

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

One Hundred Eighty-Four
Supplemental Resolution
Pledging Certain Mortgage Loans

Adopted _____

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.1. Short Title1
Section 1.2. Definitions.....1
Section 1.3. Authority2

ARTICLE II

PLEDGE OF CERTAIN MORTGAGE LOANS

Section 2.1. Pledge of Certain Mortgage Loans3

ARTICLE III

ADDITIONAL PROVISIONS REGARDING THE PLEDGED MORTGAGE LOANS

Section 3.1. Valuation of the Pledged Mortgage Loans4
Section 3.2. Certain Amounts Relating to Acquired Projects to Constitute Pledged
Receipts or Recoveries of Principal.....4
Section 3.3. Additional Provisions Regarding Enforcement and Foreclosure of
Mortgages; Alternatives.....4
Section 3.4. Prepayment Premiums or Penalties Not to Constitute Pledged Receipts or
Recoveries of Principal6
Section 3.5. Certain Amounts Relating to Letters of Credit or Other Credit
Enhancements Securing the Pledged Mortgage Loans to Constitute
Pledged Receipts or Recoveries of Principal6
Section 3.6. Pledged Mortgage Loan Mandatory Prepayments to Constitute Pledged
Receipts or Recoveries of Principal.....6
Section 3.7. Covenants with Respect to Mortgage Loans Insured by SONYMA
Insurance.....6
Section 3.8. Certain Amounts Relating to SONYMA Insurance to Constitute Pledged
Receipts or Recoveries of Principal.....7

ARTICLE IV

MISCELLANEOUS

Section 4.1. No Recourse Under Supplemental Resolution or on 2013 Series B-1
Bonds8
Section 4.2. Effective Date8

EXHIBIT A

One Hundred Eighty-Fourth
Supplemental Resolution
Pledging Certain Mortgage Loans

WHEREAS, the New York City Housing Development Corporation (the "Corporation") has adopted the Multi-Family Housing Revenue Bonds Bond Resolution, as amended (the "General Resolution"), authorizing the issuance, from time to time, of its Multi-Family Housing Revenue Bonds (the "Bonds") for the purpose of providing funds to finance the Corporation Corporate Purposes (as defined in the General Resolution);

WHEREAS, the General Resolution provides that, at any time or from time to time, a Supplemental Resolution (as defined in the General Resolution) of the Corporation may be adopted, which, upon the filing with the Trustee (as defined in the General Resolution) of a copy thereof certified by an Authorized Officer (as defined in the General Resolution), shall be fully effective in accordance with its terms, in order to, among other things, pledge under the General Resolution any additional collateral as further security for the Bonds, including, but not limited to, additional Mortgage Loans (as defined in the General Resolution) or other assets or revenues; and

WHEREAS, the Corporation has adopted this One Hundred Eighty-Fourth Supplemental Resolution Pledging Certain Mortgage Loans for the purpose of pledging under the General Resolution certain Mortgage Loans as further security for the Bonds;

BE IT RESOLVED by the Members of the Corporation as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.1. Short Title. This resolution may hereafter be cited by the Corporation and is herein referred to as the "One Hundred Eighty-Fourth Supplemental Resolution Pledging Certain Mortgage Loans".

Section 1.2. Definitions. (A) All terms which are defined in Section 1.2 of the General Resolution have the same meanings, respectively, in this One Hundred Eighty-Fourth Supplemental Resolution Pledging Certain Mortgage Loans as such terms are given in said Section 1.2.

(B) In addition, as used in this One Hundred Eighty-Fourth Supplemental Resolution Pledging Certain Mortgage Loans:

"Acquired Project" shall mean a Project financed by a Pledged Mortgage Loan, title to or the right to possession of which has been acquired by the Corporation through protection and enforcement of its rights conferred by law or the Mortgage upon such Project.

“Acquired Project Expenses” shall mean all costs and expenses arising from the acquisition, ownership, possession, operation or maintenance of an Acquired Project, including reasonable operating, repair and replacement reserves therefor.

“Acquired Project Gross Operating Income” shall mean all moneys received in connection with the acquisition, ownership, possession, operation or maintenance of an Acquired Project.

“Acquired Project Net Operating Income” shall mean Acquired Project Gross Operating Income less Acquired Project Expenses.

