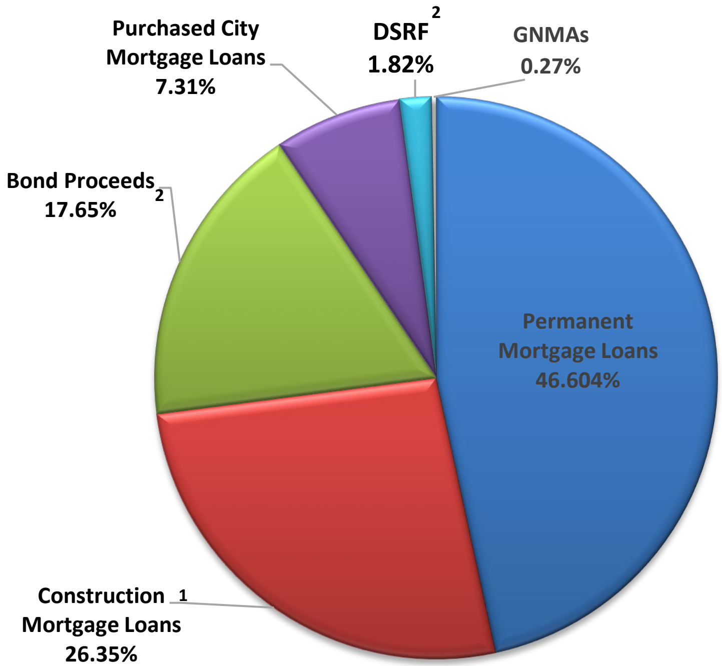
The Open Resolution Balance Sheet



Fiscal Year Basis (11/1-10/31)
*Based on Q3 FY2020 Unaudited Financials

Breakdown of Open Resolution Assets

Open Resolution Asset Composition – Total Assets: $10.33 Billion*



- 1,265 Mortgage Loans - $8.32 billion
- Construction Loans ($2.72 billion)
  - 72 construction loans > $25 million
  - Loan Weighted Average Coupon of 3.23%[3]
  - Average Loan Size of $25.98 million[4]
- Permanent Loans ($5.6 billion)
  - 29 permanent loans[4] > $25 million
  - 68% first lien / 32% second lien
  - Loan Weighted Average Coupon of 3.77%
  - Average Loan Size of $7.75 million[4]

1) Construction Mortgage Loans include only amounts advanced as of 1/31/2020
2) Debt Service Reserve Account and Bond Proceeds Account are invested in Investment Securities
3) Excludes projects that have variable mortgage rates
4) Based on principal amount of loans; excludes mortgage loans underlying 2011 Participation Interest, 2014 Series B, 2018 Series B, and Mitchell Lama Restructuring Subordinate Loans
*As of January 31, 2020; excludes revenue funds, NIBP, 2017 Pass-Through, 2006 J-1 and 2018 N (separately secured); excludes Mitchell-Lama restructuring second and third Mortgage Loans
Source: Preliminary Official Statement

Portfolio Strength*

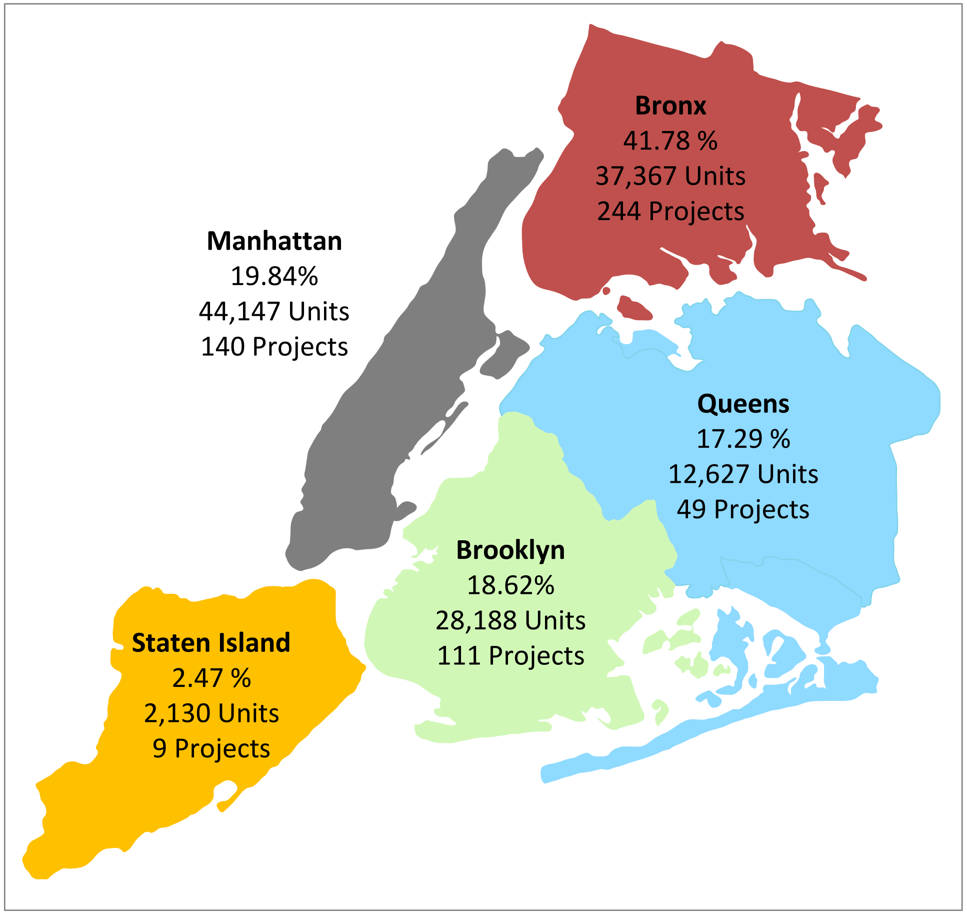
Median Occupancy Rate	**99%**
Average Occupancy Rate	**98%**
Median Debt Service Coverage	**1.68**
Average Portfolio Delinquency Rate(1)	**Less than 1%**

