NYC HDC

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

MEMORANDUM

To: The Chairperson and Members

From: Gary Rodney
President

Date: September 30, 2015

Re: Multi-Family Housing Revenue Bonds, 2015 Series E and 2018 Series B, the Multi-Family Mortgage Revenue Debt Obligations (MHANY Portfolio) and an Amendment to the Authorizing Resolution relating to the Multi-Family Housing Revenue Bonds, 2015 Series A (as re-designated, 2015 Series F)

I am pleased to recommend that the Members approve the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2015 Series E-1 and 2015 Series E-2 (the "2015 Series E-1 Bonds" and "2015 Series E-2 Bonds" respectively, and collectively, the "2015 Series E Bonds") in an amount not expected to exceed $132,620,000 to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects and other activities as described herein.

I am also pleased to recommend that the Members amend the 183rd Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2015 Series A (the "183rd Supplemental Resolution") previously approved by Members on June 12, 2013 to increase the not to exceed amount to $60,000,000 and to finance the construction, acquisition, rehabilitation and/or permanent financing of certain projects as described herein. It is anticipated that in connection with the issuance of the 2015 Series E Bonds, the 183 rd Supplemental Resolution will also be re-designated as authorizing the Corporation's Multi-Family Housing Revenue Bonds, 2015 Series F (the "2015 Series F Bonds", and together with the 2015 Series E Bonds, the "2015 Bonds").

In addition, I am pleased to recommend that the Members authorize the Corporation to enter into one funding loan agreement with Citibank, N.A. ("Citibank") to receive funds from Citibank which will, in turn, be loaned by the Corporation to one borrower – commonly referred to as the "back-to-back" structure – as a stand-alone financing in an amount not expected to exceed $36,465,000 and to enter into a forward bond purchase agreement with Citibank regarding the sale of the Corporation's Multi-Family Housing Revenue Bonds, 2018 Series B (the "2018 Series B Bonds").

Interest on the 2015 Series E Bonds, the 2015 Series F Bonds, the 2018 Series B Bonds and a portion of the Funding Loan Obligations (as defined herein) is expected to be exempt from

Federal, state and local income tax, and such bonds and obligations 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 the refunding of certain outstanding bonds or obligations of the Corporation. A portion of the Funding Loan Obligations is expected to be taxable.

The Corporation expects to designate the 2015 Series E Bonds as Sustainable Neighborhood Bonds. This will be the Corporation's second issuance of Sustainable Neighborhood Bonds, following the inaugural issuance in June 2015.

The anticipated interest rates, maturity dates and other relevant terms of the 2015 Bonds, the 2018 Series B Bonds (collectively, with the 2015 Bonds, the "Bonds"), and the Funding Loan Obligations are described herein.

The Authorizing Resolutions will authorize the 216th through 218th Supplemental Resolutions and will amend the 183rd Supplemental Resolution under the Corporation's Multi-Family Housing Revenue Bonds Bond Resolution originally adopted by the Members in 1993 (the "Open Resolution") and the Funding Loan Agreement (as defined herein).

Following is a background of the Open Resolution, the proposed uses of the Bonds and Funding Loan Obligations, and a description of their structure and security.

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 July 31, 2015, there were 936 mortgage loans (839 permanent loans and 97 construction loans) held under the Open Resolution with a total outstanding principal balance of approximately $4,402,668,101, including $3,377,642,954 in permanent loans and $1,025,025,148 in construction loans. These mortgage loans, together with funds in the Bond Proceeds Account and Debt Service Reserve Account totaled $5,601,466,694 as of July 31, 2015. 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 July 31, 2015, there were $4,754,420,000 of Open Resolution Bonds outstanding, not including bonds issued under the New Issue Bond Program.

Proposed Uses for the 2015 Series E Bond Proceeds

It is anticipated that a portion of the proceeds of the 2015 Series E-1 Bonds will be used to finance mortgage loans for five (5) developments as described in the chart below:

Expected Bond Series	Development Name (Borough/Number of units)	Project Type	Expected Not to Exceed Amount
2015 Series E-1	Tremont Renaissance* (Bronx/256)	Mix & Match	$59,170,000

Expected Bond Series	Development Name (Borough/Number of units)	Project Type	Expected Not to Exceed Amount
2015 Series E-1	Kelly Towers** (Bronx/302)	Mitchell-Lama Restructuring/ Section 236	17,350,000
2015 Series E-1	Keith Plaza** (Bronx/311)	Mitchell-Lama Restructuring/ Section 236/ Section 8	37,905,000
2015 Series E-1	Abeken Apartments*** (Bronx/120)	Preservation	910,000
2015 Series E-1	St. Peter's Apartments**** (Bronx/58)	Preservation	910,000
		Total	$116,245,000

*The Tremont Renaissance project was previously approved by the Members on June 8, 2015.
**This project is expected to be financed with one senior mortgage loan and at two bond-funded subordinate mortgage loan.
***The total restructured Mortgage Loan for the Abeken Apartments project is expected to be $6,510,000.
****The total restructured Mortgage Loan for the St. Peter's Apartments project is expected to be $5,065,000.

