



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee

FROM: Richard Froehlich *RF*

SUBJECT: Material for Audit Committee Meeting
September 27, 2012 at 2:30 p.m.

DATE: September 20, 2012

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

- Proposed Agenda
- Minutes of August 8, 2012 Meeting
- Third Quarter Financial Report (Unaudited)
- Approval of Funding to REMIC
- Debt Report
- Investment Report
- Credit Report
- Internal Audit Reports



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

TO: Members of the Audit Committee
FROM: Richard Froehlich *RF*
SUBJECT: Agenda for Audit Committee Meeting
DATE: September 20, 2012

For the Audit Committee Meeting, which will take place on Thursday, September 27th, at 2:30 p.m., I propose the following agenda:

1. Roll Call
2. Approval of Minutes of the Meeting Held on August 8, 2012
3. Third Quarter Financial Report (Unaudited)
4. Approval of Funding to REMIC
5. Debt Report
6. Investment Report
7. Credit Risk Update
8. Submission of Internal Audit Reports
9. Other Business

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

August 8th, 2012

A meeting of the Members of the Audit Committee of the New York City Housing Development Corporation (the "Corporation") was held on Wednesday August 8th, 2012 at the offices of the Corporation, 110 William Street, 10th Floor, New York, New York.

The meeting was called to order at 2:30 pm by Mr. Felix Ciampa, Board Member, who noted the presence of a quorum. Mr. Ciampa called for approval of the minutes from the June 11th, 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. Ciampa then turned to Mr. Froehlich to present HDC's debt report for the month of June 2012. Mr. Froehlich noted that the Corporation issued \$363.53mm of tax-exempt bonds in the Open Resolution and \$41.53mm of tax-exempt bonds in a stand-alone resolution in May and June 2012. Redemptions in May and June totaled \$209.97 million from 7 series of Open Resolution bonds and \$39.38 million from 2 series of stand-alone bonds. HDC's debt outstanding as of June 30th, 2012 is approximately \$8.6 billion. The Corporation's statutory debt capacity stands at \$10.25 billion.

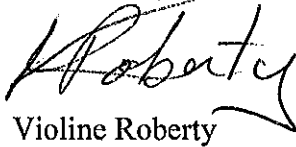
Mr. Froehlich continued with the Corporations' Weekly Investment Report for July 17, 2012. Mr. Froehlich noted that funds under management totaled approximately \$2.47 billion, consistent with the balances we have been experiencing this year. Mr. Froehlich further noted that interest rates are very low at this time. Mr. Froehlich stated that 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 major changes to the list of counterparties except that the report had been modified to remove the column denoting liquidity providers since the last VRDO was redeemed the previous month. Additionally, Ms. Hom noted that the German bank, WestLB AG, had undergone a restructuring and its new name is now Portigon AG; this name change will be reflected in the next report. Ms. Hom continued by reporting that the only rating agency action was Moody's downgrade of various global financial institutions with capital markets operations on June 21st, 2012. Affected counterparties are highlighted in the report and include Bank of America, Citibank, Credit Agricole, Goldman Sachs Bank, Helaba, HSBC, JPMorgan Chase Bank, LBW, Rabobank, RBS Citizens, and Societe Generale. Mr. Froehlich then noted that in an effort to remain proactive, HDC had required Citibank to obtain a wrap from the Federal Home Loan Bank on deals where Citibank is providing credit enhancement. Additionally, HDC has requested that Bank of America do the same on deals going forward. Ms. Hom continued her report by noting that HDC's counterparty exposure remained well-diversified with Fannie Mae continuing to

be the largest counterparty exposure, followed by Citibank. Investments rated double-A or higher were 48% of total investments, versus 50% at the last report. The weighted average maturity on the investment portfolio was 4.0 years, versus 4.7 years at the last report.

At 2:40 pm, 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**

August 8th, 2012

ATTENDANCE LIST

<u>NAME</u>	<u>AFFILIATION</u>
Denise Scott	Audit Committee Member
Felix Ciampa	Audit Committee Member
Harry Gould	Audit Committee Member
Randy Nelson	Ernst & Young
Marc Jahr	NYC Housing Development Corp.
Richard Froehlich	NYC Housing Development Corp.
Mary Hom	NYC Housing Development Corp.
Shirley Jarvis	NYC Housing Development Corp.
Bharat Shah	NYC Housing Development Corp.
Mary John	NYC Housing Development Corp.
Uyen Luu	NYC Housing Development Corp.
Ting Qiu	NYC Housing Development Corp.
Zenaida Bhuiyan	NYC Housing Development Corp.
Catherine Foody	NYC Housing Development Corp.
Ana Capobianco	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: Third Quarter (Unaudited) Financial Information as of July 31, 2012

DATE: September 20, 2012

I have attached our third quarter financial statements (unaudited), with a summary memo from Controller Bharat Shah. These financial schedules cover the Corporation's first nine months of fiscal year 2012, which is November 1, 2011 through July 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, the Open Resolution (HRB), New Issue Bond Program (NIBP), and the Mini Open Coop.



NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

INTEROFFICE MEMORANDUM

To: Cathleen Baumann
From: Bharat Shah
Subject: Financial Information as of July 31, 2012
Date: August 23, 2012

The Accounting Division has prepared financial schedules (unaudited) covering the Corporation's first nine months of fiscal year 2012, which is November 1, 2011 through July 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 Third Quarter as of 07/31/2012(unaudited)

Financial Highlights

- HDC's growth in assets and liabilities continued from last year through the third quarter of FY 2012 due to ongoing financing activities.
 - Twenty six bond series were sold totaling \$901.4 million during the first nine months of the fiscal year. 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 \$11.97 billion, an increase of \$118.7 million or 1% from FYE 2011 which includes:
 - Cash and investments of \$2.32 billion.
 - Mortgages, notes, loan participation interest receivable, and purpose investment totaling \$9.5 billion.
 - Other assets (including \$25.5 million Accrued Interest Receivable) totaling \$112.9 million.
- Total liabilities of \$10.46 billion, an increase of \$55.8 million or 0.54% from FYE 2011 which includes:
 - Bonds payable (net) of \$8.51 billion.
 - Payable to New York City of \$907 million.
 - Payable to Mortgagors of \$515.5 million.
 - Other Liabilities (including \$35.6 million of Accrued Interest Payable) totaling \$524.4 million.
- Total net assets of \$1.51 billion, an increase of \$62.9 million or 4.34% from FYE 2011.
- Net income of \$62.9 million for the first nine months of FY 2012, reflects normal operating income.

Overview of Assets and Liabilities

- The increase in total assets by net of \$118.7 million is mainly due to the following:
 - Cash and investments decreased by \$86.0 million, mainly due to unscheduled bond redemptions and mortgage loan advances.
 - Mortgages, notes, loan participation interest receivable, and purpose investment increased by a net of \$244.3 million due to the ongoing lending activities of the Corporation.
 - Other assets decreased by a net of \$39.6 million, primarily due to the receipt of the \$37 million of 421a grant funds grants that were accrued at FYE 2011. The 421A grant money for fiscal year 2012 is expected to be recorded during the fourth quarter this year. There was a net decrease of \$4.7 million in seed money loans and other receivables. Additionally, there was an increase of \$1.2

million in unamortized issuance costs, an increase in accrued mortgage interest of \$1.0 million, and a decrease of \$0.1 million in fixed and other assets.

- The increase in total liabilities by \$55.8 million is mainly due to the following:
 - Bonds payable increased by a net of \$30.4 million which includes \$2.3 million amortization of bond premium, discount and refunding cost. The Corporation issued twenty six new bond series during the period of November 1, 2011 thru July 31, 2012 totaling \$901.4 million. During this period, a total of \$868.7 million of bond principal payments were made. Of the bond payments made, \$727.4 million were full and partial unscheduled redemptions, and \$141.3 million were scheduled debt service payments.
 - A net increase in the Payable to New York City by \$41.9 million mainly because of:
 - An increase of \$27.3 million in a new second mortgage for LMLD Citywide Loan Participating interests.
 - An increase of \$19.0 million in administering the construction and permanent loans on behalf of HPD and HAC.
 - An increase of \$12.2 million in the Mitchell Lama Loan participating interests.
 - A decrease of \$16.6 million related to the 2006 Series A bonds as a result of prepayments and loan restructurings. Non-operating revenues of \$2.9 million were offset by the \$3.1 million consent fee on the LMLD City wide portfolio restructuring.
 - A net increase in the Payable to Mortgagors of \$40.4 million mainly due to the following:
 - An increase in Escrow, RFR and other reserve collections of \$22.2 million.
 - An increase in mortgage loan prepayments of \$12.3 million primarily due to the receipt of principal reserve funds in the stand-alone bond programs.
 - A net increase of \$7.2 million in prepaid debt service interest and payable to mortgagors in the bond programs.
 - A decrease in developer equity deposits for HPD loans by \$1.3 million.
 - Other liabilities decreased by a net \$57 million mainly due to the following:
 - A decrease in accounts and other payables of \$51.6 million mainly due to the repayment of mortgage loan advances at conversion for projects funded by other entities as part of a construction loan participating agreement.
 - A decrease in bond interest payable by \$30.5 million, mainly due to the timing of the semi annual debt service payment in the Housing Revenue Bond Programs.
 - An increase in deferred fees of \$25.0 million mainly due to \$16.0 million receipt of HDC guaranty fees. Additionally, there was a net increase of \$3.3 million in deferred commitment fees as a result of the new loan financings during the period, and an increase of \$5.7 in deferred construction financing fees (negative arbitrage fees).

