

Moody's: Aa2
Standard & Poor's: AA
(see "RATINGS" herein)

NEW ISSUES—BOOK-ENTRY ONLY

2005 Series C/D Bonds. In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2005 Series C/D Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any 2005 Series C/D Bond for any period during which such 2005 Series C/D Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the 2005 Series C/D Bonds or a "related person," and (ii) interest on the 2005 Series C/D Bonds, however, is treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code.

In the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2005 Series C/D Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "TAX MATTERS."

\$30,160,000
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,
\$17,015,000 2005 Series C (AMT)
\$13,145,000 2005 Series D (AMT)

Dated: Date of delivery

Due: May 1 and November 1, as shown on the inside cover page

Interest on the Multi-Family Housing Revenue Bonds, 2005 Series C (the "2005 Series C Bonds") and interest on the Multi-Family Housing Revenue Bonds, 2005 Series D (the "2005 Series D Bonds") of the New York City Housing Development Corporation (the "Corporation") is payable semiannually on May 1 and November 1, commencing November 1, 2005, at the fixed rates set forth on the inside cover page. The 2005 Series C Bonds and the 2005 Series D Bonds (collectively, the "2005 Series C/D Bonds") will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. See "DESCRIPTION OF THE 2005 SERIES C/D BONDS—General."

The 2005 Series C/D Bonds will be issued in book-entry form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Interest on and principal of the 2005 Series C/D Bonds will be payable by the Trustee to Cede & Co., as nominee of DTC, which will, in turn, remit such principal and interest to DTC Direct Participants for subsequent disbursement to the Beneficial Owners. Purchasers of the 2005 Series C/D Bonds will not receive physical delivery of bond certificates. The 2005 Series C/D Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. See "DESCRIPTION OF THE 2005 SERIES C/D BONDS—Book-Entry Only System." The Bank of New York, located in New York, New York, is the Trustee with respect to the 2005 Series C/D Bonds.

The 2005 Series C/D Bonds are being issued, when combined with other available monies, to acquire or finance construction and/or permanent mortgage loans for certain newly constructed developments. Payment of the principal or redemption price of and interest on the 2005 Series C/D Bonds will be secured by the Revenues and assets pledged to such payment, including, without limitation, certain payments to be made under or with respect to certain mortgage loans, and monies and/or cash equivalents held under the Debt Service Reserve Account. The 2005 Series C/D Bonds are being issued on a parity with and shall be entitled to the same benefit and security as other Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds).

The 2005 Series C/D Bonds are subject to redemption prior to maturity as set forth herein.

The 2005 Series C/D Bonds are special obligations of the New York City Housing Development Corporation, a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York. The 2005 Series C/D Bonds are not a debt of the State of New York or The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the 2005 Series C/D Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

This Official Statement incorporates by reference, and is not complete unless read in conjunction with, the Corporation's Official Statement dated May 20, 2005 relating to its Multi-Family Housing Revenue Bonds, 2005 Series A and its Multi-Family Housing Revenue Bonds, 2005 Series B (the "2005 Series A/B Official Statement").

The 2005 Series C/D Bonds are offered when, as and if issued and received by the Underwriter thereof subject to prior sale, to withdrawal or modification of the offer without notice, and to the unqualified approval of legality by Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation. Certain legal matters related to the 2005 Series C/D Bonds will be passed upon for the Corporation by its General Counsel. Certain legal matters related to the 2005 Series C/D Bonds will be passed upon for the Underwriter by its Counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York. It is expected that the 2005 Series C/D Bonds will be available for delivery in New York, New York on or about June 30, 2005.

