MEMORANDUM

To: The Chairperson and Members

From: Marc Jahr
President

Date: June 5, 2013

Re: Multi-Family Housing Revenue Bonds,
2013 Series B-1, B-2, B-3, B-4, D-1 and D-2, 2015 Series A and re-designation of the 169th Supplemental Resolution as 2013 Series C

I am pleased to recommend that the Members approve the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2013 Series B-1, 2013 Series B-2, 2013 Series B-3, 2013 Series B-4, 2013 Series D-1, 2013 Series D-2 and 2015 Series A (the "2013 Series B-1 Bonds", "2013 Series B-2 Bonds", "2013 Series B-3 Bonds", "2013 Series B-4 Bonds", "2013 Series D-1 Bonds", "2013 Series D-2 Bonds" and "2015 Series A Bonds" are collectively referred to herein as the "Bonds"; the 2013 Series B-1 Bonds, 2013 Series B-2 Bonds, 2013 Series B-3 Bonds and 2013 Series B-4 Bonds are collectively referred to herein as the "2013 Series B Bonds"; the 2013 Series D-1 Bonds and the 2013 Series D-2 are collectively referred to herein as the "2013 Series D Bonds"; and the 2013 Series B Bonds and the 2013 Series D Bonds are collectively referred to herein as the "2013 Bonds") in an amount not expected to exceed $462,285,000.

Interest on the 2013 Series B Bonds and 2015 Series A Bonds is expected to be exempt from Federal, state and local income tax and will qualify as tax-exempt private activity bonds with a combination of an allocation of new private activity bond volume cap, an allocation of "recycled" volume cap in accordance with the Housing and Economic Recovery Act of 2008 ("HERA") and by refunding certain outstanding bonds of the Corporation. Interest on the 2013 Series D Bonds will not be exempt from Federal income tax, but will be exempt from state and local income tax. The anticipated interest rates, maturity dates, uses and other relevant terms of the Bonds are described herein.

Approval of the Resolution will authorize the 177th through 183rd Supplemental Resolutions under the Corporation's Multi-Family Housing Revenue Bonds Bond Resolution originally adopted by the Members in 1993 (the "Open Resolution").

On September 27, 2012, Members approved the 169th Supplemental Resolution under the Open Resolution. It is anticipated that in connection with the issuance of the 2013 Bonds, the 169th

Supplemental Resolution will be re-designated the Corporation's Multi-Family Housing Revenue Bonds, 2013 Series C ("2013 Series C") and issued as a COB to preserve "recycled" volume cap. The proceeds of the 2013 Series C Bonds are expected to provide first position construction and permanent financing for the new construction or rehabilitation of one or more of the developments listed in Attachment "A". Most of the projects listed in Attachment "A" will not be funded from the 2013 Series C Bond proceeds but all will be eligible for such financing.

Following is a discussion concerning the background of the Open Resolution, the proposed uses of the Bonds and a description of their structure and security and other proposed actions of the Corporation.

Background and Status of the Open Resolution

Under the Open Resolution, the Corporation has issued bonds (a) to finance or acquire mortgage loans for multi-family rental and cooperative housing developments throughout New York City, (b) to refund other bond issues of the Corporation, which had financed other multi-family developments, and (c) to acquire a 100% interest in City-owned mortgages. As of January 31, 2013 there were 950 mortgage loans (876 permanent loans and 74 construction loans) held under the Open Resolution with a total outstanding principal balance of approximately $3,969,971,219, with $2,743,844,959 of permanent loans and $1,226,126,261 of construction loans. These mortgage loans, together with funds in the Bond Proceeds Account and Debt Service Reserve Account total $4,740,480,294 as of January 31, 2013. There are no material monetary defaults on any of the mortgage loans other than temporary financial difficulties with respect to certain developments which are in the process of being cured. As of January 31, 2013, there were $3,768,250,000 of Open Resolution Bonds outstanding, not including bonds issued under the New Issue Bond Program. Subsequent to January 31, 2013, the Corporation issued $104,885,000 principal amount of Open Resolution Bonds.