- There was an increase of \$0.6 million on restricted investment earnings resulting from earnings on prepayment funds held to retire bonds and \$0.5 million increase in other deferred fees.
- The increase of total net assets by \$62.9 million reflects the Corporation's normal operating activities during the first nine months of fiscal year 2012.

Overview of Revenues and Expenses - Comparison of first 9-months of FY 2012 & FY 2011

Excess of revenues over expenses was \$62.9 million for the period November 1, 2011 through July 31, 2012 compared to the same period of FY 2011 when it was \$93.5 million, which included non operating income from grant funds from FY 2010, received in FY 2011.

- Total revenues increased by \$22.4 million or 11.8% mainly due to the following:
 - Mortgage interest on loans increased by \$14.8 million or 10.8% compared to the same period last year. This was mainly due to the increase in the mortgage loan portfolio by \$297.7 million in the first nine months of the fiscal year.
 - Fees and charges increased by net \$9.8 million, or 35.2%. This included a \$1.1 million increase in mortgage loan servicing related fees. An increase of \$5.1 million in amortization of commitment fees mainly due to loan prepayments and an increase in the loan portfolio. The increase also included a Consent Fee of \$3.1 million on a city loan portfolio restructuring; which was offset by the non-operating expenses in the 2006 Series A Bond program. Other Fees included a \$0.4 million of Guarantee fees and Negative Arbitrage Fees increased by \$0.1 million.
 - Earnings on investments decreased by \$1.1 million or 5.2% over the same period last year mainly due to a decrease in the investment portfolio as a result of bond redemptions and mortgage loan advances. Income on Participation Interests, which was exclusively from the Sheridan Trust, declined by \$1.1 million. There were no prepayments of loans in Mitchell-Lama participation programs during this period.
- Total expenses increased by \$11.6 million compared to the same period a year earlier as a result of the following:
 - Bond interest and amortization increased by a net of \$6.4 million. The increase in bond interest expenses of \$8.7 million was mainly due to the complete conversion of all the NIBP bonds. This increase in interest expense was offset by net \$2.3 million increase in amortization of premium, discount and cap fees due to the redemptions of \$727.4 million bonds during this period.
 - Debt issuance costs and deferred bond refunding costs increased by \$2.3 million because of the unscheduled full or partial bond refunding activities during this period.
 - Trustee and other fees increased by \$2.6 million. This increase is primarily due to the increase in credit enhancement fees paid to Fannie Mae of \$1.4 million which includes the NIBP loan portfolio. An increase in HDC Guaranty Fee

related expenses of \$0.9 million. And an increase of \$0.3 in bond administration and loan servicing fees expenses.

- Salaries and related expenses increased by \$0.4 million. There was a minimal decrease in corporate operating expenses.
- Non-operating revenues (expenses) decreased by \$41.4 million mainly due the receipt of \$38.2 million 421A grant funds accrued over the same period last year for fiscal year 2010. In the 2006 Series A bond program non-operating revenues earned on additional principal collection utilized for bond interest payments was offset by the \$3.1 million Consent fee collected in the bond program. There is an increase of \$0.1 Participation Expenses in 2011 Series F-2 bonds.

