




NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Richard Froehlich 

SUBJECT: Material for Audit Committee Meeting
April 16, 2012 at 1:30 p.m.

DATE: April 9, 2012

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

- Proposed Agenda
- Minutes of February 15, 2012 Meeting
- First Quarter Financial Report (Unaudited)
- Debt Report
- Investment Report
- Credit Report
- HDC's Purchasing Guidelines
- Internal Audit Report



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee
FROM: Richard Froehlich *RF*
SUBJECT: Agenda for Audit Committee Meeting
DATE: April 9, 2012

For the Audit Committee Meeting, which will take place on Monday, April 16th, at 1:30 p.m., I propose the following agenda:

1. Roll Call
2. Approval of Minutes of the Meeting Held on February 15, 2012
3. First Quarter Financial Report (Unaudited)
4. Debt Report
5. Investment Report
6. Credit Risk Update
7. Approval of HDC's Purchasing Guidelines
8. Submission of Internal Audit Report
9. Status of the Quality Assessment Report
10. Other Business

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

February 15th, 2012

A meeting of the Members of the Audit Committee of the New York City Housing Development Corporation (the "Corporation") was held on Wednesday February 15th, 2011 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York.

The meeting was called to order at 9:30 am by Mr. Felix Ciampa, Board Member, who noted the presence of a quorum. Mr. Ciampa called for approval of the minutes from the January 31st, 2012 meeting. The minutes were approved.

Mr. Ciampa turned to Mr. Rich Froehlich, Chief Operating Officer and General Counsel of the Corporation to provide an overview of the agenda. Mr. Froehlich presented a brief summary of the Corporation's financial results from fiscal year 2011. Mr. Froehlich noted that the Corporation's profitability is based on four factors "FISS" which represent: Fees, Investment Income, Spread and Securitization. Fees include origination, servicing fees and funds collected as negative arbitrage on projects financed under the open resolution; Investment Income has been greatly reduced during the financial crisis and its aftermath. HDC invests bond proceeds mostly short term to be available to fund draws for projects. Mr. Froehlich further noted that the Corporation doesn't foresee any changes in the near term. Nevertheless, Cash Management staff works very diligently to get the best results possible and this is apparent in the 2011 results which are basically flat from last year; Spread relates to the differences between the interest on HDC's bonds vs. the interest on our mortgages. Here the Corporation has benefited from low interest rates on the floating rate bonds. The Corporation's spread will go down in a higher rate environment but would be offset by the higher returns on the investments.

Mr. Froehlich stated that HDC's position is well hedged with a combination of a long dated interest rate cap and the Corporation's flexibility to invest at higher rates when rates rise.

Mr. Froehlich noted that securitization does not really add to the Corporation's profitability but is a tool for HDC to monetize its net assets in a way to promote the Mayor's Housing Plan. By issuing more bonds the Corporation can leverage its spread and additional mortgages previously made with the Corporation's profits to raise additional funds to subsidize affordable housing. Strict rules imposed by the Corporation and monitored by the rating agencies are used to make sure that HDC does not over-leverage its assets and take too much risk in this process. Mr. Froehlich concluded the report noting that the 2011 numbers were greatly increased by the 421-a money coming from Battery Park City. 2011 reflects money from two years contributions to the 200M fund for subsidy loans. The Corporation expects to receive about 130M over the next 4 years and this will all contribute to HDC's net assets as well as to the ability to make more subsidy loans for the Housing Plan.

Mr. Ciampa then turned to Mr. Randy Nelson of Ernst & Young, to provide an overview of the financial analysis booklet. Mr. Nelson noted that the Corporation's assets doubled from 2002-2011. Mr. Nelson further noted that the 421a funds are held as restricted net assets. Mr. Nelson stated that investment earnings are down due to market conditions and are based on accrued earnings. Mr. Nelson reported that the increase in expenses is due to the OPEB obligation. He noted that the Corporation has done a great job keeping expenses low. Mr. Nelson reported overall excellent growth in net assets. He noted that the Corporation is in excellent financial shape. Mr. Froehlich noted that earnings in 2005 and 2007 were earnings paid out to Borrowers and not kept by HDC, now the situation is the reverse since there are less stand alone deals and earnings from Bond proceeds coming back to HDC. Mr. Nelson stated that next year GASB 63 requirements will take effect and net assets will change to net position. He also noted that there may be an additional requirement that is being floated for New York City however it has not been approved yet.

Mr. Ciampa then turned to Ms. Ellen Duffy, Senior Vice President of Debt Issuance and Finance to present the debt report for the month of January 2012. Ms. Duffy noted that the Corporation did not issue any bonds during the month of January 2012. Redemptions in January totaled \$118.42 million from seven series of bonds, all in the Open Resolution. HDC's debt outstanding as of January 31, 2012 is approximately \$8.45 billion. The Corporation's statutory debt capacity stands at \$10.25 billion.