Proposed Uses for the 2013 Series B Bond Proceeds

It is anticipated that a portion of the 2013 Series B Bond proceeds, together with remarketing proceeds of the Corporation's Multi-Family Housing Revenue Bonds, 2012 Series M (the "2012 Series M Bonds") originally issued on December 20, 2012, will be used to finance fifteen (15) mortgage loans for developments as described in the chart below:

Expected Bond Series	Development Name	Project Type	Expected Not to Exceed Amount
2013 Series B-1	1016 Washington Avenue	LAMP	$18,205,000
2013 Series B-1	Barrier Free Living*	LAMP	1,125,000
2013 Series B-1	Carmel Apartments	LAMP Preservation	11,065,000
2013 Series B-1	Creston Heights	LAMP Preservation	11,750,000
2013 Series B-1/ 2012 Series M-3	Longwood Residences	LAMP Preservation	49,750,000
2013 Series B-1	Mother Arnetta Crawford	LAMP	14,700,000
2013 Series B-1	Park West Apartments	LAMP	25,590,000
2013 Series B-1	PRC Shakespeare	LAMP Preservation	40,930,000

2013 Series B-1	Rubin Wolf Residences	LAMP	18,830,000
2013 Series B-1	Scheuer Gardens	LAMP Preservation	12,800,000
2013 Series B-1	Scheuer Plaza	LAMP Preservation	13,715,000
2013 Series B-1	Webster Commons Building-B	New HOP	9,300,000
2013 Series B-2	456 Washington Street	Bifurcated 80/20	8,250,000
2013 Series B-3	Beulah Year 15	LAMP Preservation	26,400,000
2013 Series B-1/ 2013 Series B-4	Soundview Family	LAMP	26,495,000
Total			**$288,905,000**

* This development was approved by the Members on December 7, 2012. The project closed on May 3, 2013 for a total construction loan amount of $20,500,000, of which $19,375,000 is funded with the bond proceeds from a portion of the 2012 Series M Bonds remarketed on May 3, 2013 and the remaining amount of $1,125,000 is expected to be funded with a portion of the 2013 Series B Bond proceeds.

A portion of the 2013 Series B Bonds is expected to be used to provide financing under the LAMP and LAMP Preservation Programs for the new construction or acquisition and rehabilitation of thirteen (13) developments with a total of 2,102 units located in the Bronx, Staten Island and Manhattan.

In addition, a portion of the 2013 Series B Bonds is expected to be used to provide financing for the new construction of one (1) New HOP development with a total of 95 units located in the Bronx.

Also, a portion of the 2013 Series B Bonds is expected to be used to provide the financing for the low-income portion of one (1) new construction development in Manhattan with a total of 107 units using a bifurcated 80/20 structure. The low income portion of the development will consist of 22 units that will be reserved for households earning no more than 60% of the Area Median Income ("AMI"), which is currently $51,540 for a family of four. The remaining 85 units will be market rate and financed with a construction loan originated by the Corporation and funded by T.D. Bank, N.A. pursuant to a participation agreement with the Corporation. This will be the Corporation's first transaction structured to separately finance the low-income portion of a development with tax-exempt bond proceeds. The bifurcated structure enables an "80/20" project to satisfy Federal low-income housing tax credit requirements with a smaller allocation of new private activity bond volume cap from the Corporation.

Finally, a portion of the 2013 Series B Bonds is expected be used to refund certain Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 2 ("NIBP 2009 Series 2 Bonds" or "NIBP Bonds") of the Corporation. The tax-exempt rates currently available offer the Corporation an economic refunding opportunity for certain NIBP Series 2 Bonds that were financed at higher interest rates.

Four (4) LAMP developments and the one (1) New HOP development will receive subordinate financing from the Corporation's unrestricted reserves in an amount not to exceed $41,715,000 The subordinate loans will be advanced during construction and remain in the projects as permanent loans.