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

Program=Total All
(in thousands)

	July 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ 2,074	\$ 519	\$ 1,555
Investments	605,756	988,355	(382,599)
Receivables:			
Mortgage loans	81,344	156,582	(75,238)
Accrued interest	22,036	21,239	797
Notes	12,330	11,730	600
Other	20,583	59,710	(39,127)
Total Receivables	136,293	249,261	(112,968)
Other assets	70	52	18
Total Current Assets	744,193	1,238,187	(493,994)
Noncurrent Assets:			
Restricted cash	4,778	8,598	(3,820)
Restricted investments	1,705,843	1,407,077	298,766
Purpose investment	155,175	186,644	(31,469)
Mortgage loans	657,107	671,051	(13,944)
Restricted receivables:			
Mortgage loans	7,721,244	7,334,373	386,871
Loan participation receivable - The City of NY	646,544	656,707	(10,163)
Accrued interest	3,512	3,356	156
Notes	266,338	278,668	(12,330)
Other	266	2,779	(2,513)
Total restricted receivables	8,637,904	8,275,883	362,021
Unamortized issuance costs	49,667	48,451	1,216
Primary government/component unit receivable (payable)	-	-	-
Capital assets	1,449	1,321	128
Other assets	15,372	15,617	(245)
Total Noncurrent Assets	11,227,295	10,614,642	612,653
Total Assets	\$ 11,971,488	\$ 11,852,829	\$ 118,659

NYC Housing Development Corporation
and Subsidiaries

Balance Sheet Summary
Current Period JUL-12
Unaudited

Program=Total All
(in thousands)

	July 31, 2012	October 31, 2011	Change
Liabilities and Net Assets			
Current Liabilities:			
Bonds payable (net)	\$ 236,031	\$ 476,641	\$ (240,610)
Accrued interest payable	35,595	66,106	(30,511)
Payable to The City of New York	-	-	-
Payable to mortgagors	211,592	204,479	7,113
Restricted earnings on investments	9,056	8,477	579
Accounts and other payables	280,204	331,781	(51,577)
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	772,478	1,087,484	(315,006)
Noncurrent Liabilities:			
Bonds payable (net)	8,278,711	8,007,673	271,038
Payable to The City of New York:			
Loan participation Due to The City of New York	646,544	656,707	(10,163)
Others	260,512	208,370	52,142
Payable to mortgagors	303,877	270,606	33,271
Post employment benefit payable	9,809	9,809	-
Deferred fee and mortgage income and other liabilities	189,758	164,600	25,158
Due to the United States Government	16	670	(654)
Total Noncurrent Liabilities	9,689,227	9,318,435	370,792
Total Liabilities	10,461,705	10,405,919	55,786
Net Assets:			
Restricted for bond obligations	740,267	593,172	147,095
Restricted for insurance requirement and others	48,448	48,448	-
Unrestricted	721,068	805,290	(84,222)
Total Net Assets	1,509,783	1,446,910	62,873
Total Liabilities and Net Assets	\$ 11,971,488	\$ 11,852,829	\$ 118,659

NYC Housing Development Corporation
and Subsidiaries

Statement of Revenue and Expenses Summary
Current Period JUL-12
Unaudited

Program=Total All
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ 151,575	\$ 136,810	\$ 14,765
Fees and charges	37,415	27,665	9,750
Income on loan participation interests	1,885	3,007	(1,122)
Other	156	28	128
Total Operating Revenues	191,031	167,510	23,521
Operating Expenses			
Interest and amortization of bond premium and discount	116,963	110,609	6,354
Salaries and related expenses	15,054	14,607	447
Trustees' and other fees	5,233	2,677	2,556
Amortization of debt issuance costs	6,749	4,470	2,279
Corporate operating expenses	4,380	4,401	(21)
Total Operating Expenses	148,379	136,764	11,615
Operating Income (Loss)	42,652	30,746	11,906
Non-Operating Revenues (Expenses)			
Earnings on investments			
Other non-operating revenues, net	20,854	21,992	(1,138)
Operating transfers to (HDC) Corporate Services Fund	(633)	40,769	(41,402)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	20,221	62,761	(42,540)
Income (Loss)	62,873	93,507	(30,634)
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	62,873	93,507	(30,634)
Total net assets - beginning of year	1,446,910	1,292,865	154,045
Total Net Assets - End of Year	\$ 1,509,783	\$ 1,386,372	\$ 123,411

NYC Housing Development Corporation
Balance Sheet Summary

Current Period JUL-12
Unaudited

Program=Total HDC
(in thousands)