Mr. Ciampa then turned again to Ms. Duffy to provide the Corporation's Investment Report for February 1, 2012. Ms. Duffy noted that funds under management totaled approximately \$2.4 billion, consistent with the balances we have been experiencing this year. The report reflects routine investment activity.

Mr. Ciampa then recognized Ms. Mary Hom, Deputy Director-Credit Risk, for the counterparty credit risk exposure report. Ms. Hom reported that there were no changes to the list of counterparties since the last report. The only downgrade of note was Moody's downgrade of various European sovereigns earlier in the week. Ms. Hom reported that Moody's downgraded six European sovereigns (Spain, Italy, Portugal, Malta, Slovakia, and Slovenia) – none of which the Corporation had any exposure to. Ms. Hom noted that Moody's also revised the outlook to negative on three triple-A-rated European sovereigns (France, Austria, and the U.K.). Ms. Hom reported that HDC has exposure to a couple of French banks and one U.K. bank. Ms. Hom continued her report by noting that HDC's largest counterparty exposure continued to be with Fannie Mae, followed by Citibank. Investments rated double-A or higher were 47% of total investments (down from 51% at the last report). The weighted average maturity was unchanged at 3.9 years. Ms. Hom concluded her report by noting that exposure to liquidity providers was unchanged at approximately \$24 million.

Mr. Ciampa then turned the Member's attention to Ms. Shirley Jarvis, Vice President of Internal Audit to request the Members approval of the 2011 Annual Audit Committee Report. Pursuant to the New York City (NYC) Comptroller's, "Directive 22", the Audit Committee is required to publish an annual report detailing its activities and decisions for the prior calendar year by February 28. The report is a compilation of the minutes from the Audit Committee meetings that occurred during the year ending 12/31/2011.

At 10:00 AM, with no further business, Mr. Ciampa moved to dismiss and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Violine Roberty". The signature is written in black ink and is positioned above the printed name.

Violine Roberty

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

February 15th, 2012

ATTENDANCE LIST

<u>NAME</u>	<u>AFFILIATION</u>
Felix Ciampa	Audit Committee Member
Denise Scott	Audit Committee Member
Harry Gould	Audit Committee Member
Randy Nelson	Ernst & Young
Marc Jahr	NYC Housing Development Corp.
Richard Froehlich	NYC Housing Development Corp.
Joan Tally	NYC Housing Development Corp.
Ellen Duffy	NYC Housing Development Corp.
Eileen O'Reilly	NYC Housing Development Corp.
Pellegrino Mariconda	NYC Housing Development Corp.
Cathy Baumann	NYC Housing Development Corp.
Mary Hom	NYC Housing Development Corp.
Jaelyn Moynahan	NYC Housing Development Corp.
Zenaida Bhuiyan	NYC Housing Development Corp.
Shirley Jarvis	NYC Housing Development Corp.
Bharat Shah	NYC Housing Development Corp.
Mary John	NYC Housing Development Corp.
Cheuk Yu	NYC Housing Development Corp.
Uyen Luu	NYC Housing Development Corp.
Catherine Foody	NYC Housing Development Corp.
Violine Roberty	NYC Housing Development Corp.



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, 2012

DATE: April 9, 2012

I have attached our first quarter financial statements (unaudited), with a summary memo from Controller Bharat Shah. These financial schedules cover the Corporation's first three months of fiscal year 2012, which is November 1, 2011 through January 31, 2012. The combined Balance Sheet and Revenue and Expense Statements for the Corporation and its subsidiaries are attached. In addition, the individual Balance Sheets and Revenue and Expense Statements have also been included for HDC, HAC, REMIC and the Open Resolution (HRB).



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

To: Cathleen Baumann
From: Bharat Shah
Subject: Financial Information as of January 31, 2012
Date: March 13, 2012

The Accounting Division has prepared financial schedules (unaudited) covering the Corporation's first three months of fiscal year 2012, which is November 1, 2011 through January 31, 2012. The combined Balance Sheet and Revenue and Expense Statements for the Corporation and its subsidiaries are attached. In addition, the individual Balance Sheets 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 Coop. 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 01/31/2012(unaudited)