For more information on the individual projects, please see Attachments "B-1" through "B-15."

Proposed Uses for the 2013 Series D Bond Proceeds

It is anticipated that the 2013 Series D Bond proceeds will be issued in an amount not to exceed $120,000,000. A portion of the 2013 Series D Bonds is expected to finance two (2) subordinate mortgage loans as described in the chart below:

Development Name	Project Type	Expected Not to Exceed Amount
Seagirt	N/A	$5,515,000
334 Beach 54th	AHPLP/Repair Loan	$400,000

A portion of the 2013 Series D Bonds is expected to be used to provide additional financing to pay past due taxes and other charges for a former Mitchell-Lama multi-family rental development with a total of 920 units located in Queens that will re-enter New York City regulatory supervision under Article XI of the New York State Private Housing Finance Law.

An additional portion of the 2013 Series D Bonds is expected to be used to cover a portion of one repair loan for 334 Beach 54th Street development, a rental housing development originally financed under the Corporation's Affordable Housing Permanent Loan Program located in Queens with a total of 32 units. The loan will be used to repair damage caused by Hurricane Sandy.

The remaining portion of the 2013 Series D Bonds is expected to be used 1) together with other available money held under the Open Resolution, to acquire approximately $175,000,000 of mortgage loans previously funded by the Corporation with its own corporate funds, including certain 1% mortgage loans, 2) to refund certain bonds in the Open Resolution to re-leverage assets currently held under the Open Resolution and lock in funding at the current low rates, and 3) to finance the cost of issuance for the 2013 Series D Bonds. The issuance of the 2013 Series D Bonds will allow for replenishment of the Corporation's reserves, which can then be re-lent to new developments in furtherance of the Corporation's commitment to the Mayor's New Housing Marketplace Plan.

The Members are also asked to approve the funding from the Corporation's unrestricted reserves in an amount not to exceed $6,000,000 to finance the mortgage loans for Seagirt and 334 Beach 54th development, in the event the projects are not financed with the proceeds of 2013 Series D.

For more information on the individual projects being financed with 2013 Series D Bond proceeds, please see Attachment "C-1" and "C-2". For more information on the loans requested to be acquired through the issuance of the 2013 Series D Bonds, please see Attachment "C-3".

Proposed Uses for the 2015 Series A Bond Proceeds

The proceeds of the 2015 Series A Bonds, in an amount not to exceed $52,245,000, are expected to provide first position construction and permanent financing for the new construction or rehabilitation of one or more developments which will reserve a minimum of 20% of the units for households earning no more than 50% of the Area Median Income ("AMI"), which is currently $42,950 for a family of four or 25% of the units for households earning no more than 60% of the AMI. The mortgage loans for these projects are expected to close in 2015 or 2016 and will be presented to the Members for authorization at a later date.

The advance authorization of 2015 Series A Bonds and subsequent presentment of potential projects will allow the Corporation to preserve "recycled" volume cap from 2013 Series B-2, 2013 Series B-3 and 2013 Series B-4, each expected to be issued as variable rate bonds, by enabling the Corporation to issue a refunding COB with prepayment proceeds prior to the redemption of such variable rate bonds on an expedited basis and without requiring an additional liquidity facility.

Uses of Funds

Cost of Issuance and Underwriter's Discounts are paid by the Corporation and, as they relate to the Bonds, are to be reimbursed to the Corporation by the Borrowers or from bond proceeds, as the case may be.

Structure of the Bonds

The Bonds are expected to be issued in the modes described below, however, the Authorizing Resolution relating to the Bonds will provide that a senior officer of the Corporation may determine to combine supplemental resolutions or issue the bonds in multiple issuances pursuant to the same supplemental resolution as long as the total amount of Bonds issued does not exceed $462,285,000.