	July 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ 2,074	\$ 519	\$ 1,555.00
Investments	605,756	988,355	(382,599)
Receivables:			
Mortgage loans	81,177	156,416	(75,239)
Accrued interest	22,013	21,217	796
Notes	12,330	11,730	600
Other	20,579	59,702	(39,123)
Total Receivables	136,099	249,065	(112,966)
Other assets	70	52	18
Total Current Assets	743,999	1,237,991	(493,992)
Noncurrent Assets:			
Restricted cash	4,769	8,597	(3,828)
Restricted investments	1,612,947	1,312,014	300,933
Purpose investment	155,175	186,644	(31,469)
Mortgage loans	657,107	671,051	(13,944)
Restricted receivables:			
Mortgage loans	7,691,294	7,304,331	386,963
Loan participation receivable - The City of NY	646,544	656,707	(10,163)
Accrued interest	926	791	135
Notes	266,338	278,668	(12,330)
Other	266	2,779	(2,513)
Total restricted receivables	8,605,368	8,243,276	362,092
Unamortized issuance costs	49,667	48,451	1,216
Primary government/component unit receivable (payable)	955	2,767	(1,812)
Capital assets	1,449	1,321	128
Other assets	15,372	15,617	(245)
Total Noncurrent Assets	11,102,809	10,489,738	613,071
Total Assets	\$ 11,846,808	\$ 11,727,729	\$ 119,079

NYC Housing Development Corporation
Balance Sheet Summary

Current Period JUL-12
Unaudited

Program=Total HDC
(in thousands)

	July 31, 2012	October 31, 2011	Change
Liabilities and Net Assets			
Current Liabilities:			
Bonds payable (net)	\$ 236,031	\$ 476,641	\$ (240,610)
Accrued interest payable	35,595	66,106	(30,511)
Payable to The City of New York	-	-	-
Payable to mortgagors	211,592	204,479	7,113
Restricted earnings on investments	9,015	8,438	577
Accounts and other payables	280,204	331,781	(51,577)
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	772,437	1,087,445	(315,008)
Noncurrent Liabilities:			
Bonds payable (net)	8,278,711	8,007,673	271,038
Payable to The City of New York:			
Loan participation Due to The City of New York	646,544	656,707	(10,163)
Others	216,720	161,604	55,116
Payable to mortgagors	303,373	270,102	33,271
Post employment benefit payable	9,809	9,809	-
Deferred fee and mortgage income and other liabilities	189,758	164,600	25,158
Due to the United States Government	16	670	(654)
Total Noncurrent Liabilities	9,644,931	9,271,165	373,766
Total Liabilities	10,417,368	10,358,610	58,758
Net Assets:			
Restricted for bond obligations	739,612	592,517	147,095
Restricted for insurance requirement and others	-	-	-
Unrestricted	689,828	776,602	(86,774)
Total Net Assets	1,429,440	1,369,119	60,321
Total Liabilities and Net Assets	\$ 11,846,808	\$ 11,727,729	\$ 119,079

NYC Housing Development Corporation
Statement of Revenue and Expenses Summary

Current Period JUL-12

Unaudited

Program= Total HDC
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ 151,575	\$ 136,810	\$ 14,765
Fees and charges	36,458	26,636	9,822
Income on loan participation interests	1,885	3,007	(1,122)
Other	153	27	126
Total Operating Revenues	190,071	166,480	23,591
Operating Expenses			
Interest and amortization of bond premium and discount	116,963	110,609	6,354
Salaries and related expenses	15,054	14,607	447
Trustees' and other fees	5,233	2,677	2,556
Amortization of debt issuance costs	6,749	4,470	2,279
Corporate operating expenses	4,380	4,401	(21)
Total Operating Expenses	148,379	136,764	11,615
Operating Income (Loss)	41,692	29,716	11,976
Non-operating Revenues (Expenses)			
Earnings on investments	18,924	19,927	(1,003)
Other non-operating revenues, net	(633)	33,269	(33,902)
Operating transfers to (HDC) Corporate Services Fund	338	330	8
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	18,629	53,526	(34,897)
Income (Loss)	60,321	83,242	(22,921)
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	60,321	83,242	(22,921)
Total net assets - beginning of year	1,369,119	1,225,883	143,236
Total Net Assets - End of Year	\$ 1,429,440	\$ 1,309,125	\$ 120,315

Housing Assistance Corporation
Balance Sheet Summary

Current Period JUL-12
Unaudited

Program=Total HAC
(in thousands)

July 31, 2012 October 31, 2011 Change

Assets

Current Assets:

Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Mortgage loans	167	166	1
Accrued interest	22	22	-
Notes	-	-	-
Other	-	-	-
Total Receivables	189	188	1
Other assets	-	-	-
Total Current Assets	189	188	1

Noncurrent Assets:

Restricted cash	-	-	-
Restricted investments	13,315	17,917	(4,602)
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	29,950	30,042	(92)
Loan participation receivable - The City of NY	-	-	-
Accrued interest	2,587	2,565	22
Notes	-	-	-
Other	-	-	-
Total restricted receivables	32,537	32,607	(70)
Unamortized issuance costs	-	-	-
Primary government/component unit receivable (payable)	(1,049)	(2,748)	1,699
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	44,803	47,776	(2,973)
Total Assets	\$ 44,992	\$ 47,964	\$ (2,972)

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

Program=Total HAC
(in thousands)

July 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

Current Liabilities:			
Bonds payable (net)	\$ -	\$ -	\$ -
Accrued interest payable	-	-	-
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	40	39	1
Accounts and other payables	-	-	-
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	40	39	1
Noncurrent Liabilities:			
Bonds payable (net)	-	-	-
Payable to The City of New York:			
Loan participation Due to The City of New York	-	-	-
Others	43,794	46,766	(2,972)
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	44,297	47,270	(2,973)
Total Liabilities	44,337	47,309	(2,972)
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	\$ 44,992	\$ 47,964	\$ (2,972)

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

Program=Total HAC
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	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 securitization 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 JUL-12
Unaudited

Program=Total REMIC
(in thousands)

	July 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ -	\$ -	-
Investments	-	-	-
Receivables:			
Mortgage loans	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	4	8	(4)
Total Receivables	4	8	(4)
Other assets	-	-	-
Total Current Assets	4	8	(4)
Noncurrent Assets:			
Restricted cash	9	1	8
Restricted investments	79,581	77,146	2,435
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	79,684	77,128	2,556
Total Assets	\$ 79,688	\$ 77,136	\$ 2,552

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

Program=Total REMIC
 (in thousands)

July 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

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	31,240	28,688	2,552
Total Net Assets	79,688	77,136	2,552
Total Liabilities and Net Assets	\$ 79,688	\$ 77,136	\$ 2,552

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

Program=Total REMIC
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ -	\$ -	-
Fees and charges	956	1,028	(72)
Income on loan participation interests	-	-	-
Other	3	1	2
Total Operating Revenues	959	1,029	(70)
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)	959	1,029	(70)
Non-operating Revenues (Expenses)			
Earnings on investments	1,931	2,066	(135)
Other non-operating revenues, net	-	7,500	(7,500)
Operating transfers to (HDC) Corporate Services Fund	(338)	(330)	(8)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	1,593	9,236	(7,643)
Income (Loss)	2,552	10,265	(7,713)
Capital transfers	-	-	-
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	2,552	10,265	(7,713)
Total net assets - beginning of year	77,136	65,950	11,186
Total Net Assets - End of Year	\$ 79,688	\$ 76,215	\$ 3,473

Housing Revenue Bond Program
Balance Sheet Summary

Current Period JUL-12
Unaudited

Program=Total HRB
(in thousands)

	July 31, 2012	October 31, 2011	Change
Assets			
Current Assets:			
Cash	\$ 203,959	\$ 483,432	(279,473)
Investments	63,228	138,838	(75,610)
Receivables:	17,497	14,071	3,426
Mortgage loans	-	-	-
Accrued interest	682	314	368
Notes	-	-	-
Other	-	-	-
Total Receivables	81,407	153,223	(71,816)
Other assets	45	34	11
Total Current Assets	285,411	636,689	(351,278)
Noncurrent Assets:			
Restricted cash	306	6,766	(6,460)
Restricted investments	884,805	806,379	78,426
Purpose investment	155,175	186,644	(31,469)
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	3,441,465	3,069,651	371,814
Loan participation receivable - The City of NY	646,544	656,707	(10,163)
Accrued interest	351	292	59
Notes	-	-	-
Other	-	258	(258)
Total restricted receivables	4,088,360	3,726,908	361,452
Unamortized issuance costs	25,617	23,212	2,405
Primary government/component unit receivable (payable)	27,920	(12,598)	40,518
Capital assets	-	-	-
Other assets	12,531	12,765	(234)
Total Noncurrent Assets	5,194,714	4,750,076	444,638
Total Assets	\$ 5,480,125	\$ 5,386,765	\$ 93,360

Housing Revenue Bond Program

Balance Sheet Summary

Current Period JUL-12

Unaudited

Program=Total HRB
(in thousands)