Financial Highlights

- HDC's growth in assets and liabilities continued from last year through the first quarter of FY 2012 due to ongoing financing activities.
 - Fifteen bond series were sold totaling \$361.1 million during the first quarter. In addition the remaining amount of bonds allocated to the Corporation under the Federal New Issue Bond Program (NIBP), were converted into three series of tax exempt bonds totaling \$233 million.
- Total assets of \$11.84 billion, a decrease of \$7.9 million or 0.07% from FYE 2011 which includes:
 - Cash and investments of \$2.23 billion
 - Mortgages, notes and loan participation interest receivable and purpose investment of \$9.46 billion
 - Other assets (including \$25.1 million Accrued Interest Receivable) totaling \$155.0 million
- Total liabilities of \$10.38 billion, a decrease of \$26.6 million or 0.3% from FYE 2011
 - Bonds payable (net) of \$8.45 billion
 - Payable to New York City of \$873.1 million
 - Payable to Mortgagors of \$499.1 million
 - Other Liabilities (including \$34.1 million Accrued Interest Payable) totaling \$562.0 million
- Total net assets of \$1.46 billion, an increase of \$18.6 million or 1.3% from FYE 2011
- Net income of \$18.6 million for the first three months of FY 2012, an increase of \$3.5 million over the same period last year.

Overview of Assets and Liabilities

- The decrease in total assets by net of \$7.9 million is mainly due to the following:
 - Cash and investments decreased by \$178.5 million. In spite of the issuance of fifteen new bond series in this period totaling \$361.1 million, the decrease was mainly due to unscheduled full and partial bond redemptions totaling to \$333.8 million, as well as mortgage loan advances.
 - Mortgages, notes, loan participation interest receivable, and purpose investment increased by \$168.0 million due to the ongoing lending activities of the Corporation.
 - Other assets increased by a net \$2.5 million mainly due to an increase in accrued interest receivable of \$0.5 million, an increase of \$1.0 million in other

receivables, an increase of \$1.2 million in unamortized issuance costs, and a decrease of \$0.1 million each in fixed assets and other assets.

- The decrease in total liabilities by \$26.6 million is mainly due to the following:
 - Bonds payable decreased by a net \$39.2 million. The Corporation issued fifteen new bond series during the period of November 1, 2011 thru January 31, 2012 totaling \$361.1 million. During this period, a total of \$398.7 million of bond principal payments were made. Of the bond payments made, \$167.9 million were full redemptions, \$165.9 million were from partial redemptions, and \$64.9 million were scheduled payments.
 - A net increase in the Payable to New York City by \$8.0 million mainly because of:
 - An increase of \$8.4 million in administering the construction and permanent loans on behalf of HPD and HAC.
 - A decline of \$1.3 million related to the 2006 Series A bonds which includes non-operating revenues of \$1.25 million and \$0.05 million of Credit Facility fees.
 - An increase of \$0.9 million in the Mitchell Lama Loan participating interests.
 - A net increase in the Payable to Mortgagors of \$24.0 million primarily due to the following:
 - An increase in mortgage loan prepayments of \$16.9 million.
 - An increase in Escrow, R for R and other reserve collections of \$9.9 million.
 - A decrease in developer equity deposits for HPD loans by \$2.8 million.
 - Other liabilities declined by a net \$19.4 million mainly due to the following:
 - A decrease in Bond Interest Payable of \$31.9 million mainly due to the semiannual November 1st debt service payment. Additionally, interest rates have remained low on the variable rate bonds.
 - An increase in Deferred Fees of \$3.5 million mainly due to an increase in HDC fees and bond issuance costs collected for the new bond series.
 - An increase in accounts and other payables of \$8.2 million mainly due to mortgage advances funded by other entities as part of a construction loan participating agreement.
 - An increase of \$0.8 million on restricted investment earnings resulting from earnings on prepayment funds held to retire NYCHA related bonds.
- The increase of total net assets by \$18.6 million reflects the Corporation's normal operating activities during the first quarter of fiscal year 2012.

**Overview of Revenues and Expenses - Comparison of first 3-months of
FY 2012 & FY 2011**

Excess of revenues over expenses was \$18.6 million for the period November 1, 2011 through January 31, 2012, compared to the same period of FY 2011 when it was \$15.1 million.

- Total revenues increased by \$4.1 million or 6.8% mainly due to the following:
 - Mortgage interest on loans increased by \$3.9 million or 8.7% compared to the same period last year, mainly due to the increase in the mortgage loan portfolio.
 - Fees and charges increased by net \$0.2 million, mainly due to the amortization of commitment fees.
 - Income on Participation Interests declined slightly; there were no prepayments of loans in Mitchell-Lama participation programs during this period. Investment Earnings declined by a minimal amount as the investment portfolio declined due to bond redemptions and mortgage loan advances. In addition short term interest rates remained low during the period.

- Total expenses increased by \$0.2 million, compared to the same period last year as a result of the following:
 - Bond interest and amortization decreased by a net of \$0.2 million. An increase in bond interest expenses of \$1.2 million was offset by a \$1.4 million increase in amortization of discount, premium, and cap fees due to the redemptions of \$333.8 million in bonds during this period.
 - Debt issuance costs and deferred bond refunding costs increased by \$0.5 million because of the recent bond financings and refunding activities during the quarter compare to same period last year.
 - Minimal increases in salaries and related expenses, and trustees and other fees were offset by a \$0.2 million decrease in corporate operating expenses.