The 2015 Series E-2 Bonds in an amount not to exceed $16,375,000 are expected to be used to refund portions of the Corporation's Multi-Family Housing Revenue Bonds, 2005 Series J-1 Bonds. The refunding will create interest rate savings for the Corporation.

The Mix & Match development is expected to receive subordinate financing from the Corporation's unrestricted reserves in an amount not to exceed $18,185,000. The subordinate loan is expected to have an interest rate equal to the Applicable Federal Rate as recently published by the Internal Revenue Service ("AFR"), with set lower monthly payments, will be advanced during construction and will remain in the project as a permanent loan.

Two (2) Mitchell-Lama Restructuring Program ("MLRP") developments are expected to receive restructured subordinate mortgage loans pursuant to Purchase and Sale Agreements with the City of New York.

If certain conditions are met, one (1) of the MLRP developments is expected to receive, at conversion, subordinate financing from the Corporation's unrestricted reserves in an amount not to exceed $4,000,000.

Since 2013, the Corporation's staff have been actively pursuing a financial restructuring and workout of Abeken Apartments and St. Peter's Apartments due to historical financial and vacancy issues that began several years before that. As part of the proposed workout, a new developer, L+M Development Partners, was selected through an RFP process run by the current owner and approved by the Corporation's staff to buy and assume control of the developments. As part of the transfer, the Corporation will restructure the existing project financing for each development. In the event the restructuring of the mortgage loans for the Abeken Apartments and St. Peter's Apartments developments are not ready to be financed with 2015 Series E-1 Bonds, Members are asked to approve the origination, from unrestricted reserves, of the portion of restructured mortgage loans, in an amount not to exceed $1,820,000.

In the event the restructuring is financed with unrestricted reserves, it is anticipated that the Corporation will be reimbursed for the making of this loan with bond proceeds as part of a future Open Resolution issuance.

For more information on the individual projects, please see Attachments 1 through 5.

Proposed Uses for the 2015 Series F Bond Proceeds

The 2015 Series F Bonds were authorized by the Members in 2013 to be issued as a convertible option bond ("COB") to preserve tax-exempt "recycled" volume cap for the financing of first position construction and permanent financing for the new construction or rehabilitation of one or more developments. The advance authorization of 2015 Series F Bonds was intended to allow the Corporation to preserve "recycled" volume cap from 2013 Series B-2, 2013 Series B-3 and 2013 Series B-4, each 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. Members are now asked to increase the authorization to also account for the possibility that the Corporation has additional tax-exempt "recycled" volume cap in excess of the amounts currently needed by both the Corporation and the New York State Housing Finance Agency ("HFA").

The proceeds of the 2015 Series F Bonds, in an amount not to exceed $60,000,000, are expected to provide first position construction and permanent financing for the new construction or acquisition and rehabilitation of certain developments, inclusive of all developments listed in Attachment 6 and which will reserve a minimum of 20% of the units for households earning no more than 50% of the AMI 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 December 2015.

Most of the projects listed will not be funded from the 2015 Series F Bond proceeds but all will be eligible for such financing.

Funding Loan Agreement and 2018 Series B Bonds

The Corporation expects to (a) enter into a loan agreement with Citibank to finance the moderate rehabilitation of seventy-five (75) buildings currently owned by the Mutual Housing Association of New York ("MHANY") for a development to be named MHANY Portfolio in Brooklyn, as described below and in Attachment 7 (the "Funding Loan Agreement") and issue a Multi-Family Housing Revenue Debt Obligation in an amount not expected to exceed $35,970,000 that is expected to be exempt from Federal, state and local income tax and will qualify as tax-exempt private activity bonds with an allocation of new private activity bond volume cap (the "Tax-Exempt Funding Loan Obligation") and a Multi-Family Housing Revenue Debt Obligation in an amount not expected to exceed $495,000 that is expected to be Federally taxable (the "Taxable Funding Loan Obligation", and together with the Tax-Exempt Funding Loan Obligation, the "Funding Loan Obligations"), (b) enter into a forward bond purchase agreement ("FBPA") with Citibank regarding the sale of the Corporation's Multi-Family Housing Revenue Bonds, 2018 Series B (the "2018 Series B Bonds") and (c) issue the 2018 Series B Bonds, in one or more sub-series, in an amount not expected to exceed $5,665,000, to refund a portion of the Funding Loan Obligations for the permanent phase financing of the development. Interest on the 2018 Series B Bonds is expected to be exempt from Federal, state and local income tax and will qualify as tax-exempt private activity bonds by the refunding of a portion of the Tax-Exempt Funding Loan Obligation. The Funding Loan Obligations may be allocated in two or more tranches pursuant to a supplement to the Funding Loan Agreement (each a "Supplement") for each such tranche.