July 31, 2012 October 31, 2011 Change

Liabilities and Net Assets

Current Liabilities:				
Bonds payable (net)	\$	204,115	\$	448,915
Accrued interest payable		30,693		57,933
Payable to The City of New York		-		-
Payable to mortgagors		-		-
Restricted earnings on investments		204		(558)
Accounts and other payables		68,333		69,733
Deferred fee and mortgage income and other liabilities		-		-
Due to the United States Government		-		-
Total Current Liabilities		303,345		576,023
Noncurrent Liabilities:				
Bonds payable (net)		3,805,572		3,512,778
Payable to The City of New York:				
Loan participation Due to The City of New York		646,544		656,707
Others		55,434		22,439
Payable to mortgagors		68,891		68,700
Post employment benefit payable		-		-
Deferred fee and mortgage income and other liabilities		82,271		67,247
Due to the United States Government		16		670
Total Noncurrent Liabilities		4,658,728		4,328,541
Total Liabilities		4,962,073		4,904,564
Net Assets:				
Restricted for bond obligations		518,052		482,201
Restricted for insurance requirement and others		-		-
Unrestricted		-		-
Total Net Assets		518,052		482,201
Total Liabilities and Net Assets	\$	5,480,125	\$	5,386,765
				93,360

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

Program=Total HRB
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ 119,673	\$ 105,469	\$ 14,204
Fees and charges	19,995	11,986	8,009
Income on loan participation interests	1,885	3,007	(1,122)
Other	7	4	3
Total Operating Revenues	141,560	120,466	21,094
Operating Expenses			
Interest and amortization of bond premium and discount	92,213	85,674	6,539
Salaries and related expenses	-	-	-
Trustees' and other fees	2,827	595	2,232
Amortization of debt issuance costs	4,127	2,583	1,544
Corporate operating expenses	-	-	-
Total Operating Expenses	99,167	88,852	10,315
Operating Income (Loss)	42,393	31,614	10,779
Non-operating Revenues (Expenses)			
Earnings on investments	14,007	15,147	(1,140)
Other non-operating revenues, net	(622)	2,625	(3,247)
Operating transfers to (HDC) Corporate Services Fund	(9,919)	(6,796)	(3,123)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	3,466	10,976	(7,510)
Income (Loss)	45,859	42,590	3,269
Capital transfers	(10,008)	(50,141)	40,133
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	35,851	(7,551)	43,402
Total net assets - beginning of year	482,201	479,002	3,199
Total Net Assets - End of Year	\$ 518,052	\$ 471,451	\$ 46,601

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

Program=Total NIBP
(in thousands)

Assets

	<u>July 31, 2012</u>	<u>October 31, 2011</u>	<u>Change</u>
Current Assets:			
Cash	\$ 28,051	\$ 8,351	19,700
Investments			
Receivables:			
Mortgage loans	1,581	-	1,581
Accrued interest	1,682	742	940
Notes	-	-	-
Other	158	44	114
Total Receivables	3,421	786	2,635
Other assets	6	5	1
Total Current Assets	31,478	9,142	22,336
Noncurrent Assets:			
Restricted cash	26	25	1
Restricted investments	64,963	275,190	(210,227)
Purpose investment	34,934	42,651	(7,717)
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	381,429	182,735	198,694
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	381,429	182,735	198,694
Unamortized issuance costs	1,526	944	582
Primary government/component unit receivable (payable)	3,361	387	2,974
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	486,239	501,932	(15,693)
Total Assets	\$ 517,717	\$ 511,074	\$ 6,643

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

Program=Total NIBP
(in thousands)

	<u>July 31, 2012</u>	<u>October 31, 2011</u>	<u>Change</u>
Liabilities and Net Assets			
Current Liabilities:			
Bonds payable (net)	\$ 710	\$ 630	\$ 80
Accrued interest payable	3,802	4,178	(376)
Payable to The City of New York	-	-	-
Payable to mortgagors	-	-	-
Restricted earnings on investments	-	-	-
Accounts and other payables	223	90	133
Deferred fee and mortgage income and other liabilities	-	-	-
Due to the United States Government	-	-	-
Total Current Liabilities	4,735	4,898	(163)
Noncurrent Liabilities:			
Bonds payable (net)	498,530	499,240	(710)
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	7,686	4,310	3,376
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	506,216	503,550	2,666
Total Liabilities	510,951	508,448	2,503
Net Assets:			
Restricted for bond obligations	6,766	2,626	4,140
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	6,766	2,626	4,140
Total Liabilities and Net Assets	\$ 517,717	\$ 511,074	\$ 6,643