(1) Historical delinquencies are less than 1% of the par amount of the portfolio; only 1 portfolio loss experienced to date and the defaulted loan was FHA insured, with HDC's loss limited to 1%.

*Based on most recent available project financial statements

Open Resolution Portfolio Geographic Dispersion & Performance

Geographic Distribution*



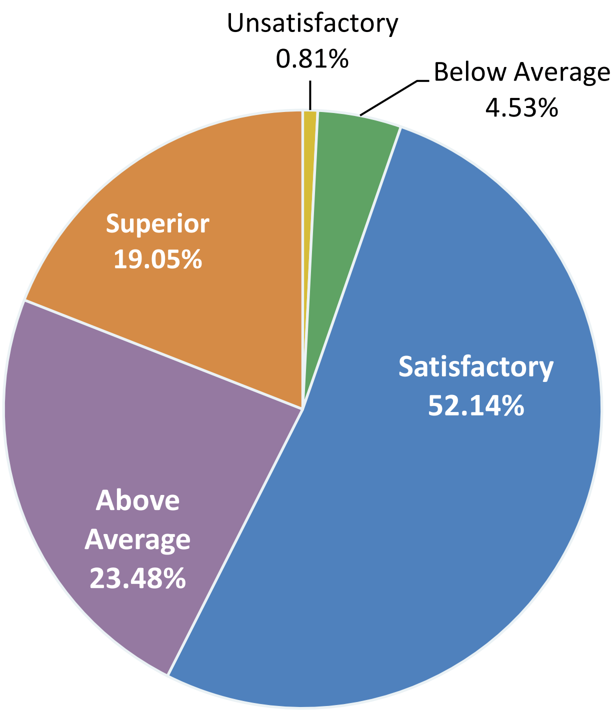
Portfolio Performance*

- 124,459 units funded
- 553 projects funded
- Median project occupancy of 99% [1]
- Average project occupancy of 98% [1]
- There have been no material monetary defaults on any Mortgage Loans

1) Based on principal amount of loans; excludes mortgage loans underlying 2011 Participation Interest, 2014 Series B, 2018 Series B and Mitchell Lama Restructuring Subordinate Loans
*As of January 31, 2020
Source: Preliminary Official Statement

Physical Monitoring and Asset Management Results

95% of Open Resolution portfolio is rated at least "Satisfactory"*



Inspection Ratings assigned annually

Superior: No fire and safety violations, no roof or boiler leakage, no structural deficiencies, strict implementation of maintenance practices, virtually no minor deficiencies, adequate funds for necessary repairs, and overall attractive physical plant with highly presentable public and utility areas.

Above Average: No structural deficiencies, no health or safety violations, no major deficiencies, only minor deficiencies that are easily correctable by maintenance staff.