[“Mitchell-Lama Bonds” means Bonds issued on and after December 29, 2004 to provide New Mortgage Financing (as such term is defined in the Participation Agreement), including all Bonds issued to refund any of such Bonds.]

[“Participation Agreement” means the Amended and Restated Participation Agreement, by and between the Corporation and The City of New York, dated June 27, 2011, as the same may be amended or supplemented from time to time.]

“Pledged Mortgage Loans” means the Mortgage Loans specified in Exhibit A hereto, and any replacement of any of said Mortgage Loans as provided in Section 3.3 hereof.

“SONYMA” means the State of New York Mortgage Agency, a corporate governmental agency of the State of New York, constituting a political subdivision and public benefit corporation established under the SONYMA Act.

“SONYMA Act” means the State of New York Mortgage Agency Act, constituting Chapter 612 of the Laws of New York, 1970, as amended.

“SONYMA Insurance” means the mortgage insurance for multi-family rental housing developments authorized pursuant to the SONYMA Act.

“Supplemental Resolution” means this One Hundred Eighty-Fourth Supplemental Resolution Pledging Certain Mortgage Loans.

[“Transfer Date” means the date when no Mitchell Lama Bonds are Outstanding under the General Resolution.]

Section 1.3. Authority. This Supplemental Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

ARTICLE II

PLEDGE OF CERTAIN MORTGAGE LOANS

Section 2.1. Pledge of Certain Mortgage Loans. (A) The Mortgage Loans made subject to the lien of the General Resolution are the Pledged Mortgage Loans[; provided, however, that on the Transfer Date, the Pledged Mortgage Loans shall be released from the lien of the General Resolution].

(B) Notwithstanding anything to the contrary contained herein, in the Ninety-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2008 Series F, adopted by the Corporation on June 11, 2008 (the "2008 Series F Supplemental Resolution"), the One Hundred Fiftieth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-1 and the One Hundred Fifty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2011 Series F-2, each adopted by the Corporation on June 9, 2011 (collectively, the "2011 Series F Supplemental Resolutions"), [(i)] a portion of the Pledged Mortgage Loan for the Franklin Plaza Project, in the principal amount of \$[_____], made by the Corporation with respect to such Project, shall be considered to be a 2008 Series F Mortgage Loan (as defined in the 2008 Series F Supplemental Resolution), and a portion of such Pledged Mortgage Loan, in the principal amount of \$[_____], made by the Corporation with respect to such Project, shall be considered to be a 2011 Series F Mortgage Loan (as defined in the 2011 Series F Supplemental Resolutions)[, and (ii) a corresponding principal amount of 2008 Series F Bonds (as defined in the 2008 Series F Supplemental Resolution) shall constitute Mitchell-Lama Bonds].

ARTICLE III

ADDITIONAL PROVISIONS REGARDING THE PLEGDED MORTGAGE LOANS

Section 3.1. Valuation of the Pledged Mortgage Loans. For purposes of the requirements of subsection (A) of Section 7.16 of the General Resolution, the Pledged Mortgage Loans shall be valued at the percentages of their respective outstanding principal balances set forth in Exhibit A hereto; provided, however, that the Corporation may increase or decrease each such percentage by furnishing to the Trustee (i) a Certificate of an Authorized Officer specifying such higher or lower percentage and (ii) evidence satisfactory to the Trustee that each Rating Agency shall have approved the use of such higher or lower percentage without such use having an adverse effect on its rating on the Bonds.

Section 3.2. Certain Amounts Relating to Acquired Projects to Constitute Pledged Receipts or Recoveries of Principal. With respect to any Acquired Project, (i) Acquired Project Net Operating Income shall constitute Pledged Receipts, and (ii) the proceeds of sale of such Acquired Project shall constitute Recoveries of Principal.

Section 3.3. Additional Provisions Regarding Enforcement and Foreclosure of Mortgages; Alternatives. With respect to the Pledged Mortgage Loans, the following additional provisions shall apply:

(1) The Corporation shall take all steps, actions and proceedings necessary, in the judgment of the Corporation, to protect its rights with respect to the Mortgages securing the Pledged Mortgage Loans.

(2) Whenever, in the Corporation's judgment, it shall be necessary in order to protect and enforce the rights of the Corporation under a Mortgage securing a Pledged Mortgage Loan and to protect and enforce the rights and interests of Bondholders, the Corporation may, in its discretion, commence foreclosure proceedings against the Mortgagor in default under the provisions of such Mortgage and/or, in protection and enforcement of its rights under such Mortgage, the Corporation may, in its discretion, acquire and take possession of the Project covered by such Mortgage by bidding for and purchasing such Project at the foreclosure sale thereof, by deed in lieu of foreclosure or otherwise.