Proposed Uses for the Funding Loan Obligations and 2018 Series B Bonds

It is anticipated that the proceeds of the Funding Loan will be used to finance the construction phase mortgage loan and the 2018 Series B Bonds will be used to finance the permanent phase mortgage loan for one (1) development as described in the chart below:

Expected Financing Source	Development Name (Borough/Number of units)	Project Type	Expected Not to Exceed Amount
Funding Loan / 2018 Series B Bonds	MHANY Portfolio (Brooklyn/255)	Preservation	$36,465,000
		Total	$36,465,000

For more information on the individual project, please see Attachment 7.

Security for the Funding Loan Obligation

During the construction phase, the Funding Loan Obligations will be secured solely by the related mortgage loan and shall provide that if the related borrower fails to pay any amount due and owing under the loan or otherwise required by the Funding Loan Agreement, then upon notice and after an opportunity to cure any defaults, Citibank shall have (i) the option to fund such amount or (ii) the obligation to purchase the notes and mortgages relating to the mortgage loan from the Corporation, resulting in the cancellation of the Funding Loan Agreement and Funding Loan Obligations. If Citibank fails to pay the purchase price, the notes and mortgages will be assigned to Citibank and the Funding Loan Obligations and Funding Loan Agreement will be cancelled.

On or after the project converts to permanent financing and pursuant to the FBPA, the Corporation will issue the 2018 Series B Bonds and refund the Funding Loan Obligations. To manage the timing of the Corporation's Open Resolution bond issuances, upon permanent conversion of the project, there will be an interim period of time before the 2018 Series B Bonds are issued during which Citibank's obligations under the Funding Loan Agreement to purchase the mortgage will become inoperative but the Corporation will continue to be obligated to pass-through a portion of the borrower's payment to Citibank.

Structure of the Bonds and Funding Loan Obligation

The Bonds are expected to be issued in the modes described below, however, the Authorizing Resolutions 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 resolution as long as the total amount of Bonds issued does not exceed $198,285,000. The Funding Loan Obligations are expected to be issued in an amount not to exceed $36,465,000, as described below, however, in the event the Corporation determines it is no longer prudent or feasible to finance the project with this structure, the Corporation is asking the Members for the flexibility to finance this amount with Bonds. The Corporation expects to close on the 2015 Bonds and the Funding Loan Obligations this October.

A. 2015 Series E-1 Bonds

It is anticipated that the 2015 Series E-1 Bonds, in an amount not expected to exceed $116,245,000, will be issued as fixed rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed true interest cost of 10% for fixed rate bonds; however, it is expected that the 2015 Series E-1 Bonds will have a true interest cost that does not exceed 5% and an approximate final maturity of November 1, 2049.

The portion of the 2015 Series E-1 Bonds associated with the MLRP will be designated Mitchell Lama Restructuring Bonds.

B. 2015 Series E-2 Bonds

It is anticipated that the 2015 Series E-2 Bonds, in an amount not expected to exceed $16,375,000, will be issued as fixed rate tax-exempt bonds. The Members are asked to authorize a not-to-exceed true interest cost of 10% for fixed rate bonds; however, it is expected that the 2015 Series E-2 Bonds will have a true interest cost that does not exceed 4% and an approximate final maturity of May 1, 2036.

The 2015 Series E-2 Bonds will be designated Mitchell Lama Restructuring Bonds.

C. 2015 Series F Bonds

It is anticipated that the 2015 Series F Bonds, in an amount not expected to exceed $60,000,000, will be a "recycled" private activity volume cap COB.

The 2015 Series F Bonds are expected to be issued as variable rate obligations initially in the Term Rate mode. The 2015 Series F Bonds will have an approximate final maturity of November 1, 2047. In the Term Rate mode, interest is reset at specific intervals. The first Term Rate Term will begin on the date of issuance and run through approximately June 30, 2016. The Members are asked to authorize a not-to-exceed true interest cost of 15% for the 2015 Series F Bonds; however, it is expected that the interest rate on the 2015 Series F Bonds will not exceed 1.00% during the first Term Rate Term.

The Corporation may direct that all or a portion of the 2015 Series F Bonds be converted from time to time to another interest rate mode (including to a fixed rate to maturity) at any time approximately from December 1, 2015 to and including June 30, 2016 and thereafter in accordance with any new term rate term.

The 2015 Series F Bonds or applicable portion thereof shall be subject to mandatory tender for purchase on any date on which such Bonds or such portion are to be converted to a different interest rate mode and on the last day of any Term Rate Term. It is expected that when mortgage loans are ready to close, a portion of such Bonds will be subject to mandatory tender and either converted to another interest rate mode or refunded for the financing of the applicable Project. In order to utilize the recycling authorization in HERA, the Corporation must issue refunding bonds prior to the redemption of the 2015 Series F Bonds from prepayment proceeds. The Corporation will be obligated to pay the purchase price of those Bonds that are subject to mandatory tender for purchase and are not remarketed. No liquidity facility has been obtained to fund such obligation. However, the unexpended proceeds are expected to be available to pay the purchase price of any 2015 Series F Bonds that are subject to mandatory tender for purchase and are not remarketed or refunded. To provide assurances to the Bondholders that sufficient monies will be available to fund the purchase price for the 2015 Series F 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 F Bonds.