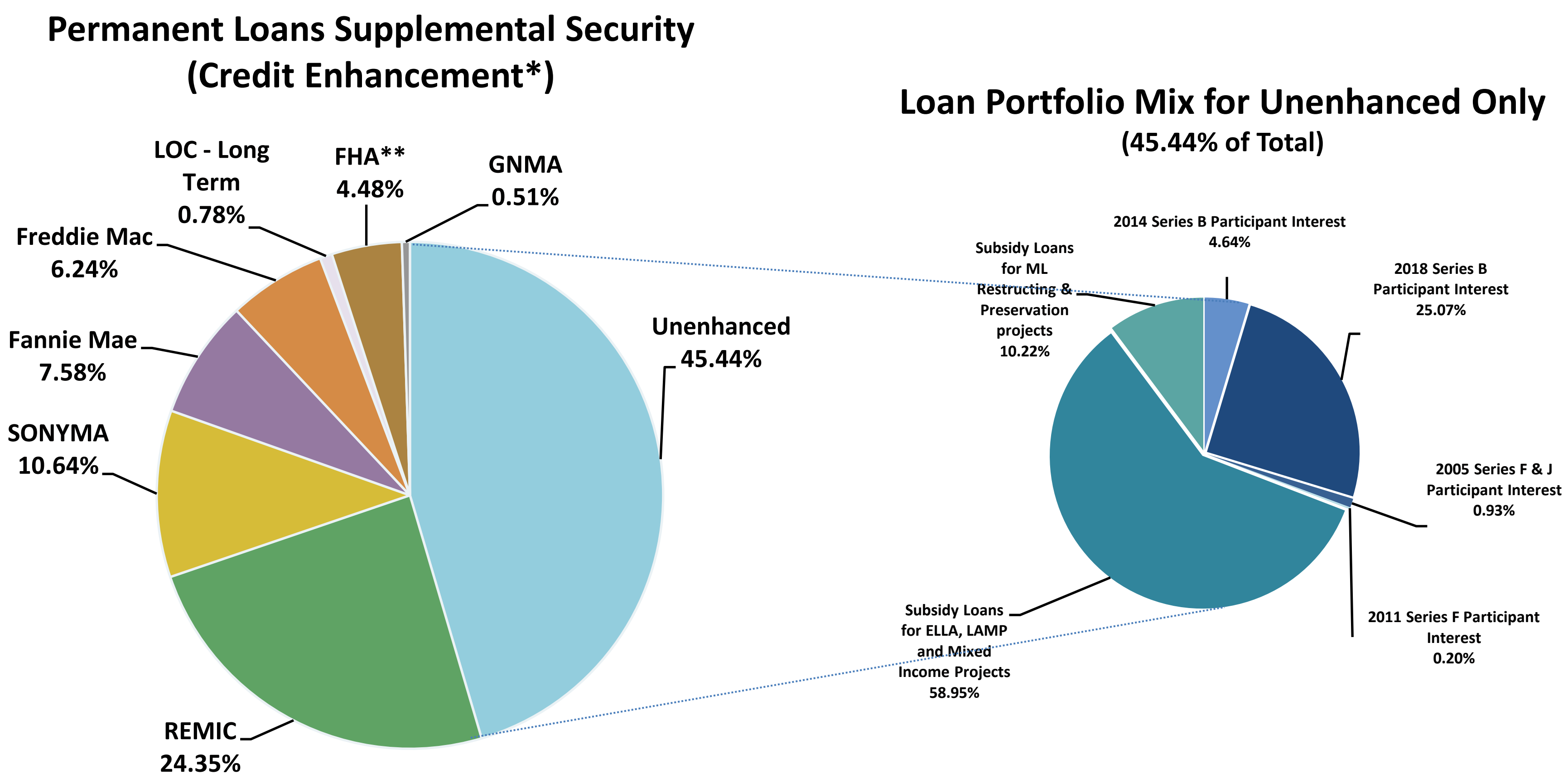
Satisfactory: Only minor violations easily cured, no structural deficiencies, no fire and safety violations, basic adherence to maintenance practices, and secure and presentable public areas.

Below Average: multiple minor deficiencies and/or several major deficiencies or a critical deficiency, i.e., one that affects residents' health and safety hazards (e.g. inoperable fire alarms, inoperable elevators).

Unsatisfactory: Similar to "Below Average" except in a more extreme and/or ongoing manner, unattractive public and/or utility areas, and/or failure to correct deficiencies despite at least two prior written warnings.