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

Program=Total NIBP
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ 11,933	\$ 3,636	\$ 8,297
Fees and charges	1,730	806	924
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	13,663	4,442	9,221
Operating Expenses			
Interest and amortization of bond premium and discount	9,928	3,807	6,121
Salaries and related expenses	-	-	-
Trustees' and other fees	1,519	5	1,514
Amortization of debt issuance costs	51	24	27
Corporate operating expenses	-	-	-
Total Operating Expenses	11,498	3,836	7,662
Operating Income (Loss)	2,165	606	1,559
Non-operating Revenues (Expenses)			
Earnings on investments	2,571	1,422	1,149
Other non-operating revenues, net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	(1,050)	(697)	(353)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	1,521	725	796
Income (Loss)	3,686	1,331	2,355
Capital transfers	454	(21,329)	21,783
Loan participation agreement resecuritization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	4,140	(19,998)	24,138
Total net assets - beginning of year	2,626	21,775	(19,149)
Total Net Assets - End of Year	\$ 6,766	\$ 1,777	\$ 4,989

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

Program=Total MINI Open
 (in thousands)

July 31, 2012 October 31, 2011 Change

Assets

Current Assets:

Cash	\$ -	\$ -	\$ -
Investments	5,755	4,149	1,606
Receivables:			
Mortgage loans	2,184	-	2,184
Accrued interest	430	102	328
Notes	-	-	-
Other	-	-	-
Total Receivables	2,614	102	2,512
Other assets	-	-	-
Total Current Assets	8,369	4,251	4,118

Noncurrent Assets:

Restricted cash	7	5	2
Restricted investments	2,255	341	1,914
Purpose investment	-	-	-
Mortgage loans	-	-	-
Restricted receivables:			
Mortgage loans	99,476	29,577	69,899
Loan participation receivable - The City of NY	-	-	-
Accrued interest	-	-	-
Notes	-	-	-
Other	-	-	-
Total restricted receivables	99,476	29,577	69,899
Unamortized issuance costs	521	141	380
Primary government/component unit receivable (payable)	1,162	(127)	1,289
Capital assets	-	-	-
Other assets	-	-	-
Total Noncurrent Assets	103,421	29,937	73,484
Total Assets	\$ 111,790	\$ 34,188	\$ 77,602

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

Program=Total MINI Open
(in thousands)

	July 31, 2012	October 31, 2011	Change
Liabilities and Net Assets			
Current Liabilities:			
Bonds payable (net)	\$ 180	\$ 180	-
Accrued interest payable	1,268	204	1,064
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	1,448	384	1,064
Noncurrent Liabilities:			
Bonds payable (net)	66,285	13,376	52,909
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	1,547	360	1,187
Due to the United States Government	-	-	-
Total Noncurrent Liabilities	67,832	13,736	54,096
Total Liabilities	69,280	14,120	55,160
Net Assets:			
Restricted for bond obligations	42,510	20,068	22,442
Restricted for insurance requirement and others	-	-	-
Unrestricted	-	-	-
Total Net Assets	42,510	20,068	22,442
Total Liabilities and Net Assets	\$ 111,790	\$ 34,188	\$ 77,602

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

Program=Total MINI Open
(in thousands)

	Q3 FY 2012 (11/01/11-07/31/12)	Q3 FY 2011 (11/01/10-07/31/11)	Change
Operating Revenues			
Interest on loans	\$ 3,565	\$ 937	\$ 2,628
Fees and charges	(25)	16	(41)
Income on loan participation interests	-	-	-
Other	-	-	-
Total Operating Revenues	3,540	953	2,587
Operating Expenses			
Interest and amortization of bond premium and discount	1,803	618	1,185
Salaries and related expenses	-	-	-
Trustees' and other fees	137	152	(15)
Amortization of debt issuance costs	43	6	37
Corporate operating expenses	-	-	-
Total Operating Expenses	1,983	776	1,207
Operating Income (Loss)	1,557	177	1,380
Non-operating Revenues (Expenses)			
Earnings on investments	64	14	50
Other non-operating revenues, net	-	-	-
Operating transfers to (HDC) Corporate Services Fund	(158)	(19)	(139)
Operating transfers from REMIC Subsidiary	-	-	-
Total Non-operating Revenues	(94)	(5)	(89)
Income (Loss)	1,463	172	1,291
Capital transfers	20,979	-	20,979
Loan participation agreement securitization proceeds	-	-	-
Extinguishment of Debt	-	-	-
Change in Net Assets	22,442	172	22,270
Total net assets - beginning of year	20,068	19,785	283
Total Net Assets - End of Year	\$ 42,510	\$ 19,957	\$ 22,553