D. Funding Loan Obligations and the 2018 Series B Bonds

The Funding Loan Obligations will be issued as stand-alone obligations of the Corporation during the construction period of the development. It is anticipated that Tax-Exempt Funding Loan Obligation, in an amount not expected to exceed $35,970,000 will be issued as a fixed rate tax-exempt obligation and the Taxable Funding Loan Obligation, in an amount not expected to exceed $495,000 will be issued as a fixed-rate taxable obligation. The Members are asked to authorize a not-to-exceed true interest cost of 10% for fixed rate obligations; however, it is expected that the Funding Loan Obligations will have a true interest cost that does not exceed 4.5%. The Funding Loan Obligations will have an approximate final maturity of May 1, 2049, but are expected to be refunded with the 2018 Series B Bonds in 2018.

It is anticipated that the 2018 Series B Bonds, in an amount not expected to exceed $5,665,000, will be issued as fixed rate tax-exempt bonds in 2018. The Members are asked to authorize a not-to-exceed true interest cost of 10% for fixed rate bonds; however, it is expected that the 2018 Series B Bonds will have a true interest cost that does not exceed 4.5% and an approximate final maturity of May 1, 2049. The Corporation expects to enter into a forward bond purchase agreement with Citibank this October pursuant to which Citibank will agree to purchase the 2018 Series B Bonds.

Security for the Bonds

The 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, 2015, that collateral consisted of the following:

TYPE OF COLLATERAL	# OF LOANS	AMOUNT	% OF TOTAL
FHA Insured Mortgage Loans	18	$ 37,553,651	0.67%
Fannie Mae/Freddie Mac Enhanced Mortgage Loans	26	395,705,136	7.06%
GNMA Insured Mortgages	2	17,045,920	0.30%
SONYMA Insured Mortgages	38	385,005,710	6.87%
REMIC Partially Insured Mortgages	192	1,050,398,805	18.75%
LOC Secured Mortgages	11	59,407,132	1.06%
Uninsured Permanent Mortgages	305	1,216,657,390	21.72%
Uninsured 2014 Series B Mortgages	247	215,869,210	3.85%
Partially Funded Construction Loans Secured by LOC	82	879282,747	15.70%
Partially Funded Construction Loans Not Secured by LOC	15	145,742,401	2.60%
Sub-Total*	936	4,402,668,101	78.60%
Undisbursed Funds in Bond Proceeds Account[1]		1,088,528,378	19.43%
Debt Service Reserve Account[2]		110,270,214	1.97%
Total*	936	$5,601,466,694	100%

* May not add due to rounding.

Risks and Risk Mitigation

2015 Series E Bonds

The primary risk to the Corporation related to the portion of the 2015 Series E-1 Bonds financing a mortgage loan with a construction letter of credit (an "LOC") during the period the development is under construction is the potential failure of the commercial bank to honor its obligation to pay the Corporation under the LOC in an event of a default by the 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 a long-term rating of A from Standard & Poor's Ratings Services ("S&P") and a long-term and short-term rating of A2/P-1 from Moody's Investors Service ("Moody's").

[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 $7,500,000 of the Corporation which constitutes a general obligation.

A portion of the 2015 Series E-1 Bonds is expected to finance two (2) first position mortgage loans and five (5) subordinate mortgage loans, each without an LOC during the period the developments are under rehabilitation. The primary risk to the Corporation is the borrowers' potential inability to complete the rehabilitation or pay interest on the loans during the rehabilitation period. The Corporation's staff believes this risk is mitigated through a comprehensive structure dictating the types of projects to be financed without a letter of credit, strict underwriting and the ongoing monitoring of the developments during the rehabilitation period. The developments are occupied projects with a limited scope of work. The related project budgets include complete capitalized interest reserves and construction retainage. The Corporation's staff has reviewed scopes of work and bids and the general contractor is required to have a letter of credit or a payment and performance bond. The Corporation's Asset Management staff will assume construction monitoring and servicing responsibilities. The Corporation's staff believes that the Corporation's risks are further limited due to the borrowers' histories in operating and managing either the actual project or projects similar in size and complexity and, equally important, the completion and payment guaranties required of the borrowers. In addition, the debt service on four (4) subordinate mortgage loans is paid from a Section 236 subsidy from the Federal Government, which reduces the repayment risk.

The primary risk associated with the portion of the 2015 Series E-1 Bonds to be used to finance mortgage loans for the Abeken and St. Peter's developments is repayment risk from the respective 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 each of the developments will have a new owner that is experienced and has a strong history with the Corporation. The respective mortgage loans for the developments will also be insured by REMIC.

All new senior mortgage loans to be financed with the 2015 Series E-1 proceeds during the permanent financing period will be secured by a mortgage insurance policy provided by the New York City Residential Mortgage Insurance Corporation ("REMIC"), the State of New York Mortgage Agency ("SONYMA"), the New York City Energy Efficiency Corporation ("NYCEEC") or through the FHA Risk-Sharing Program ("FHA Risk-Share").