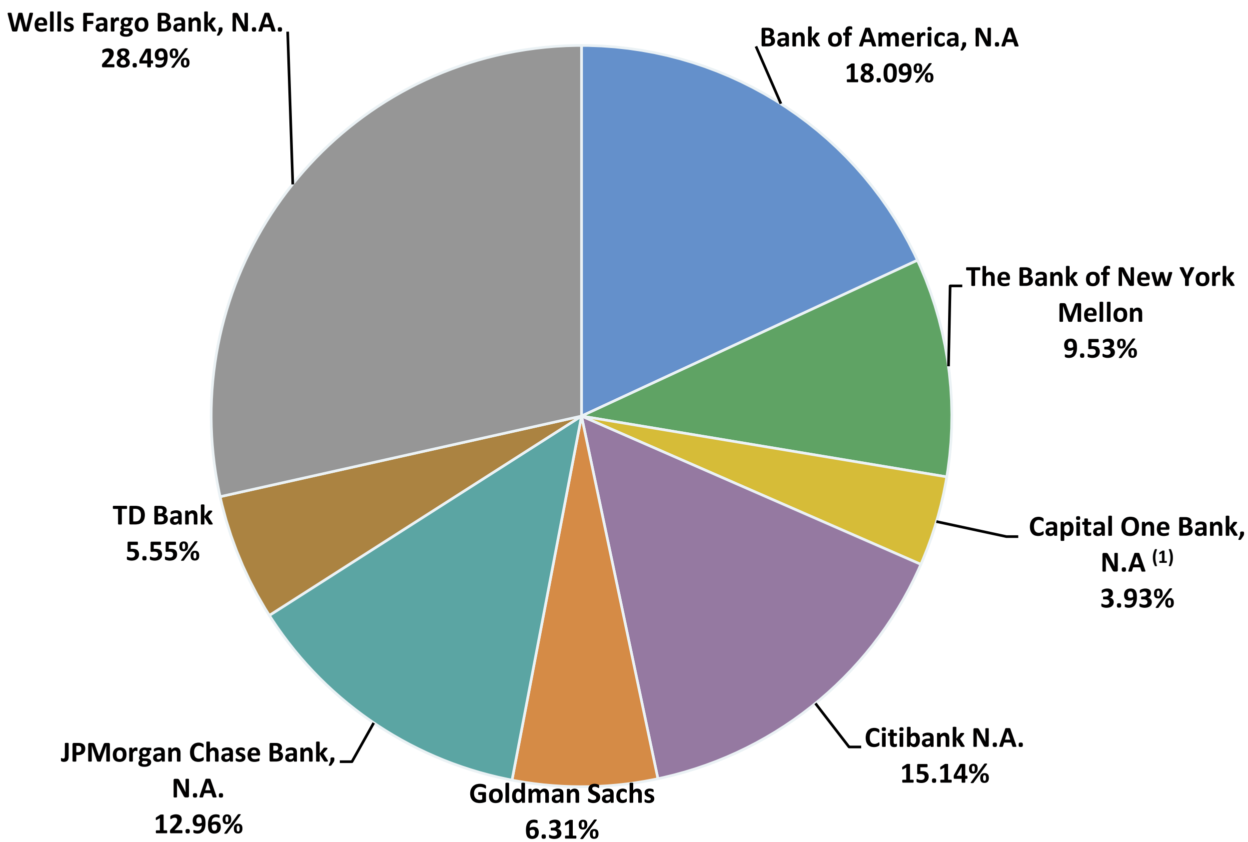
* As of January 31, 2020, based upon the aggregate outstanding principal balance of Permanent Mortgage Loans other than those related to the 2014 Series B Participant Interest and 2018 Series B Participant Interest.

Supplemental Loan Security Supporting the Open Resolution Permanent Mortgage Loan Portfolio



*Percentages reflect ($) par amount of total permanent mortgage loan portfolio as of January 31, 2020, for an aggregated outstanding balance of approx. $5.06 billion; excludes NIBP, 2017 Pass-Through and Mitchell-Lama Restructuring Second and Third Mortgage Loans.
**Includes FHA, FHA 221(d)(3), FHA 221(d)(4), FHA 223(f), and FHA Risk Share
Source: Preliminary Official Statement

Construction Period Supplemental Security (Credit Enhancement*)



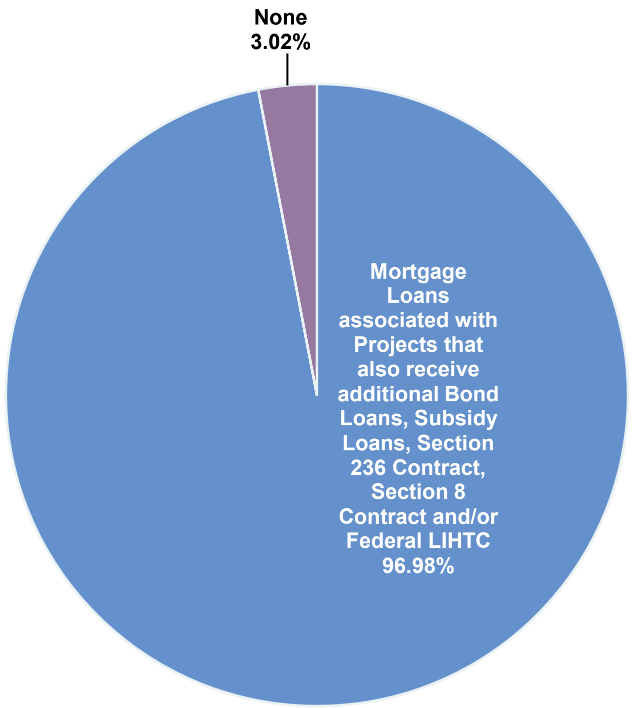
*Percentages reflect dollar amount of Construction LOCs for Mortgage Loans as of July 31, 2020