A. 2013 Series B-1 Bonds

It is anticipated that the 2013 Series B-1 Bonds, in an amount not expected to exceed $233,795,000, will be issued as fixed rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed rate of 10% for fixed rate bonds; however, it is expected that the 2013 Series B-1 Bonds will have an interest rate that does not exceed 5% and an approximate final maturity of November 1, 2048.

B. 2013 Series B-2 Bonds

It is anticipated that the 2013 Series B-2 Bonds, in an amount not to exceed $8,250,000, will be issued as variable rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed rate of 15% for variable rate bonds; however, it is expected that the 2013 Series B-2 Bonds will have a maximum interest rate of 10%, an initial interest rate of less than 1% and an approximate final maturity of May 1, 2018. It is anticipated that the 2013 Series B-2 Bonds will provide financing for the 456 Washington Street development described in Attachment "B-15" and that liquidity for the 2013 Series B-2 Bonds will be provided by a stand-by bond purchase agreement from TD Bank, N.A. or an affiliate thereof.

C. 2013 Series B-3 Bonds

It is anticipated that the 2013 Series B-3 Bonds, in an amount not to exceed $26,400,000, will be issued as variable rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed rate of 15% for variable rate bonds; however, it is expected that the 2013 Series B-3 Bonds will have a maximum interest rate of 10%, an initial interest rate of less than 1% and an approximate final maturity of May 1, 2018. It is anticipated that 2013 Series B-3 Bonds will be used to provide financing for the Beulah Year 15 development described in Attachment "B-5" and that liquidity for the 2013 Series B-3 Bonds will be provided by a stand-by bond purchase agreement from JPMorgan Chase Bank, or an affiliate thereof.

D. 2013 Series B-4 Bonds

It is anticipated that the 2013 Series B-4 Bonds, in an amount not to exceed $19,595,000, will be issued as variable rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed rate of 15% for variable rate bonds; however, it is expected that the 2013 Series B-4 Bonds will have a maximum interest rate of 10%, an initial interest rate of less than 1% and an approximate final maturity of May 1, 2018. It is anticipated that the 2013 Series B-4 Bonds will be used to provide financing for the Soundview Family development described in Attachment "B-12" and that liquidity for the 2013 Series B-4 Bonds will be provided by a stand-by bond purchase agreement from Wells Fargo, N.A. or an affiliate thereof.

E. 2013 Series D-1 Bonds

It is anticipated that the 2013 Series D-1 Bonds, in an amount not expected to exceed $55,000,000, will be issued as fixed rate bonds. The Members are asked to authorize a not-to-exceed rate of 10% for fixed rate bonds; however, it is expected that the 2013 Series D-1 Bonds will have an interest rate that does not exceed 4.5% and an approximate final maturity of May 1, 2028.

F. 2013 Series D-2 Bonds

It is anticipated that the 2013 Series D-2 Bonds, in an amount not to exceed $65,000,000 will be issued as variable rate index bonds purchased by the Federal Home Loan Bank of New York ("FHLBNY") with an approximate final maturity of November 1, 2038. The Members are asked to authorize a not-to-exceed rate of 15% for variable rate bonds; however, it is expected that FHLBNY will agree to a maximum interest rate on the 2013 Series D-2 Bonds of 7.5%. FHLBNY will have the right to give notice on a quarterly basis to put the 2013 Series D-2 Bonds back to the Corporation effective twelve (12) months after such notice. The right to put is only available after an initial eighteen (18) month period. If the Corporation cannot repay the principal remaining on the 2013 Series D-2 Bonds put then the Corporation will repay FHLBNY the principal amount over a period, anticipated to be between seven to ten years, from excess cash in the Open Resolution.

G. **2015 Series A Bonds**

The 2015 Series A Bonds, in an amount not to exceed $54,245,000, will be a "recycled" bond issuance in accordance with HERA. In order to utilize the recycling authorization in HERA, the Corporation must issue refunding bonds prior to the redemption of bonds from prepayment proceeds.