- Non-operating revenues (expenses) decreased by \$0.4 million mainly due a decrease in revenues earned on additional principal collection utilized for bond interest payments of the 2006 Series A bonds, and minimal net increase in the amortization of the bond spread and participation interest expense.

NYC Housing Development Corporation
and Subsidiaries
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total All
(in thousands)

	January 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ 1,417	\$ 519	\$ 898
Investments	753,619	988,355	(234,736)
Receivables:			
Mortgage loans	79,270	156,582	(77,312)
Accrued interest	21,683	21,239	444
Notes	11,735	11,730	5
Other	60,622	59,710	912
Total Receivables	173,310	249,261	(75,951)
Other assets	27	52	(25)
Total Current Assets	928,373	1,238,187	(309,814)
Noncurrent Assets:			
Restricted cash	6,696	8,598	(1,902)
Restricted investments	1,464,328	1,407,077	57,251
Purpose investment	185,481	186,644	(1,163)
Mortgage loans	663,427	671,051	(7,624)
Restricted receivables:			
Mortgage loans	7,588,976	7,334,373	254,603
Loan participation receivable - The City of NY	656,362	656,707	(345)
Accrued interest	3,416	3,356	60
Notes	278,508	278,668	(160)
Other	2,886	2,779	107
Total restricted receivables	8,530,148	8,275,883	254,265
Unamortized issuance costs	49,642	48,451	1,191
Primary government/component unit receivable (payable)	-	-	-
Capital assets	1,218	1,321	(103)
Other assets	15,535	15,617	(82)
Total Noncurrent Assets	10,916,475	10,614,642	301,833
Total Assets	\$ 11,844,848	\$ 11,852,829	\$ (7,981)

NYC Housing Development Corporation
and Subsidiaries
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total All
(in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

Current Liabilities:

Bonds payable (net)	\$ 250,512	\$ 476,641	\$ (226,129)
Accrued interest payable	34,124	66,106	(31,982)
Payable to The City of New York	-	-	-
Payable to mortgagors	206,804	204,479	2,325
Restricted earnings on investments	9,280	8,477	803
Accounts and other payables	340,040	331,781	8,259
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	840,760	1,087,484	(246,724)

Noncurrent Liabilities:

Bonds payable (net)	8,194,563	8,007,673	186,890
Payable to The City of New York:			
Loan participation Due to The City of New York	656,362	656,707	(345)
Others	216,772	208,370	8,402
Payable to mortgagors	292,302	270,606	21,696
Post employment benefit payable	9,809	9,809	-
Deferred fee and mortgage income and other liabilities	168,091	164,600	3,491
Due to the United States Government	670	670	-
Total Noncurrent Liabilities	9,538,569	9,318,435	220,134
Total Liabilities	10,379,329	10,405,919	(26,590)

Net Assets:

Restricted for bond obligations	614,769	593,172	21,597
Restricted for insurance requirement and others	48,448	48,448	-
Unrestricted	802,302	805,290	(2,988)
Total Net Assets	1,465,519	1,446,910	18,609
Total Liabilities and Net Assets	\$ 11,844,848	\$ 11,852,829	\$ (7,981)

NYC Housing Development Corporation
and Subsidiaries
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total All
(in thousands)

	Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues			
Interest on loans	\$ 48,409	\$ 44,543	\$ 3,866
Fees and charges	8,956	8,706	250
Income on loan participation interests	720	762	(42)
Other	86	9	77
Total Operating Revenues	58,171	54,020	4,151
Operating Expenses			
Interest and amortization of bond premium and discount	37,057	37,312	(255)
Salaries and related expenses	5,945	5,913	32
Trustees' and other fees	1,134	987	147
Amortization of debt issuance costs	1,857	1,323	534
Corporate operating expenses	1,229	1,471	(242)
Total Operating Expenses	47,222	47,006	216
Operating Income (Loss)	10,949	7,014	3,935
Non-operating Revenues (Expenses)			
Earnings on investments	6,804	6,823	(19)
Other non-operating revenues, net	855	1,267	(412)
Operating transfers to (HDC) Corporate Services Fund	113	110	3
Operating transfers from REMIC Subsidiary	(113)	(110)	(3)
Total Non-operating Revenues	7,659	8,090	(431)
Income (Loss)	18,608	15,104	3,504
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	18,608	15,104	3,504
Total net assets - beginning of year	1,446,911	1,292,865	154,046
Total Net Assets - End of Year	\$ 1,465,519	\$ 1,307,969	\$ 157,550