Dated: June 24, 2005

Bear, Stearns & Co. Inc.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES

\$17,015,000 2005 Series C Bonds

\$13,370,000 Serial Bonds

<u>Due</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Due</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>
May 1, 2009	\$12,810,000	3.10%	100%	Nov. 1, 2013	\$ 95,000	4.00%	100%
Nov. 1, 2010	85,000	3.50	100	Nov. 1, 2014	100,000	4.15	100
Nov. 1, 2011	85,000	3.70	100	Nov. 1, 2015	100,000	4.25	100
Nov. 1, 2012	95,000	3.90	100				

\$1,315,000 4.60% Term Bonds due November 1, 2025 – Price 100%

\$2,330,000 4.80% Term Bonds due May 1, 2037 – Price 100%

\$13,145,000 2005 Series D Bonds

\$7,910,000 Serial Bonds

<u>Due</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Due</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>
May 1, 2009	\$7,500,000	3.10%	100%	Nov. 1, 2013	\$ 70,000	4.00%	100%
Nov. 1, 2010	60,000	3.50	100	Nov. 1, 2014	70,000	4.15	100
Nov. 1, 2011	65,000	3.70	100	Nov. 1, 2015	75,000	4.25	100
Nov. 1, 2012	70,000	3.90	100				

\$5,235,000 4.80% Term Bonds due May 1, 2047 – Price 100%

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2005 Series C/D Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the New York City Housing Development Corporation or Bear, Stearns & Co. Inc., as underwriter for the 2005 Series C/D Bonds offered to the public as indicated on the inside cover page (the "Underwriter"), to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information set forth herein has been obtained from the New York City Housing Development Corporation and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter or by any of such sources as to information from any other source. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the New York City Housing Development Corporation or the other matters described herein since the date hereof.

THE 2005 SERIES C/D BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2005 SERIES C/D BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE 2005 SERIES C/D BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

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\$30,160,000
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,
\$17,015,000 2005 Series C (AMT)
\$13,145,000 2005 Series D (AMT)

This Official Statement (including the cover page and the appendices) provides certain information concerning the New York City Housing Development Corporation (the "Corporation") in connection with the sale of (i) \$17,015,000 principal amount of its Multi-Family Housing Revenue Bonds, 2005 Series C (the "2005 Series C Bonds") and (ii) \$13,145,000 principal amount of its Multi-Family Housing Revenue Bonds, 2005 Series D (the "2005 Series D Bonds"). The 2005 Series C Bonds and the 2005 Series D Bonds (collectively, the "2005 Series C/D Bonds") are to be issued in accordance with the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law, constituting Chapter 44-b of the Consolidated Laws of the State of New York, as amended (the "Act"), and pursuant to a resolution entitled "Multi-Family Housing Revenue Bonds Bond Resolution" adopted by the Members of the Corporation on July 27, 1993, as amended from time to time (the "General Resolution"), and a supplemental resolution for the 2005 Series C Bonds entitled "Fifty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2005 Series C" (the "2005 Series C Supplemental Resolution") and a supplemental resolution for the 2005 Series D Bonds entitled "Fifty-Seventh Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2005 Series D" (the "2005 Series D Supplemental Resolution," collectively with the 2005 Series C Supplemental Resolution, the "2005 Series C/D Supplemental Resolutions"), each adopted by the Members of the Corporation on June 14, 2005. The General Resolution and the 2005 Series C/D Supplemental Resolutions are referred to herein, collectively, as the "Resolutions."

Pursuant to the General Resolution (except as otherwise expressly provided therein or in a Supplemental Resolution authorizing a series of bonds), all bonds issued thereunder are equally and ratably secured by the Revenues and assets pledged thereunder. All bonds issued or to be issued under the General Resolution, including the 2005 Series C/D Bonds, are herein referred to as the "Bonds." Under the General Resolution, the Corporation may issue Bonds to finance any corporate purpose for which Bonds may be issued under the Act or any other applicable law hereafter enacted. The activities of the Corporation undertaken pursuant to the General Resolution are hereinafter referred to as the "Program." Under the Program, to date, the Corporation has issued Bonds to finance Mortgage Loans for privately owned multi-family rental housing for low and moderate income tenants. Multi-family housing developments financed by the Corporation under the Program are referred to herein individually as a "Development" or a "Project" and, collectively, as the "Developments" or the "Projects."