The 2015 Series A Bonds are expected to be issued as variable rate obligations initially in the Term Rate mode with an approximate final maturity of May 1, 2047. The initial Term Rate mode will begin on the date of issuance of the 2015 Series A Bonds and end after approximately one-year ("2015 Series A Term Rate Period"). The Members are asked to authorize a not-to-exceed rate of 15% for the 2015 Series A Bonds; however, based on current market indications, it is expected that the interest rate on the 2015 Series A Bonds will be less than 3% during the initial 2015 Series A Term Rate Period.

The 2015 Series A Bonds or applicable portion thereof shall be subject to mandatory tender for purchase on any date on which the 2015 Series A Bonds or such portion are to be converted to a different interest rate mode and on the last day of any Term Rate period. It is expected that as mortgage loans are ready to close, a portion of the 2015 Series A Bonds will be subject to mandatory tender and converted to another interest rate mode for the financing of the applicable project. The Corporation will be obligated to pay the purchase price of those 2015 Series A Bonds subject to mandatory tender for purchase and not remarketed. No liquidity facility has been obtained to fund such obligation. However, the unexpended proceeds of the 2015 Series A Bonds are expected to be available to pay the purchase price of any 2015 Series A Bonds that are subject to mandatory tender for purchase and are not remarketed. To provide assurances to the bondholders that sufficient monies will be available to fund the purchase price for the 2015 Series A Bonds, the Corporation may covenant to maintain unencumbered cash or cash equivalents (U.S. Treasury Notes, STRIPS or Agencies) under the Open Resolution available to pay the purchase price of all un-remarketed 2015 Series A Bonds.

Security for the Bonds

The 2013 Series Bonds will be issued on a parity basis with all outstanding previous series of bonds issued under the Open Resolution from July 1993 to date. As a result, the Bonds will be secured on a parity basis with all the collateral currently held under the Open Resolution. As of January 31, 2013, that collateral consisted of the following:

TYPE OF COLLATERAL	# OF LOANS	AMOUNT	% OF TOTAL
FHA Insured Mortgage Loans	20	$ 52,013,372	1.10%
Fannie Mae/Freddie Mac Insured Mortgage Loans	21	193,611,334	4.08%
GNMA Insured Mortgages	1	117,412,489	2.48%

SONYMA Insured Mortgages	24	225,324,651	4.75%
REMIC Partially Insured Mortgages	163	840,777,301	17.74%
LOC Insured Mortgages	11	62,389,843	1.32%
Uninsured Permanent Mortgages	282	941,866,762	19.87%
Uninsured 2006 Series A Mortgages	354	310,449,207	6.55%
Partially Funded Construction Loans Secured by LOC	60	992,028,148	20.93%
Partially Funded Construction Loans Not Secured by LOC	14	234,098,113	4.94%
Sub-Total	950	3,969,971,220	83.75%
Undisbursed Funds in Bond Proceeds Account[1]		685,531,360	14.46%
Debt Service Reserve Account[2]		84,977,715	1.79%
Total*	950	4,740,480,294	100%

* May not add due to rounding

Risks and Risk Mitigation

2013 Series B Bonds

The primary risk to the Corporation related to the 2013 Series B Bonds during the period the developments are under construction or rehabilitation is the potential failure of commercial banks to honor their obligations to pay the Corporation under their stand-by letters of credit (each an "LOC") in an event of a default by the related borrower. The ratings of banks are monitored by the Corporation's Credit Risk department and the Corporation's documents require replacement of an LOC or a confirmatory letter of credit if the bank's ratings fall below investment grade. All mortgage loans to be financed with the 2013 Series B Bond proceeds during the permanent financing period will be secured by a credit enhancement from Fannie Mae or a mortgage insurance policy provided by the New York City Residential Mortgage Insurance Corporation ("REMIC") or the State of New York Mortgage Agency ("SONYMA").