NYC Housing Development Corporation
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total HDC
(in thousands)

	January 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ 1,417	\$ 519	\$ 898.00
Investments	753,619	988,355	(234,736)
Receivables:			
Mortgage loans	79,103	156,416	(77,313)
Accrued interest	21,662	21,217	445
Notes	11,735	11,730	5
Other	60,616	59,702	914
Total Receivables	173,116	249,065	(75,949)
Other assets	27	52	(25)
Total Current Assets	928,179	1,237,991	(309,812)
Noncurrent Assets:			
Restricted cash	6,695	8,597	(1,902)
Restricted investments	1,368,980	1,312,014	56,966
Purpose investment	185,481	186,644	(1,163)
Mortgage loans	663,427	671,051	(7,624)
Restricted receivables:			
Mortgage loans	7,558,958	7,304,331	254,627
Loan participation receivable - The City of NY	656,362	656,707	(345)
Accrued interest	836	791	45
Notes	278,508	278,668	(160)
Other	2,886	2,779	107
Total restricted receivables	8,497,550	8,243,276	254,274
Unamortized issuance costs	49,642	48,451	1,191
Primary government/component unit receivable (payable)	3,105	2,767	338
Capital assets	1,218	1,321	(103)
Other assets	15,535	15,617	(82)
Total Noncurrent Assets	10,791,633	10,489,738	301,895
Total Assets	\$ 11,719,812	\$ 11,727,729	\$ (7,917)

NYC Housing Development Corporation
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total HDC
(in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

	January 31, 2012	October 31, 2011	Change
Current Liabilities:			
Bonds payable (net)	\$ 250,512	\$ 476,641	\$(226,129)
Accrued interest payable	34,124	66,106	\$(31,982)
Payable to The City of New York	-	-	-
Payable to mortgagors	206,804	204,479	2,325
Restricted earnings on investments	9,241	8,438	803
Accounts and other payables	340,040	331,781	8,259
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	840,721	1,087,445	(246,724)
Noncurrent Liabilities:			
Bonds payable (net)	8,194,563	8,007,673	186,890
Payable to The City of New York:			
Loan participation Due to The City of New York	656,362	656,707	\$(345)
Others	170,998	161,604	9,394
Payable to mortgagors	291,798	270,102	21,696
Post employment benefit payable	9,809	9,809	-
Deferred fee and mortgage income and other liabilities	168,091	164,600	3,491
Due to the United States Government	670	670	-
Total Noncurrent Liabilities	9,492,291	9,271,165	221,126
Total Liabilities	10,333,012	10,358,610	(25,598)
Net Assets:			
Restricted for bond obligations	614,114	592,517	21,597
Restricted for insurance requirement and others	-	-	-
Unrestricted	772,686	776,602	\$(3,916)
Total Net Assets	1,386,800	1,369,119	17,681
Total Liabilities and Net Assets	\$ 11,719,812	\$ 11,727,729	\$(7,917)

NYC Housing Development Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total HDC
(in thousands)

	Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues			
Interest on loans	\$ 48,409	\$ 44,543	\$ 3,866
Fees and charges	8,621	8,416	205
Income on loan participation interests	720	762	(42)
Other	86	9	77
Total Operating Revenues	57,836	53,730	4,106
Operating Expenses			
Interest and amortization of bond premium and discount	37,057	37,312	(255)
Salaries and related expenses	5,945	5,913	32
Trustees' and other fees	1,134	986	148
Amortization of debt issuance costs	1,857	1,323	534
Corporate operating expenses	1,229	1,471	(242)
Total Operating Expenses	47,222	47,005	217
Operating Income (Loss)	10,614	6,725	3,889
Non-operating Revenues (Expenses)			
Earnings on investments	6,100	6,152	(52)
Other non-operating revenues, net	855	1,267	(412)
Operating transfers to (HDC) Corporate Services Fund	112	110	2
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	7,067	7,529	(462)
Income (Loss)	17,681	14,254	3,427
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	17,681	14,254	3,427
Total net assets - beginning of year	1,369,119	1,225,882	143,237
Total Net Assets - End of Year	\$ 1,386,800	\$ 1,240,136	\$ 146,664

Housing Assistance Corporation
 Balance Sheet Summary
 Current Period JAN-12
 Unaudited

Program=Total HAC
 (in thousands)

January 31, 2012 October 31, 2011 Change

Assets

	January 31, 2012	October 31, 2011	Change
Current Assets:			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Mortgage loans	168	166	2
Accrued interest	22	22	-
Notes	-	-	-
Other	-	-	-
Total Receivables	190	188	2
Other assets	-	-	-
Total Current Assets	190	188	2
Noncurrent Assets:			
Restricted cash	-	-	-
Restricted investments	17,383	17,917	(534)
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	30,017	30,042	(25)
Loan participation receivable - The City of NY	-	-	-
Accrued interest	2,580	2,565	15
Notes	-	-	-
Other	-	-	-
Total restricted receivables	32,597	32,607	(10)
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(3,198)	(2,748)	(450)
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	46,782	47,776	(994)
Total Assets	\$ 46,972	\$ 47,964	\$ (992)