The primary risk to the Corporation related to the 2015 Series E-2 Bonds is repayment risk from the borrower. This risk is mitigated through conservative underwriting incorporating low loan-to-value and substantial debt service coverage and income to expense ratio. The asset is a very seasoned mortgage loan and has a consistent payment history.

2015 Series F Bonds

The primary risk associated with the 2015 Series F Bonds is that the mortgage loan closings may not be able to take place. The Corporation believes that it has sufficiently mitigated this risk. The projects that are anticipated to close with funding from the proceeds of the 2015 Series F Bonds have been reviewed by Corporation staff, and are expected to be taken through the underwriting process, obtain credit enhancement and to satisfy all other matters relating to closing preparation. In addition, projects totaling at least $1,033,023,000 in projected development costs were or will be publicly noticed pursuant to Federal tax rules and may be financed using the tax exempt bond proceeds issued by the Corporation in the event that replacement project(s) would be necessary.

Furthermore, the Corporation has the option to remarket the 2015 Series F Bonds at the end of their initial term into subsequent term rate terms.

The Funding Loan Obligations and the 2018 Series B Bonds

The primary risk to the Corporation related to the Funding Loan Obligations during the construction phase of the development is the potential failure of Citibank to honor its obligation to purchase the mortgage loan from the Corporation pursuant to the Funding Loan Agreement in the event of a default by the related borrower. However, Corporation staff believes that this risk is mitigated by the terms of the Funding Loan Agreement, which provide for an automatic assignment of the applicable notes and mortgages to Citibank and the cancellation of the Funding Loan Agreement and the Funding Loan Obligations if Citibank fails to honor its obligation. Citibank is currently rated A/A-1 by S&P and A2/P1 by Moody's.

A portion of the MHANY mortgage loan will be insured by REMIC during the permanent phase. The primary risk to the Corporation relating to the Funding Loan Obligations during the period after the MHANY development has converted to permanent and before the 2018 Series B Bonds are issued is that upon a failure to pay by the borrower, the Corporation will be obligated to make payments to Citibank under the Funding Loan Obligations or file a mortgage insurance claim. However, the Corporation staff believes that this risk is mitigated because the loan will have stabilized and converted to permanent financing and the interim period during which this limited risk exists is expected to be no longer than four months.

Deposits and Fees

With respect to developments financed with the 2015 Series E-1 Bonds, the Corporation will charge the borrowers for all Mix &Match, Mitchell-Lama Restructuring and Preservation developments an up-front commitment fee equal to 0.75% of the mortgage loan amount. In addition, the borrowers will pay an amount equal to their 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 the Corporation for its management of the Bonds or to reimburse the Corporation for certain costs incurred during the construction of the Project.

With respect to the development financed with the Funding Loan Obligations, the Corporation will charge the borrower an up-front commitment fee equal to 0.75% of the mortgage loan amount. In addition, the Corporation will receive an annual administrative and servicing fee that is expected to equal approximately 1.70% of the Funding Loan Obligations during the construction period. The administrative and servicing fee for this development includes spread differential that would otherwise have been earned by the Corporation had the development been financed with Open Resolution bonds during construction. In addition, the borrower will pay 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 the Corporation for its management of the 2018 Series B 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 will also 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.

Ratings

The Fixed Rate Bonds, including the 2015 Series E Bonds and 2018 Series B Bonds are expected to be rated AA+ by S&P and Aa2 by Moody's.

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

The Funding Loan Obligations are expected to be unrated.

2015 Bonds Underwriters

It is anticipated that the 2015 Bonds will be underwritten by one or more of the following:

J. P. Morgan Securities LLC *(Expected Bookrunner and Co-Senior for 2015 Series E)*
Bank of America Merrill Lynch *(Expected Co-Senior for 2015 Series E)*
Citigroup Global Markets Inc. *(Expected Bookrunner and Senior Manager for 2015 Series F)*
Morgan Stanley & Co. LLC
Academy Securities
Samuel A. Ramirez & Co., Inc.
Roosevelt and Cross, Incorporated
Wells Fargo Securities

2018 Series B Bonds Underwriter/Direct Purchaser

Citigroup Global Markets Inc.

Underwriters' Counsel

Orrick, Herrington & Sutcliffe LLP

Bond Trustee

Bank of New York Mellon

Funding Loan Obligations Fiscal Agent

U.S. Bank National Association

Pricing Advisor for Funding Loan Obligations

Caine Mitter & Associates Inc.