(3) Upon acquisition by the Corporation of a Project securing a Pledged Mortgage Loan by foreclosure, deed in lieu of foreclosure or otherwise, and so long as the Corporation shall have title thereto or be in possession thereof, the Corporation shall, as the case may be, operate and administer such Project in the place and stead of the Mortgagor and in the manner required of such Mortgagor by the terms and provisions of the related Mortgage. The Corporation shall pay the Acquired Project Net Operating Income derived from such Acquired Project to the Trustee for deposit into the Revenue Account.

(4) Notwithstanding the provisions of paragraph (3) of this Section 3.3, upon acquisition by the Corporation of a Project securing a Pledged Mortgage Loan, whether by foreclosure, deed in lieu of foreclosure or otherwise:

(a) The Corporation may at any time thereafter sell such Project to another qualified entity and make a Mortgage Loan with respect thereto as if such entity were the original Mortgagor, provided that (i) the Mortgage securing such Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related Pledged Mortgage Loan, (ii) said new Mortgage Loan shall automatically become subject to the lien of the General Resolution and (iii) the Corporation shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Mortgage Loan and specifying which Pledged Mortgage Loan has been so replaced; or

(b) The Corporation may at any time thereafter sell such Project provided that the proceeds of such sale shall be treated as a Recovery of Principal.

(5) In addition, and as an alternative to the rights of the Corporation described above in this Section 3.3, following a default under a Pledged Mortgage Loan, the Corporation may, in its discretion, cause or consent to the sale of a Project securing a Pledged Mortgage Loan to another qualified entity and, in connection with any such sale (a) allow the purchaser to assume the related Mortgage, or (b) make a Mortgage Loan with respect thereto as if such entity were the original Mortgagor, if such sale shall occur after the original Mortgage shall have been discharged, provided, however, that (i) the Mortgage securing such Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related Pledged Mortgage Loan, (ii) said new Mortgage Loan shall automatically become subject to the lien of the General Resolution and (iii) the Corporation shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Mortgage Loan and specifying which Pledged Mortgage Loan has been so replaced.

(6) To the extent permitted by law, any rights of the Corporation set forth in (1) - (5) above in this Section 3.3 may be exercised by a subsidiary of the Corporation established pursuant to Section 654-a of the Act.

(7) Notwithstanding the foregoing provisions of this Section 3.3, from and after the date of issuance of SONYMA Insurance with respect to a Pledged Mortgage Loan insured by SONYMA Insurance, the provisions of (1) - (6) above shall apply only during the period that SONYMA has failed to honor its payment obligations under such SONYMA Insurance.

(8) In addition, and as a further alternative to the rights of the Corporation described above in this Section 3.3, following a default under a Pledged Mortgage Loan, the Corporation may, in its discretion, obtain amounts under any letter of credit or other credit enhancement securing such Pledged Mortgage Loan or under any agreement entered into by the Corporation and the provider of such letter of credit or other credit enhancement in connection with the providing of such letter of credit or credit enhancement, in accordance with the terms thereof; provided that if the Corporation obtains funds in an amount equal to the outstanding principal balance of such Pledged Mortgage Loan, plus the lesser of (i) accrued interest thereon or (ii) the maximum amount available with respect to accrued interest thereon, pursuant to any such letter of credit, credit enhancement or other agreement, the Corporation shall immediately

assign such Pledged Mortgage Loan to or upon the order of the provider thereof free and clear of the lien of the General Resolution.

Section 3.4. Prepayment Premiums or Penalties Not to Constitute Pledged Receipts or Recoveries of Principal. With respect to the Pledged Mortgage Loans, any prepayment premiums or penalties shall not constitute Pledged Receipts or Recoveries of Principal.