Housing Assistance Corporation
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total HAC
(in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

	January 31, 2012	October 31, 2011	Change
Current Liabilities:			
Bonds payable (net)	\$ -	\$ -	\$ -
Accrued interest payable	-	-	-
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	39	39	-
Accounts and other payables	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	39	39	-
Noncurrent Liabilities:			
Bonds payable (net)	-	-	-
Payable to The City of New York:			
Loan participation Due to The City of New York	-	-	-
Others	45,775	46,766	(991)
Payable to mortgagors	503	504	(1)
Post employment benefit payable	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	46,278	47,270	(992)
Total Liabilities	46,317	47,309	(992)
Net Assets:			
Restricted for bond obligations	655	655	-
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	655	655	-
Total Liabilities and Net Assets	\$ 46,972	\$ 47,964	\$ (992)

Housing Assistance Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total HAC
(in thousands)

	Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues			
Interest on loans	\$ -	\$ -	\$ -
Fees and charges	-	-	-
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	-	-	-
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)	-	-	-
Non-operating Revenues (Expenses)			
Earnings on investments	-	-	-
Other non-operating revenues, net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	-	-	-
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	-	-	-
Income (Loss)	-	-	-
Capital transfers	-	-	-
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	-	-	-
Total net assets - beginning of year	655	1,032	(377)
Total Net Assets - End of Year	\$ 655	\$ 1,032	\$ (377)

Residential Mortgage Insurance Corporation
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total REMIC
(in thousands)

January 31, 2012 October 31, 2011 Change

Assets

Current Assets:

Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Mortgage loans	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	5	8	(3)
Total Receivables	5	8	(3)
Other assets	-	-	-
Total Current Assets	5	8	(3)

Noncurrent Assets:

Restricted cash	-	1	(1)
Restricted investments	77,965	77,146	819
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	-	-	-
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	-	-	-
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	94	(19)	113
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	78,059	77,128	931
Total Assets	\$ 78,064	\$ 77,136	\$ 928

Residential Mortgage Insurance Corporation
 Balance Sheet Summary
 Current Period JAN-12
 Unaudited

Program=Total REMIC
 (in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

	January 31, 2012	October 31, 2011	Change
Current Liabilities:			
Bonds payable (net)	\$ -	\$ -	\$ -
Accrued interest payable	-	-	-
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	-	-	-
Noncurrent Liabilities:			
Bonds payable (net)	-	-	-
Payable to The City of New York:	-	-	-
Loan participation Due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefit payable	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	-	-	-
Total Liabilities	-	-	-
Net Assets:			
Restricted for bond obligations	-	-	-
Restricted for insurance requirement and others	48,448	48,448	-
Unrestricted	29,616	28,688	928
Total Net Assets	78,064	77,136	928
Total Liabilities and Net Assets	\$ 78,064	\$ 77,136	\$ 928

Residential Mortgage Insurance Corporation
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total REMIC
(in thousands)

Q1 FY 2012 (11/01/11-01/31/12) Q1 FY 2011 (11/01/10-01/31/11) **Change**

Operating Revenues

Interest on loans	\$ -	\$ -	\$ -
Fees and charges	335	290	45
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	335	290	45

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)	335	290	45

Non-operating Revenues (Expenses)

Earnings on investments	705	671	34
Other non-operating revenues, net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	-	-	-
Operating transfers from REMIC Subsidiary	(113)	(110)	(3)
Total Non-operating Revenues	592	561	31
Income (Loss)	927	851	76
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	927	851	76
Total net assets - beginning of year	77,137	65,950	11,187
Total Net Assets - End of Year	\$ 78,064	\$ 66,801	\$ 11,263

Housing Revenue Bond Program
 Balance Sheet Summary
 Current Period JAN-12
 Unaudited

Program=Total HRB
 (in thousands)