An additional risk related to the 2013 Series B-2, 2013 Series B-3 and 2013 Series B-4 Bonds is the potential failure of the commercial bank to honor its obligation to purchase such bonds from tendering bond-holders under the stand-by bond purchase agreement in the event the remarketing agent is not able to remarket the variable rate bonds. The Corporation's staff believes that a default by a highly rated financial institution is an unlikely scenario.

2015 Series A Bonds

It is expected that the primary risk associated with the 2015 Series A Bonds will be that the

[1] Undisbursed Funds in Bond Proceeds Accounts are monies held by the Trustee for construction financing of projects under the Open Resolution.

[2] Includes a payment obligation of $2,664,750 of the Corporation which constitutes a general obligation.

mortgage loan closings are not able to take place. The Corporation intends to present to the Members a pipeline of projects for authorization that will have been reviewed by Corporation staff, and are all expected to be taken through the underwriting process, obtain credit enhancement and satisfy all other matters relating to closing preparation. Furthermore, the Corporation will have the option to remarket the 2015 Series A Bonds at the end of their initial term.

2013 Series D Bonds
The primary risk associated with the portion of the 2013 Series D Bonds financing a new permanent mortgage loan as well as the portion of the 2013 Series D Bonds financing the acquisition of the mortgage loans previously funded by the Corporation with its own corporate funds is repayment risk from the borrowers. This risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratios. In addition, the senior loans expected to be acquired by the 2013 Series D Bond proceeds are also insured by REMIC.

The primary risk associated with the portion of the 2013 Series D Bonds to be used to re-leverage assets currently held under the Open Resolution is repayment risk from the borrowers. These assets are seasoned mortgage loans originally originated pursuant to HDC's conservative underwriting and have a consistent payment history. Most of these mortgage loans are also insured by REMIC or SONYMA.

Other Actions of the Corporation

The Members are asked to approve the Corporation to enter into a Purchase and Sale Agreement with the City of New York relating to the existing subordinate debt on a portfolio of projects in the Bronx and Manhattan with a total of 429 units. The Corporation will consolidate and extend the subordinate debt in cooperation with the City of New York to facilitate the refinancing of the portfolio with traditional financing.

Deposits and Fees

With respect to the 2013 Series B Bonds and the portion of 2013 Series D Bonds financing a new mortgage loan, the Corporation will charge the borrower an up-front commitment fee equal to 0.75% of the bond financed mortgage loan amount. In addition, the borrower will pay an amount equal to its pro-rata share of costs of issuance, including the fees of the underwriter, bond counsel, rating agencies and the Trustee plus any additional funds that are required to compensate HDC for its management of the Bonds or to reimburse the Corporation for certain costs incurred during the construction of the Project.

As with other Open Resolution transactions completed by the Corporation, the Corporation also will charge each borrower an annual servicing fee of at least 0.20% on the outstanding principal balance of each first permanent mortgage loan or other applicable fees.

Relating to the 2015 Series A Bonds, the Corporation will charge each of the eventual borrowers an up-front commitment fee equal to 0.75% - 1.00% of their respective first mortgage loan amount upon closing of the transactions. The Corporation may pay the initial costs of issuance and collect reimbursement for this expenditure on a pro-rata basis from each future borrower, including the fees of the underwriter, bond counsel, rating agencies and the Trustee plus negative arbitrage, if any.

Ratings

The 2013 Series B-1 Bonds and the 2013 Series D-1 Bonds are expected to be rated AA by Standard and Poor's Rating Service ("S&P") and Aa2 by Moody's Investors Service ("Moody's").

The 2013 Series B-2 Bonds, 2013 Series B-3 Bonds and 2013 Series B-4 Bonds are expected to be rated AA/A-1+ by S&P and Aa2/VMIG1 by Moody's.

The 2015 Series A Bonds are expected to be rated A-1+ by S&P and Aa2/VMIG1 by Moody's.

The 2013 Series D-2 Bonds are expected to be rated AA/NR by S&P and Aa2 by Moody's.