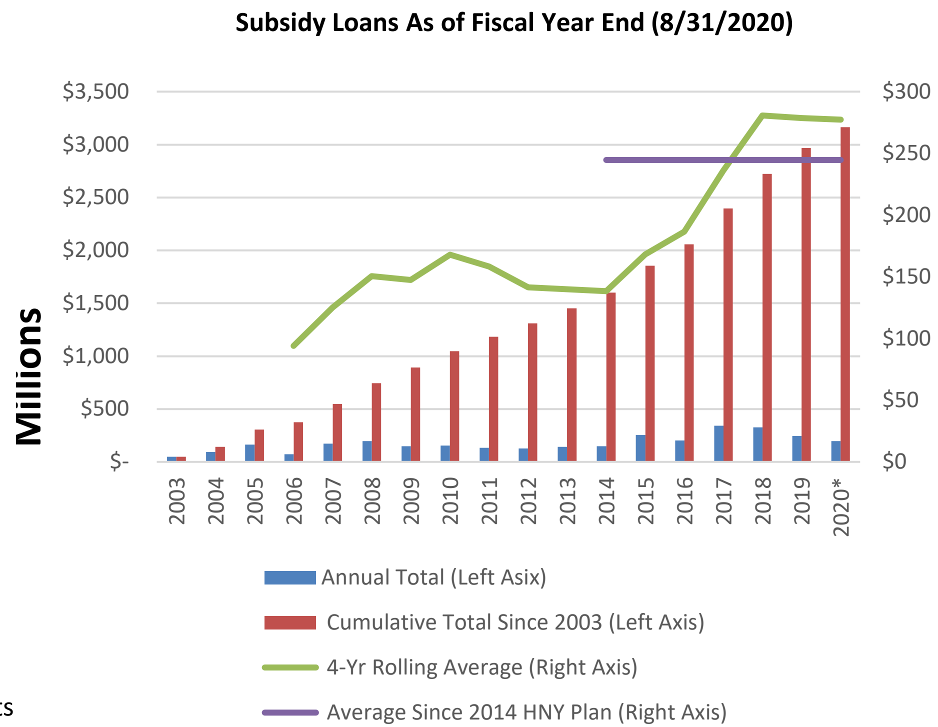
1) Each Capital One LOC is wrapped by a stand-by LOC from FHLB-Atlanta

Source: Preliminary Official Statement

In Addition to Credit Enhancements, There are Subsidy Programs Supporting the Developments in the Open Resolution Portfolio

Project Subsidy Program





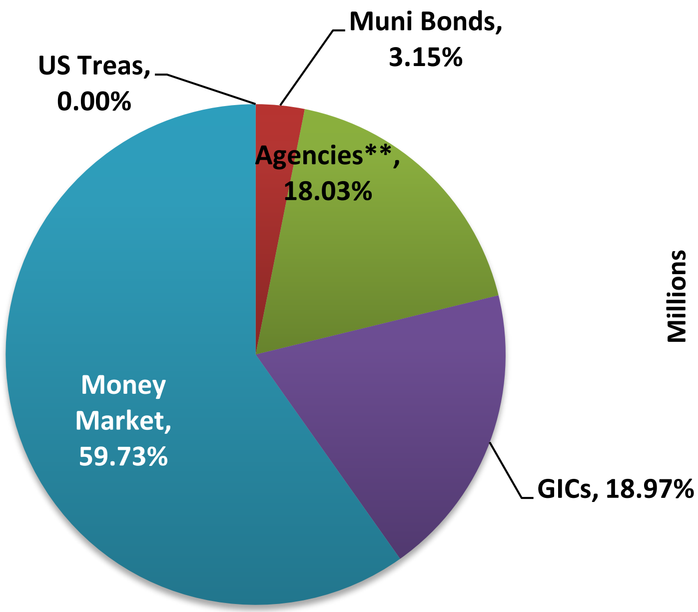
- 17% of Permanent Mortgage Loans have project-based Section 8 contracts
- 4% of Permanent Mortgage Loans have Section 236 contracts

- **As of August 31, 2020, the Corporation has provided over $3.17 billion in subsidy loans across all Programs, including the Multi-Family Housing Revenue Bond Program**