Assets

	January 31, 2012	October 31, 2011	Change
Current Assets:			
Cash	\$ 177,535	\$ 483,432	(305,897)
Investments			
Receivables:			
Mortgage loans	56,781	138,838	(82,057)
Accrued interest	17,628	14,071	3,557
Notes	-	-	-
Other	392	314	78
Total Receivables	74,801	153,223	(78,422)
Other assets	47	34	13
Total Current Assets	252,383	636,689	(384,306)
Noncurrent Assets:			
Restricted cash	779	6,766	(5,987)
Restricted investments	881,150	808,199	72,951
Purpose investment	185,481	186,644	(1,163)
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	3,312,392	3,069,651	242,741
Loan participation receivable - The City of NY	656,362	656,707	(345)
Accrued interest	311	292	19
Notes	-	-	-
Other	258	258	-
Total restricted receivables	3,969,323	3,726,908	242,415
Unamortized issuance costs	24,523	23,212	1,311
Primary government/component unit receivable (payable)	11,861	(12,598)	24,459
Capital assets			
Other assets	12,690	12,765	(75)
Total Noncurrent Assets	5,085,807	4,751,896	333,911
Total Assets	\$ 5,338,190	\$ 5,388,585	\$ (50,395)

Housing Revenue Bond Program
 Balance Sheet Summary
 Current Period JAN-12
 Unaudited

Program=Total HRB
 (in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

	January 31, 2012	October 31, 2011	Change
Current Liabilities:			
Bonds payable (net)	\$ 216,140	\$ 448,915	\$ (232,775)
Accrued interest payable	30,181	57,933	(27,752)
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	293	(558)	851
Accounts and other payables	74,877	69,733	5,144
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	321,491	576,023	(254,532)
Noncurrent Liabilities:			
Bonds payable (net)	3,696,451	3,512,778	183,673
Payable to The City of New York:			
Loan participation Due to The City of New York	656,362	656,707	(345)
Others	22,439	22,439	-
Payable to mortgagors	83,719	68,700	15,019
Post employment benefit payable	-	-	-
Deferred fee and mortgage income and other liabilities	72,765	67,247	5,518
Due to the United States Government	670	670	-
Total Noncurrent Liabilities	4,532,406	4,328,541	203,865
Total Liabilities	4,853,897	4,904,564	(50,667)
Net Assets:			
Restricted for bond obligations	484,293	484,021	272
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	484,293	484,021	272
Total Liabilities and Net Assets	\$ 5,338,190	\$ 5,388,585	\$ (50,395)

Housing Revenue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total HRB
(in thousands)

	Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues			
Interest on loans	\$ 38,607	\$ 33,596	\$ 5,011
Fees and charges	4,234	3,897	337
Income on loan participation interests	720	762	(42)
Other	2	3	(1)
Total Operating Revenues	43,563	38,258	5,305
Operating Expenses			
Interest and amortization of bond premium and discount	29,611	28,136	1,475
Salaries and related expenses	-	-	-
Trustees' and other fees	704	178	526
Amortization of debt issuance costs	1,346	658	688
Corporate operating expenses	-	-	-
Total Operating Expenses	31,661	28,972	2,689
Operating Income (Loss)	11,902	9,286	2,616
Non-operating Revenues (Expenses)			
Earnings on investments	4,477	4,656	(179)
Other non-operating revenues, net	860	1,301	(441)
Operating transfers to (HDC) Corporate Services Fund	(2,712)	(2,125)	(587)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	2,625	3,832	(1,207)
Income (Loss)	14,527	13,118	1,409
Capital transfers	(14,255)	(21,313)	7,058
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	272	(8,195)	8,467
Total net assets - beginning of year	484,021	480,964	3,057
Total Net Assets - End of Year	\$ 484,293	\$ 472,769	\$ 11,524

New Issue Bond Program
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total NIBP
(in thousands)

January 31, 2012 October 31, 2011 Change

Assets

	January 31, 2012	October 31, 2011	Change
Current Assets:			
Cash	\$ -	\$ -	\$ -
Investments	6,382	8,351	(1,969)
Receivables:			
Mortgage loans	-	-	-
Accrued interest	1,363	742	621
Notes	-	-	-
Other	78	44	34
Total Receivables	1,441	786	655
Other assets	7	5	2
Total Current Assets	7,830	9,142	(1,312)

Noncurrent Assets:			
Restricted cash	28	25	3
Restricted investments	149,366	275,190	(125,824)
Purpose investment	56,578	42,651	13,927
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	296,460	182,735	113,725
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	296,460	182,735	113,725
Unamortized issuance costs	1,369	944	425
Primary government/component unit receivable (payable)	1,596	387	1,209
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	505,397	501,932	3,465
Total Assets	\$ 513,227	\$ 511,074	\$ 2,153

New Issue Bond Program
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total NIBP
(in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

	January 31, 2012	October 31, 2011	Change
Current Liabilities:			
Bonds payable (net)	\$ 700	\$ 630	\$ 70
Accrued interest payable	2,553	4,178	(1,625)
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	176	90	86
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	3,429	4,898	(1,469)
Noncurrent Liabilities:			
Bonds payable (net)	498,890	499,240	(350)
Payable to The City of New York:	-	-	-
Loan participation Due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefit payable	-	-	-
Deferred fee and mortgage income and other liabilities	7,433	4,310	3,123
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	506,323	503,550	2,773
Total Liabilities	509,752	508,448	1,304
Net Assets:			
Restricted for bond obligations	3,475	2,626	849
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	3,475	2,626	849
Total Liabilities and Net Assets	\$ 513,227	\$ 511,074	\$ 2,153