Bond Counsel

Hawkins Delafield & Wood LLP

Action by the Members

The Members are requested to approve an authorizing resolution that provides for (a) the adoption of Supplemental Resolutions to the Open Resolution providing for the issuance of the 2015 Series E Bonds and 2018 Series B Bonds, (b) the distribution of preliminary and final Official Statement(s) for the 2015 Series E Bonds and 2018 Series B Bonds, (c) the execution of bond purchase agreement(s) with the Underwriter(s) of the 2015 Series E Bonds and the forward bond purchase agreement(s) with the Underwriter(s) of the 2018 Series B Bonds or a direct purchaser of any or all of the 2015 Series E Bonds and 2018 Series B Bonds, (d) the use of the Corporation's unrestricted reserves to fund costs of issuance, capitalized interest and mortgage reserves for the 2015 Series E Bonds and 2018 Series B Bonds, as may be required, (e) 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 2015 Series E Bonds and 2018 Series B Bonds, (f) the refunding of certain bonds of the Corporation, (g) the execution of amendments to the existing Participation Agreement with the City of New York relating to designating certain 2015 Series E Bonds financing mortgage loans as Mitchell-Lama Restructuring Bonds, (h) the execution of one or more Purchase and Sale Agreements with the City of New York relating to restructuring existing mortgage loans, and (i) the execution by the President or any authorized officer of the Corporation of any and all documents necessary to issue the 2015 Series E Bonds and 2018 Series B Bonds and to make the mortgage loans relating to the 2015 Series E Bonds and 2018 Series B Bonds.

The Members are requested to approve a Resolution Amending the Authorizing Resolution authorizing, in addition to the authorizations contained in the existing Authorizing Resolution, the issuance of 2015 Series F Bonds in an amount not to exceed $60,000,000.

The Members are requested to approve an authorizing resolution which provides for (a) the execution of the Funding Loan Agreement, (b) the execution of a Supplement or Supplements to the Funding Loan Agreement regarding the allocation of volume cap and (c) the execution of mortgage-related documents and any other documents necessary to accomplish the issuance of the Funding Loan Obligations and the financing of the related loan.

The Members are requested to approve the making of subordinate loans for one (1) Mix & Match development and for one (1) MLRP development from the Corporation's unrestricted reserves in an amount not to exceed $22,185,000, and the execution by an Authorized Officer of the Corporation of mortgage-related documents and any other documents necessary to accomplish the subordinate financing.

The Members are asked to approve entering into two Purchase and Sale Agreements with the City of New York relating to the existing subordinate debt on two Mitchell Lama developments in accordance with the Mitchell Lama Restructuring Program.

The Members are asked to approve the origination, from unrestricted corporate reserves, of a portion of the restructured mortage loans for the Abeken Apartments and St. Peter's Apartments developments, in an amount not to exceed $1,820,000.

Attachment "1"

Tremont Renaissance
Bronx, New York

Project Location:	4215 Park Avenue
HDC Program:	Mix & Match
Project Description:	The project is a 12-story affordable rental building with ground floor commercial space located in the East Tremont section of the Bronx. The building will consist of 256 units. 50% of the units will be affordable to households earning at or below 60% AMI and 50% of the units will be affordable to households earning at or below 130% AMI.
Total Rental Units:	255 (plus one unit reserved for the superintendent)
Apartment Distribution:	

Unit Size	No. of Units
Studio	25
1 bedroom	94
2 bedroom	119
3 bedroom	18
Total Units*	256

* Total Units are inclusive of a 2BR superintendent's unit.

Expected HDC Construction Financing Amount:	$47,160,000
Expected HDC Permanent Financing Amount:	$32,700,000
Expected HDC Second Mortgage:	$16,530,000
Expected Total Development Cost:	$117,203,838
Owner:	Tremont Renaissance LLC whose principals are Radame Jose Perez and Radame Perez II of Mastermind Development LLC., and Amnon Shalhov.
Developer:	Mastermind, Ltd., whose principals are Radame Jose Perez and Radame Perez II
Investor Limited Partner:	Syndicator: Hudson Housing Capital, LLC; Investor: JP Morgan Chase
Credit Enhancer:	Stand-by Letter of Credit provided by JP Morgan Chase Bank, N.A. (Construction); SONYMA (Permanent)

Attachment "2"

Kelly Towers
Bronx, New York

Project Location:	2375 and 2405 Southern Boulevard, Bronx, NY
HDC Program:	Mitchell Lama Restructuring/Section 236
Project Description:	The project, which is located in the Belmont section of the Bronx, will consist of the rehabilitation of 2 buildings containing 302 units. Excluding 1 superintendent's unit, all units will be affordable to households at or below 100% of AMI.
Total Rental Units:	302 (including 1 unit reserved for the superintendent)
Apartment Distribution:	see below

Apartment Distribution:

Unit Size	No. of Units
Studio	155
1 bedroom	116
2 bedroom	31
Total Units*	302

* Total Units are inclusive of a 2BR superintendent's unit.

Expected HDC Senior Financing Amount:	$10,640,000
Expected HDC Second Mortgage:	$2,560,000
Expected HDC Third Mortgage:	$495,000
Expected HDC Fourth Mortgage:	$1,695,000
Expected HDC Fifth Mortgage:	$6,651,093 (Subject to Purchase and Sale Agreement with HPD)
Expected Total Development Cost:	$31,000,000
Owner:	Kelly Owner, LLC, whose principals are Ron Orgel, Michael Fried, and Keith Rosenthal of Phoenix Realty Group, LLC and Jason Bordainick and Andrew Cavaluzzi of Hudson Valley Property Group, LLC.
Developer:	Phoenix Realty Group, LLC whose principals are Ron Orgel, Michael Fried, and Keith Rosenthal; and Hudson Valley Property Group, LLC whose principals are Jason Bordainick and Andrew Cavaluzzi.
Investor Limited Partner:	N/A
Credit Enhancer:	HDC (Construction) FHA Risk Share 90/10 (Permanent)