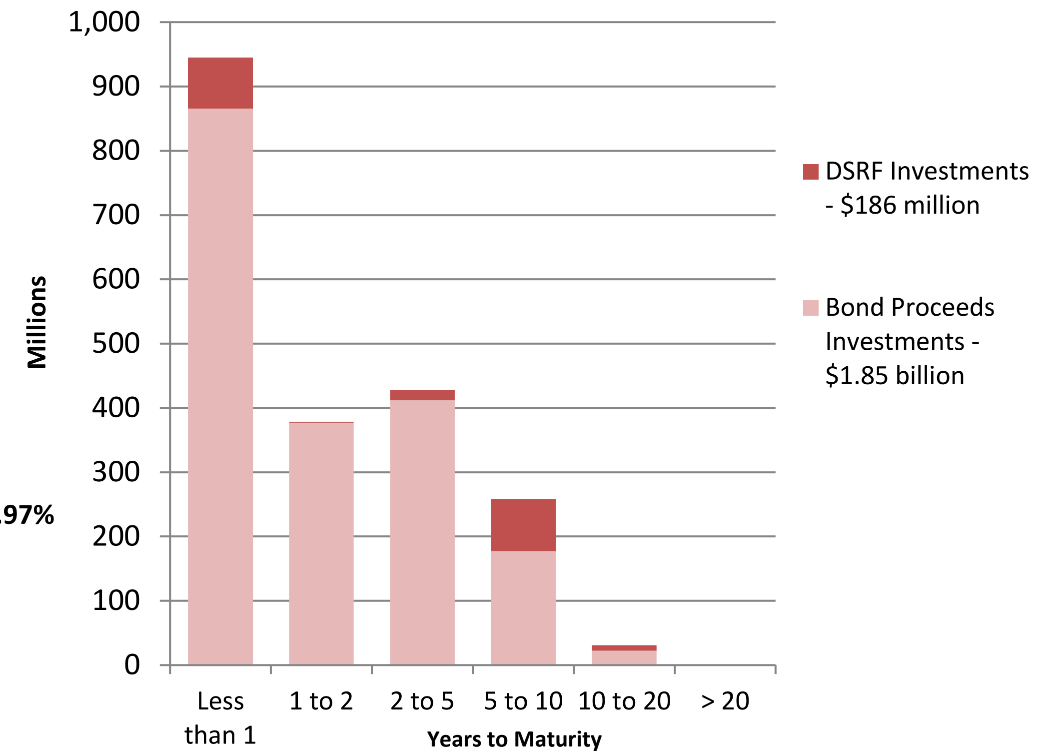
Percentages reflect ($) par amount of total permanent mortgage loan portfolio as of August 31, 2020
Excludes NIBP, 2017 Pass-through, and Mitchell-Lama Restructuring Second and Third Mortgage Loans
Source: Preliminary Official Statement; Audited Annual Financial Statements

Open Resolution's Investment Portfolio

Investment by Type*



Investment by Maturity*

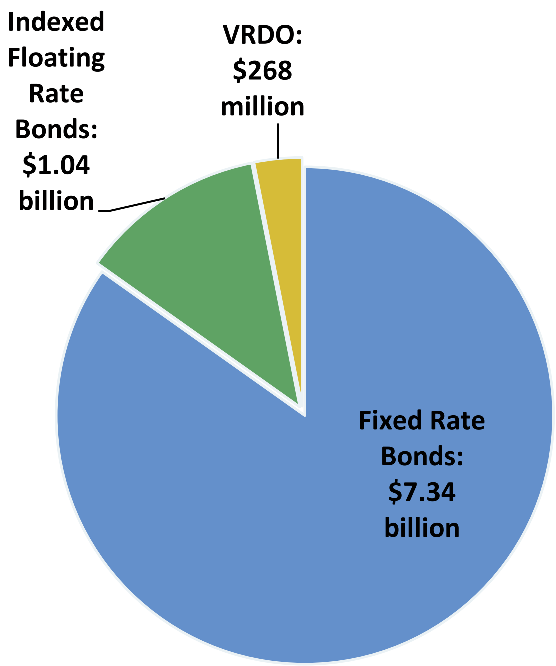


* As of August 31, 2020 for a total of approximately $1.85 bn. Excludes $12,507,500 for Funding Agreement.

** Federal Agency Securities include FHLMC, FHLB and FFCB.

Open Resolution Debt Portfolio as of August 31, 2020

Outstanding Debt: $8.65 billion*



Debt Characteristics

- Debt structures include redemption provisions
- $7.34 billion of fixed rate (84%)
- $1.31 billion of variable rate (16%)
  - Construction period letters of credit are provided by same banks providing SBPAs for VRDOs
- $328,845,000 of Interest Rate Cap Agreements
- $731,510,744 of Interest Rate Exchange Agreements

*Excludes NIBP, 2017 Pass-through, 2006 J-1, and 2018 N (separately secured)
Source: Preliminary Official Statement

Open Resolution Variable Rate Debt Portfolio

Outstanding Tax-Exempt VRDBs (As of 8/31/2020)

Series	Final Maturity	Par Outstanding (millions)	Liquidity Provider	Reset Formula
2017 Series C-4 [1]	2057	$57.830	Wells Fargp	Weekly
2017 Series G-3 [1]	2057	$85.950	Wells Fargo	Weekly
2019 Series A-4	2058	$30.000	Royal Bank of Canada	Weekly
2019 Series E-3	2059	$45.000	Royal Bank of Canada	Weekly
2020 Series E	2050	$11.510	Royal Bank of Canada	Weekly
2020 Series F-2	2060	$38.490	Royal Bank of Canada	Weekly
Total		**$268.780**		

[1] Pass-thru to the borrower.