New Issue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total NIBP
(in thousands)

		Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues				
Interest on loans	\$	2,938	\$ 699	2,239
Fees and charges		473	100	373
Income on loan participation interests		-	-	-
Other		-	-	-
Total Operating Revenues		3,411	799	2,612
Operating Expenses				
Interest and amortization of bond premium and discount		2,556	871	1,685
Salaries and related expenses		-	-	-
Trustees' and other fees		393	1	392
Amortization of debt issuance costs		12	4	8
Corporate operating expenses		-	-	-
Total Operating Expenses		2,961	876	2,085
Operating Income (Loss)		450	(77)	527
Non-operating Revenues (Expenses)				
Earnings on investments		757	423	334
Other non-operating revenues, net		-	-	-
Operating transfers to (HDC) Corporate Services Fund		(247)	(99)	(148)
Operating transfers from REMIC Subsidiary		-	-	-
Total Non-operating Revenues		510	324	186
Income (Loss)		960	247	713
Capital transfers		(111)	10,721	(10,832)
Loan participation agreement securitization proceeds		-	-	-
Extinguishment of Debt		-	-	-
Change in Net Assets		849	10,968	(10,119)
Total net assets - beginning of year		2,626	21,775	(19,149)
Total Net Assets - End of Year	\$	3,475	\$ 32,743	\$ (29,268)

Mini Housing Revenue Bond Program
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total MINI Open
(in thousands)

January 31, 2012 October 31, 2011 Change

Assets

	January 31, 2012	October 31, 2011	Change
Current Assets:			
Cash	\$ -	\$ -	\$ -
Investments	2,822	4,149	(1,327)
Receivables:			
Mortgage loans	2,184	-	2,184
Accrued interest	436	102	334
Notes	-	-	-
Other	-	-	-
Total Receivables	2,620	102	2,518
Other assets	1	-	1
Total Current Assets	5,443	4,251	1,192

Noncurrent Assets:			
Restricted cash	15	5	10
Restricted investments	2,245	341	1,904
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	100,563	29,577	70,986
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	100,563	29,577	70,986
Unamortized issuance costs	550	141	409
Primary government/component unit receivable (payable)	1,259	(127)	1,386
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	104,632	29,937	74,695
Total Assets	\$ 110,075	\$ 34,188	\$ 75,887

Mini Housing Revenue Bond Program
Balance Sheet Summary
Current Period JAN-12
Unaudited

Program=Total MINI Open
(in thousands)

January 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

Current Liabilities:

Bonds payable (net)	\$ 180	\$ 180	\$ -
Accrued interest payable	739	204	535
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	919	384	535

Noncurrent Liabilities:

Bonds payable (net)	66,375	13,376	52,999
Payable to The City of New York:	-	-	-
Loan participation Due to The City of New York	-	-	-
Others	-	-	-
Payable to mortgagors	-	-	-
Post employment benefit payable	-	-	-
Deferred fee and mortgage income and other liabilities	1,563	360	1,203
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	67,938	13,736	54,202
Total Liabilities	68,857	14,120	54,737

Net Assets:

Restricted for bond obligations	41,218	20,068	21,150
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	41,218	20,068	21,150
Total Liabilities and Net Assets	\$ 110,075	\$ 34,188	\$ 75,887

Mini Housing Revenue Bond Program
Statement of Revenue and Expenses Summary
Current Period JAN-12
Unaudited

Program=Total MINI Open
(in thousands)

	Q1 FY 2012 (11/01/11-01/31/12)	Q1 FY 2011 (11/01/10-01/31/11)	Change
Operating Revenues			
Interest on loans	\$ 972	\$ 315	\$ 657
Fees and charges	(44)	5	(49)
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	928	320	608
Operating Expenses			
Interest and amortization of bond premium and discount	534	207	327
Salaries and related expenses	-	-	-
Trustees' and other fees	56	57	(1)
Amortization of debt issuance costs	14	2	12
Corporate operating expenses	-	-	-
Total Operating Expenses	604	266	338
Operating Income (Loss)	324	54	270
Non-operating Revenues (Expenses)			
Earnings on investments	14	2	12
Other non-operating revenues, net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	(46)	(6)	(40)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	(32)	(4)	(28)
Income (Loss)	292	50	242
Capital transfers	20,858	-	20,858
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	21,150	50	21,100
Total net assets - beginning of year	20,068	19,785	283
Total Net Assets - End of Year	\$ 41,218	\$ 19,835	\$ 21,383