Attachment "3"

Keith Plaza
Bronx, New York

Project Location:	2475 Southern Boulevard, Bronx, NY
HDC Program:	Mitchel Lama Restructuring/Section 8/Section 236
Project Description:	The project, which is located in the Belmont section of the Bronx, will consist of the rehabilitation of 1 building containing 311 units. Excluding 1 superintendent's unit, all units will be affordable to households at or below 100% of AMI.
Total Rental Units:	311 (including 1 unit reserved for the superintendent)
Apartment Distribution:	

Unit Size	No. of Units
Studio	28
1 bedroom	80
2 bedroom	150
3 bedroom	53
Total Units*	311

* Total Units are inclusive of one 3BR superintendent unit.

Expected HDC Senior Financing Amount:	$29,075,000
Expected HDC Second Mortgage:	$3,760,000
Expected HDC Third Mortgage:	$745,000
Expected HDC Fourth Mortgage:	$3,000,000 (Rental Achievement)
Expected HDC Fifth Mortgage:	$9,294,172 (Subject to Purchase and Sale with HPD)
Expected Total Development Cost:	$60,000,000
Owner:	Keith Owner, LLC, whose principals are Ron Orgel, Michael Fried, and Keith Rosenthal of Phoenix Realty Group, LLC and Jason Bordainick and Andrew Cavaluzzi of Hudson Valley Property Group, LLC.
Developer:	Phoenix Realty Group, LLC whose principals are Ron Orgel, Michael Fried, and Keith Rosenthal; and Hudson Valley Property Group, LLC whose principals are Jason Bordainick and Andrew Cavaluzzi.
Investor Limited Partner:	N/A
Credit Enhancer:	HDC (Construction) FHA Risk Share 90/10 (Permanent)

Attachment "4"
Abeken Apartments
Bronx, New York

Project Location:	810 East 152nd Street
HDC Program:	Preservation
Project Description:	The project consists of the refinancing and preservation of an 8-story, 120 residential unit building with ground floor commercial space in the Melrose section of the Bronx. All units will be affordable to households at or below 60% of AMI.
Total Rental Units:	120

Apartment Distribution:

Unit Size	No. of Units
1 bedroom	24
2 bedroom	68
3 bedroom	28
Total Units*	120

* Total Units are inclusive of one superintendent unit.

Expected HDC Permanent Financing Amount*:	$6,504,814 (Only financing the incremental amount of $800,000.)
Existing HDC Second Mortgage:	$5,400,000
Total Development Cost:	$18,064,744
Owner:	Abeken Apartments, LP whose principals are Ron Moelis and Sandy Lowentheil of L+M Development Partners
Developer:	L+M Development Partners whose principals are Ron Moelis and Sandy Lowentheil
Investor Limited Partner:	Boston Capital
Credit Enhancer:	REMIC

Attachment "5"
St. Peter's Apartments
Bronx, New York

Project Location:	2511 Westchester Avenue
HDC Program:	Preservation
Project Description:	The project consists of the refinancing and preservation of a 6-story, 58 residential unit building with ground floor commercial space in the Westchester Square section of the Bronx. All units will be affordable to households at or below 60% of AMI.
Total Rental Units:	58
Apartment Distribution:	

Unit Size	No. of Units
1 bedroom	11
2 bedroom	35
3 bedroom	12
Total Units*	58

* Total Units are inclusive of one superintendent unit.

Expected HDC Permanent Financing Amount*:	$5,057,271 (Only financing the incremental amount of $800,000.)
Existing HDC Second Mortgage:	$3,190,000
Total Development Cost:	$14,993,065
Owner:	Abeken Apartments II, LLC whose principals are Ron Moelis and Sandy Lowentheil of L+M Development Partners
Developer:	L+M Development Partners whose principals are Ron Moelis and Sandy Lowentheil
Investor Limited Partner:	Wells Fargo Bank, N.A.
Credit Enhancer:	REMIC

Attachment "6"