Outstanding Taxable FHLB Index Floaters (As of 8/31/2020)

Series	Final Maturity	Par Outstanding (millions)	Reset Formula	Ceiling Rate
2002 Series C	2034	$35.430	FHLB 3-Mnth DN + 0.30%	15.00%
2008 Series E	2037	$82.150	FHLB 3-Mnth DN + 0.30%	15.00%
2008 Series F	2041	$68.895	FHLB 3-Mnth DN + 0.30%	15.00%
2008 Series J*	2043	$28.600	3-month LIBOR + 0.61%***	8.00%
2008 Series K*	2043	$66.555	3-month LIBOR + 0.61%***	8.00%
2009 Series I-2*	2039	$21.780	3-month LIBOR + 0.48%***	9.45%
2010 Series H*	2040	$22.570	3-month LIBOR + 0.54%***	9.00%
2011 Series F-2/F-3*	2040	$41.510	3-month LIBOR + 0.48%***	9.00%
2013 Series D-2*	2038	$55.000	3-month LIBOR + 0.65%***	8.00%
2014 Series B-2*	2033	$50.000	3-month LIBOR + 0.49%***	7.50%
2014 Series D-2*	2037	$38.000	3-month LIBOR + 0.49%***	7.50%
2014 Series H-2*	2044	$50.000	3-month LIBOR + 0.47%***	7.50%
2015 Series B-2*	2045	$33.000	3-month LIBOR + 0.40%***	7.50%
2016 Series G-2*	2045	$78.000	3-month LIBOR + 0.51%***	7.50%
2016 Series J-1**	2052	$161.500	3-month LIBOR + 0.68%†***	9.00%†
2017 Series B-2*	2046	$61.5000	3-month LIBOR + 0.43%***	7.50%
2018 Series B-2*	2046	$100.000	3-month LIBOR + 0.45%***	7.50%
Total		**$994.49**		

*Put Feature: FHLB has the right to put bonds to the Corporation on any quarterly reset date with a 6 month notice for 2009 I-2/ 2010H/ 2011 F-2&3, and 12 month notice for 2008 J&K/ 2013 D-2/ 2014 B-2/ 2014 D-2/2014 H-2/2015 B-2/2016 G-2/2017B-2/2018B-2

**Put Feature: During construction, FHLB has a one-time put that would require all of the bonds to be tendered. At permanent, FHLB has a continuous put option for all the L/T bonds to be tendered on or after the sixth anniversary of the Conversion Date.

†After conversion, bond rate is set at 3-month LIBOR + 0.87% with a ceiling rate of 12.0%

How we Use the Surpluses Created and also Maximize the Value of the Open Resolution

- HDC uses prepayments to lend to new projects or call bonds that are optionally redeemable according to their terms. We try to maximize this income to offset lost principal and interest that had been received from the prepaying loan.
- Prepayments of subsidy loans are particularly helpful.
- We take net income semi-annually after debt service is paid and this money goes into the corporate services account for future lending.
- We keep a cushion in the Revenue Account for projects under construction.
- Over-collateralization gives us significant breathing room and the ability to be patient for delinquent projects and any required workouts.
- As we pay down bonds that have higher interest rates we often need to re-leverage the portfolio to raise new money for housing programs.
- HDC funds its operations from fee income for servicing and loan origination.

NYCHA PACT Program

- The Permanent Affordability Commitment Together (PACT) Program establishes 62K unit program to address ~$12.8B of capital need over 10 years.
- NYCHA will lease developments to for-profit and/or not-for-profit Mortgagors, formed to provide property management, financing, and rehabilitation of the developments.
- NYCHA will retain ownership of the land on which a development is located and will lease the land to the Mortgagor, as tenant. NYCHA will also maintain oversight over all major decisions including any material change in affordability.
- Developments receiving financing will be converted from public housing subsidy to Section 8 subsidy pursuant to HUD's Rental Assistance Demonstration ("RAD") program, the Section 18 disposition process or the Part 200 disposition process.
- HDC is working to finance the rehabilitation of NYCHA's housing stock through a conventional debt + equity model, with New York City subsidy filling in gaps.
    - Consistent with preservation financing strategy with no tax credits, no new volume cap allocated to such transactions
    - Preservation equity investors will make long-term investments that may include Opportunity Zone Fund investments

Housing Impact Bonds Resolution Issuance

February 2020 Issuance

- In February 2020, HDC established the Multifamily Housing Impact Bonds Bond Parity Resolution ("HIB Resolution") to finance mortgage loans for the long-term preservation of NYCHA developments.
- Under the resolution HDC has issued $296.38M in tax-exempt bonds and $78.62M in taxable bonds to finance two mortgage loans ("2020 PACT Brooklyn Mortgage Loans") enabling the 2020 Borrower to pay a portion of the cost of acquiring, rehabilitating and re-equipping 2,625 units in 37 tenant-occupied public housing buildings and two non-residential community centers located in Brooklyn, in connection with the conversion of the 2020 PACT Developments to Section 8 supported multi-family residential facilities.
    - This strategy allows HDC to allocate recycled bond prepayments to the NYCHA PACT Brooklyn Bundle and preserve new volume cap for new construction multifamily developments.