Senior Managing Underwriters regarding 2013 Series B-1 Bonds

J. P. Morgan Securities LLC *(book-running manager)*
Bank of America Merrill Lynch

Senior Managing Underwriter and Remarketing Agent regarding 2013 Series B-2 Bonds, 2013 Series B-3 Bonds and 2013 Series B-4 Bonds

Wells Fargo Securities

Senior Managing Underwriters regarding 2013 Series C Bonds and 2013 Series D-1 Bonds

Morgan Stanley & Co., LLC *(book-running manager)(previously approved with J. P. Morgan Securities LLC)*
J. P. Morgan Securities LLC (2013 SERIES D-1 ONLY)

Senior Managing Underwriters regarding 2013 Series D-2 Bonds

J. P. Morgan Securities LLC *(book-running manager)*
Castle Oak Securities, L.P.

Co-Managing Underwriters 2013 Series B-1 Bonds

Castle Oak Securities, L.P.
Lebenthal & Co, LLC
Loop Capital Markets
Morgan Stanley & Co, LLC
Raymond James
Roosevelt and Cross, Incorporated
RBC Capital

Wells Fargo Securities

Co-Managing Underwriters 2013 Series ~~C Bonds~~ ~~*(2013 Series C Bonds were previously approved with J. P. Morgan Securities LLC)*~~D-1 Bonds

Castle Oak Securities, L.P.
Raymond James
Roosevelt and Cross, Incorporated

Standby Bond Purchase Agreement Provider for 2013 Series B-2 Bonds

TD Bank, N.A.

Standby Bond Purchase Agreement Provider for 2013 Series B-3 Bonds

JPMorgan Chase Bank, National Association

Standby Bond Purchase Agreement Provider for 2013 Series B-4 Bonds

Wells Fargo Bank, National Association

Underwriter's Counsel regarding the Bonds

Orrick, Herrington & Sutcliffe LLP

Bond Trustee

The Bank of New York Mellon

Bond Counsel

Hawkins Delafield & Wood LLP

Action by the Members

The Members are requested to approve an authorizing resolution that provides for (i) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the Bonds; (ii) the distribution of preliminary and final Official Statement(s) for the Bonds; (iii) the execution of bond purchase agreement(s) with the Underwriter(s) of the Bonds or a direct purchaser of any or all of the Bonds; (iv) the use of the Corporation's unrestricted reserves to fund costs of issuance, capitalized interest and mortgage reserves for Bonds, as may be required; (v) the use of the Corporation's general obligation as a "Cash Equivalent" (under the Open Resolution) to satisfy the Debt Service Reserve Account requirement with respect to the Bonds; (vi) the execution of standby bond purchase agreements with respect to the Bonds; (vii) the refunding of certain bonds of the Corporation, including certain NIBP Bonds; (viii) the execution by the President or any authorized officer of the Corporation of any and all documents necessary to issue the Bonds and to make the mortgage loans relating to the Bonds.

The Members are requested to approve the making of subordinate loans for the developments to be financed with the proceeds of the 2013 Series B Bonds in an amount not expected to exceed $41,715,000 to be funded by using the Corporation's unrestricted reserves and the execution by an authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish each subordinate financing.

The Members are being requested to approve the origination of a construction loan to finance the market rate portion of the construction of the 456 Washington development and a participation agreement with TD Bank pursuant to which TD Bank will acquire a 100% interest in such loan.

The Members are requested to approve the making of subordinate loans for the Seagirt and 334 Beach 54th development in an amount not to exceed $6,000,000 to be funded using the Corporation's unrestricted reserves in the event the projects are not financed with the proceeds of 2013 Series D and the execution by an authorized Officer of the Corporation of mortgage related documents and any other documents necessary to accomplish each financing.

Finally, the Members are asked to approve the Corporation to enter into a Purchase and Sale Agreement with the City of New York relating to the existing subordinate debt on a portfolio of projects in the Bronx and Manhattan with a total of 429 units.