There is currently \$1,399,660,000 principal amount of Bonds Outstanding under the General Resolution. Such principal amount includes the Corporation's Multi-Family Housing Revenue Bonds, 2005 Series A and the Multi-Family Housing Revenue Bonds, 2005 Series B (the "2005 Series A/B Bonds") which were issued on May 25, 2005. In connection with the issuance of the 2005 Series A/B Bonds, the Corporation provided an Official Statement dated May 20, 2005 (the "2005 Series A/B Official Statement"), which contains information about the Corporation, the Bonds, the General Resolution, the security for the Bonds, the Program and the Developments, as well as information about the 2005 Series A/B Bonds and the Mortgage Loans to be financed with the proceeds of the 2005 Series A/B Bonds. The 2005 Series A/B Official Statement is incorporated herein by reference. **This Official Statement is not complete unless read in conjunction with the information from the 2005 Series A/B Official Statement incorporated herein by reference.** Capitalized terms used in this Official Statement and not defined herein shall have the meanings given to such terms in the 2005 Series A/B Official Statement.

INTRODUCTION

The Corporation is a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York (the “State”). The Corporation was created by the Act for the purpose of providing and encouraging the investment of private capital in safe and sanitary dwelling accommodations in the City of New York within the financial reach of families and persons of low income, which includes families and persons whose need for housing accommodations cannot be provided by the ordinary operations of private enterprise, through the provision of low interest mortgage loans.

The 2005 Series C/D Bonds are special revenue obligations of the Corporation, and payment of the principal or redemption price of and interest on the 2005 Series C/D Bonds will be secured solely by the Revenues and assets pledged to such payment including, without limitation, certain payments to be made under or with respect to the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2005 Series C/D Bonds are being issued on a parity with, and shall be entitled to the same benefit and security of the General Resolution as, all other Bonds Outstanding (other than Subordinate Bonds) issued and to be issued thereunder. None of the Bonds Outstanding are Subordinate Bonds. See “SECURITY FOR THE BONDS” and “BONDS OUTSTANDING UNDER THE PROGRAM” in the 2005 Series A/B Official Statement.

The Mortgage Loans may, but are not required to, be secured by supplemental security (“Supplemental Security”), including (a) mortgage insurance provided by (i) the Federal Housing Administration (“FHA”), (ii) the New York City Residential Mortgage Insurance Corporation, a subsidiary corporation of the Corporation (“REMIC”), and (iii) the State of New York Mortgage Agency (“SONYMA”), and (b) mortgage-backed securities guaranteed by the Government National Mortgage Association (“GNMA”). In addition, the Developments related to the Mortgage Loans may, but are not required to, be assisted through Federal, state or local subsidy programs (“Subsidy Programs”) such as (a) the program (the “Mitchell-Lama Program” or “Mitchell-Lama”) authorized by Article 2 of the New York Private Housing Finance Law and the rules and regulations promulgated thereunder (the “Mitchell-Lama Law”), and the related Corporation Mitchell-Lama Restructuring Program (the “ML Restructuring Program”), (b) the interest reduction subsidies authorized by Section 236 of the National Housing Act of 1934, as amended (“Section 236”), pursuant to periodic interest reduction payment contracts (“Section 236 Contracts”), (c) the housing assistance payment program authorized by Section 8 of the United States Housing Act of 1937, as amended (“Section 8”), (d) various subordinate loan programs of the Corporation such as the Affordable Housing Permanent Loan Program (“AHPLP”), the Low-income Affordable Marketplace Program (“LAMP”), the Mitchell-Lama Repair Loan Program (“ML Repair Loan Program”) and the New Housing Opportunities Program (“New HOP”), (e) various Federal, State and other local subordinate loan or grant programs such as the Participation Loan Program (“PLP”), the Article 8-A Loan Program (“Article 8-A”), the §421-a Negotiable Certificate Program (the “Certificate Program”), the Mixed Income Rental Program (“MIRP”), General Municipal Law Article 16 (“GML Article 16”) programs, Housing Development Grant (“HoDAG”) programs and certain programs of the New York State Housing Trust Fund Corporation (“HTF”), and (f) subsidies through the Housing Assistance Corporation (“HAC”). The programs described in clauses (d), (e) and (f) in the immediately preceding sentence are referred to herein, collectively, as the “Subordinate Loan/Grant Programs.” See Appendix E-1 and “Appendix G—Description of Supplemental Security and Subsidy Programs” in the 2005 Series A/B Official Statement. A Mortgage Loan also may represent the Corporation’s participation interest in a mortgage loan or the cash flow therefrom. A Mortgage Loan, or the mortgage loan underlying a participant interest, is required to be evidenced by a note and secured by a mortgage (but such mortgage need not create a first mortgage lien on the related Development).