Expected November 2020 Issuance

- In November 2020, HDC expects to finance additional mortgage loans through issuing a total of $359M in tax-exempt bonds from both the HIB Resolution ($289M) and the Open Resolution ($70M).
- The mortgages will finance the rehabilitation and re-equipping of 1,718 units in 38 buildings located in Manhattan.

Overview of HDC's Reserves

- HDC reviews reserve amounts on a consistent basis to ensure adequate risk levels for our programs

	audited FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Rating Agency Reserve[1]	135,000,000	139,050,000	143,221,000	147,518,000	154,894,000	162,639,000
Bond Debt Service Reserve	12,061,750	11,263,250	10,263,250	9,263,250	8,763,250	8,263,250
Working Capital Reserve[2]	24,112,679	25,165,300	25,807,500	26,581,725	27,379,177	28,200,552
Financial Guaranty Reserves:						
NYCHA Tax Credit Reserve[3]	12,555,556	10,955,556	9,355,556	7,755,556	6,155,556	0.00
FHA Risk Sharing Reserve[4]	8,135,200	8,135,200	8,135,200	10,000,000	10,000,000	10,000,000
Co-op City Guarantee Reserve[5]	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
CPC Guarantee Reserve[6]	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Totals for HDC	**209,365,185**	**212,069,306**	**214,282,506**	**218,618,531**	**224,691,983**	**226,602,802**
REMIC Reserve and Premium Income[7]	**144,424,242**	**150,780,626**	**162,620,780**	**170,059,582**	**177,987,759**	**186,380,503**

1. **Rating Agency Reserve** – 2.15-2.75% of LT Bonds outstanding; usually set at approximately 2.15%.
2. **Working Capital Reserve** – sized at 75% of HDC's annual operating budget.
3. **NYCHA Tax Credit Reserve** – reserve consists of the original funds received for the tax credit guaranty less the yearly amortization (over the life of the credits) recognized as income and released from the reserve.
4. **FHA Risk Sharing Reserve** – 1% of unpaid principal balance: first $50M; 0.75% of unpaid principal balance: $50M-$150M; 0.50% of unpaid principal balance: >$150M.
5. **Co-op City Guarantee Reserve** – maximum exposure of $15 million; reserve dollar for dollar.
6. **CPC Subordinate Participation**– maximum exposure of $25 million; reserve 10 cents on a dollar.
7. **REMIC Reserve and Premium Income** – premium income inflating at 2%, investment income inflating at 2% and overhead inflating at 5%.

Accomplishments, 2019 & 2020 Issuance

- **Accomplishments**
  - HDC financed the construction and preservation of 150,171 units from 2003 through December 2019 issuing over $22.5 billion in bonds.
  - The June 2015 Open Resolution issuance was HDC's inaugural series of "Sustainable Neighborhood Bonds" (now and hereafter referred to as "Sustainable Development Bonds"), as well as the first time affordable housing bonds in the United States were marketed as sustainable bonds to investors.
  - HDC has been an innovator in the industry, leveraging its balance sheet, sponsoring key legislation, and providing access to capital to finance affordable housing through the use of tools like Recycled Bonds and the New Issuance Bond Program (NIBP) and was selected by FFB, Treasury, and HUD to pilot the FHA Risk-Share program to reduce the interest rate of multi-family affordable housing. HDC has financed four projects under this program.
- **2019 & 2020 Issuance**
  - In 2019 HDC issued over $2.1 billion in tax-exempt and taxable bonds to finance the construction and preservation of 7,162 units and to securitize certain corporate loans.
  - In February 2020, HDC issued $375mm as the inaugural issuance of its Housing Impact Bonds to finance the preservation of 2,625 units across 37 tenant occupied public housing buildings and 2 non-residential community centers in Brooklyn.
  - In March and May of 2020, HDC issued $401mm in tax-exempt bonds to finance remaining volume cap portions for projects financed in December 2019 and to securitize certain corporate loans.
  - In August 2020 , HDC issued $532mm in tax-exempt and taxable bonds to finance the construction and preservation of 3,839 units and to securitize certain corporate loans.
  - HDC is currently in discussions with FHLBNY to move from a LIBOR to a SOFR-based index in relation to HDC LIBOR-based debt held by FHLBNY
  - HDC expects to issue approximately $430mm in taxable and tax-exempt bonds in December 2020 to finance the construction and preservation of various projects

Questions & Answers

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