2015 Series F COB Supplemental Loan List

Development Name	Borough	Units	Anticipated Initial Mortgage Loan Amount
MHANY Portfolio	Brooklyn	267	$40,000,000
Tremont Renaissance Apartments	Bronx	257	$50,000,000
Keith Plaza	Bronx	311	$40,000,000
Kelly Towers	Bronx	302	$20,000,000
Atlantic Plaza Towers	Brooklyn	716	$3,583,007
70-74 East 116th Street	Manhattan	23	$2,100,000
2232 First Avenue	Manhattan	21	$4,200,000
La Cabana Apartments	Brooklyn	167	$57,000,000
145 West Street Apartments	Brooklyn	140	$50,000,000
85 Commercial Street Apartments	Brooklyn	200	$50,000,000
Bridgeview III	Queens	172	$20,000,000
Essex Terrace	Brooklyn	105	$20,000,000
Hamilton House	Manhattan	176	$8,400,000
1199 Plaza	Manhattan	1,594	$58,535,000
Clinton Towers	Manhattan	396	$12,655,000
Confucius Plaza Coop	Manhattan	762	$28,665,000
Crown Gardens Coop	Brooklyn	239	$8,245,000
Second Atlantic Terminal	Brooklyn	305	$10,810,000
Lincoln Amsterdam	Manhattan	186	$7,490,000
Bethune Tower	Manhattan	135	$1,540,000
First Atlantic	Brooklyn	211	$6,885,000
Rosalie Manning	Manhattan	109	$915,000
Stevenson Commons Apartments	Bronx	948	$95,000,000
Abeken Apartments	Bronx	120	$1,000,000
St. Peter's Avenue Apartments	Bronx	58	$1,000,000
Webster Commons Building D	Bronx	123	$10,000,000
530 Exterior Street	Bronx	136	$24,000,000
2605 Grand Concourse	Bronx	94	$11,000,000
Fox Hill Apartments	Staten Island	364	$70,000,000
TLK Manor	Bronx	83	$20,000,000
Prospect Plaza Phase III	Brooklyn	135	$38,000,000
Serviam Heights	Bronx	197	$52,000,000
The Crossing at Jamaica Station	Queens	582	$210,000,000

Attachment "7"

MHANY Portfolio
Broooklyn, New York

Project Location:	16 Palmetto Street, 23 Moffat Street, 988 Hancock Street, 109 Cornelia Street, 110 Cornelia Street, 1142 Willoughby Avenue, 1141 Bushwick Avenue, 1414 DeKalb Avenue, 142 Palmetto Street, 180 Cooper Street, 182 Cooper Street, 366 Palmetto Street, 811 Knickerbocker Avenue, 309 Eldert Street, 1600 Pacific Street, 721 Sterling Place, 907 St. Johns Place, 1445 Pacific Street, 319-321 Albany Avenue, 869 Eastern Parkway, 1344-1346 Bergen Street, 113 Montauk Avenue, 271 Milford Street, 293 Hinsdale Street, 305 Hinsdale Street, 311 Hinsdale Street, 325 Ashford Street, 355 Berriman Street, 363 Elton Street, 375 Bradford Street, 424 Ashford Street, 459 Wyona Street, 462 Wyona Street, 465 Wyona Street, 493 Ashford Street, 2482 Pitkin Avenue, 301 Bradford Street, 306 Bradford Street, 784 Belmont Avenue, 923 Glenmore Avenue, 209 Bradford Street, 277-279 Hinsdale Street, 436 Logan Street, 171 Milford Street, 276 New Jersey Avenue, 442 Logan Street, 180 Milford Street, 2474 Linden Boulevard, 2484 Linden Boulevard, 422 Newport Street, 430 Newport Street, 514 Chester Street, 547 Snediker Avenue, 550 Snediker Avenue, 573 Van Siclen Avenue, 601 Snediker Avenue, 605 Snediker Avenue, 607 Snediker Avenue, 610 Snediker Avenue, 614 Snediker Avenue, 659 Pennsylvania Avenue, 535 Snediker Avenue, 543 Georgia Avenue, 556 Georgia Avenue, 566 Pennsylvania Avenue, 629 Miller Avenue, 549 Alabama Avenue, 679 Hendrix Street, 694 Miller Avenue, 700 Cleveland Street, 730 Miller Avenue, 752 Miller Avenue, 743 Cleveland Street, 537-539 Sheffield Avenue, 873 Hegeman Avenue
HDC Program:	Preservation
Project Description:	The project is a portfolio of 75 affordable rental buildings located in the Bushwick, Crown Heights and East New York sections of Brooklyn. The portfolio will consist of 255 units. All of the units will be affordable to households earning at or below 60% AMI and include additional tiers of deeper affordability, as well as a 10% set aside upon re-rental for formerly homeless at or below 30% AMI.
Total Rental Units:	255

Apartment Distribution:

Unit Size	No. of Units
Studio	9
1 bedroom	28
2 bedroom	72
3 bedroom	89
4 bedroom	47
5 bedroom	9
6 bedroom	1
Total Units*	255

* There are no superintendent units.

Expected HDC Construction Financing Amount:	$33,000,000
Expected HDC Permanent Financing Amount:	$5,000,000
Expected HDC Second Mortgage:	$0
Expected Total Development Cost:	$69,840,120
Owner:	MHANY 2015 Owner LLC, comprised of MHANY (managing member) whose principals Julia Boyd (President), Marisol Marte (Treasurer), Hazel DaSent (Secretary) and Residents (minority member) and NY COFI (minority

member) whose principals are Andrew Weltman (President), David Daniel (Treasurer), Dorothy Amandi (Secretary)

Developer:	Mutual Housing Association of NY, Inc.
Investor Limited Partner:	Richman Housing Resources, LLC's USA Institutional Tax Credit Fund C L.P; Investor: Multi-Investor Fund
Credit Enhancer:	N/A –Back-to-Back funding loan structure with Citibank