The proceeds of the 2005 Series C/D Bonds, together with other available monies of the Corporation, are expected to be used to: (i) acquire or finance construction and/or permanent Mortgage Loans for certain newly constructed Developments; and (ii) pay costs of issuance. For a more detailed

description of the financing plan and the Mortgage Loans to be funded with the proceeds of the 2005 Series C/D Bonds, see “PLAN OF FINANCING.”

The ability of the Corporation to pay the principal or redemption price of and interest on the Bonds, including the 2005 Series C/D Bonds, is dependent on the Revenues derived from the assets pledged to secure the Bonds, which consist of all the Mortgage Loans (including the 2005 Series C Mortgage Loans and the 2005 Series D Mortgage Loan). In instances in which Supplemental Security backs a Mortgage Loan, timely receipt of the proceeds of the Supplemental Security may be material to the Corporation’s ability to pay the principal or redemption price of and interest on the Bonds. In cases in which Developments are beneficiaries of Subsidy Programs, full and timely receipt of subsidy payments, or loan or grant proceeds, may be necessary for full payment under the Mortgage Loans made with respect to such Developments. In the case of Mortgage Loans which are not secured by Supplemental Security or whose related Developments are not assisted under a Subsidy Program, the Revenues derived from such Mortgage Loans are entirely dependent on each Mortgagor’s ability to make payments under its Mortgage Loan. The Mortgagor’s ability to make payments required under its Mortgage Loan is and will be affected by a variety of factors including the maintenance of a sufficient level of occupancy, the level of operating expenses, sound management of a Development, the ability to achieve and maintain rents to cover payments under the Mortgage Loan, operating expenses, taxes, utility rates and maintenance costs, and changes in applicable laws and governmental regulations. In addition, the continued feasibility of a Development may depend in part upon general economic conditions and other factors in the surrounding area of a Development. See “THE PROGRAM—Certain Factors Affecting the Mortgage Loans,” and under the subheadings “Supplemental Security” and “Subsidy Programs” in Appendix G in the 2005 Series A/B Official Statement.

Under the General Resolution, the Corporation is authorized to issue Bonds (which may be secured on a parity with, or be subordinate in right of payment to, the Bonds which are not Subordinate Bonds) to finance any of its corporate purposes for which bonds may be issued under the Act, or any other applicable law now or hereafter enacted, including but not limited to financing mortgage loans and/or participation interests therein. No such additional Bonds may be issued under the General Resolution unless certain conditions set forth therein are met, including confirmation of the then existing ratings on the Outstanding Bonds (other than Subordinate Bonds) by each of the Rating Agencies then rating such Bonds.

If Mortgage Loans (including participation interests in mortgage loans) are to be financed by any such additional Bonds and pledged to secure the Bonds, such Mortgage Loans or the mortgage loans underlying a participation interest, need not create a first mortgage lien on such Projects and such Mortgage Loans or the Projects financed thereby may, but are not required to, be subject to Supplemental Security insuring or securing against Mortgage Loan default losses. Such Supplemental Security, if any, may be in the form of, among other things, a mortgage insurance policy, a guaranteed mortgage-backed security, a letter of credit, a surety bond or an escrow deposit, any or all of which may be obtained pursuant to one or more programs of the Federal, State or local government.

The General Resolution does not require that the Corporation pledge its interests in the assets financed with the proceeds of additional Bonds, or the revenues derived therefrom, to secure the Bonds. Moreover, the Corporation may withdraw Mortgage Loans and surplus revenues from the pledge and lien of the General Resolution upon the filing with the Trustee of a Cash Flow Statement, except with respect to certain Mortgage Loans which, pursuant to the applicable Supplemental Resolutions, may be released without the filing of a Cash Flow Statement, as more fully described under the subheading “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” in the 2005 Series A/B Official Statement.