Section 3.5. Certain Amounts Relating to Letters of Credit or Other Credit Enhancements Securing the Pledged Mortgage Loans to Constitute Pledged Receipts or Recoveries of Principal. With respect to the Pledged Mortgage Loans, amounts obtained under a letter of credit or other credit enhancement securing a Pledged Mortgage Loan or under any agreement entered into by the Corporation and the provider of such letter of credit or other credit enhancement in connection with the providing of such letter of credit or credit enhancement, in the event of a default on such Pledged Mortgage Loan (i) with respect to scheduled principal and/or interest payments required by such Pledged Mortgage Loan, including the applicable Pledged Mortgage Loan Mandatory Prepayment, shall constitute Pledged Receipts, and (ii) other than with respect to scheduled principal and/or interest payments required by such Pledged Mortgage Loan, shall constitute Recoveries of Principal.

Section 3.6. Pledged Mortgage Loan Mandatory Prepayments to Constitute Pledged Receipts or Recoveries of Principal. With respect to the Pledged Mortgage Loans, (i) the payment in whole or in part of a Pledged Mortgage Loan Mandatory Prepayment on or after the day that is sixty (60) days prior to the maturity date of the 2013 Series B-1 Bonds of the applicable Series and maturity shall constitute Pledged Receipts, and (ii) the payment in whole or in part of a Pledged Mortgage Loan Mandatory Prepayment prior to the day that is sixty (60) days prior to the maturity date of the 2013 Series B-1 Bonds of the applicable Series and maturity shall constitute Recoveries of Principal.

Section 3.7. Covenants with Respect to Mortgage Loans Insured by SONYMA Insurance. (A) With respect to any Pledged Mortgage Loan insured by SONYMA Insurance, for so long as the SONYMA Insurance is in effect with respect to such Pledged Mortgage Loan and SONYMA has not failed to honor a claim thereunder, any assignment or reassignment of such Pledged Mortgage Loan pursuant to Section 7.10(A) of the General Resolution shall be effected in accordance with such SONYMA Insurance.

(B) With respect to any Pledged Mortgage Loan insured by SONYMA Insurance, the Corporation shall not take any action in conflict with the SONYMA Insurance or any applicable SONYMA regulations or Pledged Mortgage Loan documents approved by SONYMA so as to jeopardize the procurement or continuation of the SONYMA Insurance. The Corporation shall promptly advise the Trustee of the occurrence of a default on any such Pledged Mortgage Loan and shall keep the Trustee advised as to any actions taken either to cure such default and/or to claim the benefits of SONYMA Insurance including, but not limited to, the filing of a claim with respect to such SONYMA Insurance. In addition, the Corporation shall not take any action with respect to any such Pledged Mortgage Loan that would cause the loss or diminution of benefits receivable as SONYMA Insurance with respect to such Pledged Mortgage Loan. The Corporation shall assign such Pledged Mortgage Loan in default to SONYMA or take

such other actions in timely fashion so as to receive the benefits of the SONYMA Insurance and avoid any loss or diminution of benefits receivable as SONYMA Insurance, and shall take any and all action necessary or desirable to ensure that all benefits of SONYMA Insurance are paid to the Corporation or the Trustee, as the case may be, in cash, in accordance with the SONYMA Insurance and any applicable regulations of SONYMA. The foregoing provisions of this Section 3.7(B) shall apply only from and after the date of issuance of SONYMA Insurance with respect to such Pledged Mortgage Loan.

Section 3.8. Certain Amounts Relating to SONYMA Insurance to Constitute Pledged Receipts or Recoveries of Principal. With respect to any Pledged Mortgage Loan insured by SONYMA Insurance, amounts obtained pursuant to such SONYMA Insurance, (i) with respect to scheduled principal and/or interest payments required by such Pledged Mortgage Loan, shall constitute Pledged Receipts, and (ii) other than with respect to scheduled principal and/or interest payments required by such Pledged Mortgage Loan, shall constitute Recoveries of Principal.

ARTICLE IV

MISCELLANEOUS

Section 4.1. No Recourse Under Supplemental Resolution or on 2013 Series B-1 Bonds. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in this Supplemental Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation in such person's individual capacity, and no recourse shall be had for any claim based on this Supplemental Resolution against any member, officer or employee of the Corporation.

Section 4.2. Effective Date. This Supplemental Resolution shall take effect upon the filing of a certified copy hereof with the Trustee.

EXHIBIT A

<u>Project Name</u>	<u>Borough</u>	<u>Amount</u>	<u>Subordinate Lien Position</u>	<u>Mortgage Loan Valuation</u>
Franklin Plaza	Manhattan	\$[]	No	[]%
Franklin Plaza	Manhattan	\$[]	Yes	[]%