The Bonds are not a debt of the State or The City of New York (the “City”), and neither the State nor the City shall be liable thereon, nor shall the Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

Descriptions of the Corporation, the 2005 Series C Mortgage Loans and the 2005 Series D Mortgage Loan, the 2005 Series C/D Bonds, sources of payment therefor, the Program and the Resolutions are included in this Official Statement or the 2005 Series A/B Official Statement. All summaries or descriptions herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the 2005 Series C/D Bonds are qualified in their entirety by reference to the Resolutions and the provisions with respect thereto included in the aforesaid documents and agreements. The Corporation has covenanted in the General Resolution to provide a copy of each annual report of the Corporation (and certain special reports, if any) and any Accountant’s Certificate relating thereto to the Trustee and to each Bond owner who shall have filed such owner’s name and address with the Corporation for such purposes. The Corporation also has committed to provide certain information on an ongoing basis to certain repositories. For a description of the Corporation’s undertaking with respect to ongoing disclosure, see “CONTINUING DISCLOSURE.” Summaries of the Supplemental Security and Subsidy Programs are qualified in their entirety by reference to any statutes, regulations or agreements mentioned in such summaries. See Appendix G in the 2005 Series A/B Official Statement.

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PLAN OF FINANCING

General

2005 Series C Bonds

Upon the issuance of the 2005 Series C Bonds, all of the proceeds of such 2005 Series C Bonds initially will be deposited in the Bond Proceeds Account and invested in Investment Securities. Such proceeds are expected to be used by the Corporation to finance certain construction Mortgage Loans for certain newly constructed Developments, which loans, upon satisfaction of certain conditions, are expected to be converted to permanent Mortgage Loans. Such Mortgage Loans are collectively referred to herein as the “2005 Series C Mortgage Loans.” The aggregate principal amount of the 2005 Series C Mortgage Loans during construction is anticipated to be approximately \$17,015,000, with permanent 2005 Series C Mortgage Loans in an anticipated aggregate principal balance of approximately \$4,205,000. See “2005 Series C Mortgage Loans” below.

2005 Series D Bonds

Upon the issuance of the 2005 Series D Bonds, a portion of the proceeds of such 2005 Series D Bonds initially will be deposited in the Bond Proceeds Account and invested in Investment Securities. Such proceeds will be used by the Trustee to acquire GNMA Securities (the “2005 Series D GNMA Securities”), which will constitute the “2005 Series D Mortgage Loan,” from the Mortgage Banker. The proceeds of such acquisition will be utilized by the Mortgage Banker to finance a certain construction and permanent mortgage loan for a certain newly constructed Development (the “2005 Series D Development”). The principal balance of the 2005 Series D Mortgage Loan is anticipated to be \$13,145,000 upon completion of the 2005 Series D Development. In addition, the Corporation will make a loan in the amount of \$7,500,000 to the Mortgagor of the 2005 Series D Development from moneys other than proceeds of Bonds to finance additional construction costs. See “2005 Series D Mortgage Loan” below.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds with respect to the 2005 Series C Bonds and the 2005 Series D Bonds are expected to be approximately as follows:

<u>SOURCES</u>	<u>2005 Series C Bonds</u>	<u>2005 Series D Bonds</u>
Principal Amount of Bonds	\$17,015,000	\$13,145,000
Other Available Monies of the Corporation.....	221,195	170,885
TOTAL SOURCES	\$17,236,195	\$13,315,885
 <u>USES</u>		
Deposit to Bond Proceeds Account	\$17,015,000	-
Acquisition of 2005 Series D GNMA Securities	-	\$13,145,000
Underwriter’s Compensation.....	133,911	106,472
Cost of Issuance.....	87,284	64,413
TOTAL USES	\$17,236,195	\$13,315,885

Debt Service Reserve Account

2005 Series C Bonds

Under the terms of the 2005 Series C Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2005 Series C Bonds shall equal, as of any date of calculation, three percent (3%) of the principal amount of the 2005 Series C Bonds Outstanding.

The Corporation will fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Account Requirement for the 2005 Series C Bonds with amounts already on deposit in the Debt Service Reserve Account and not from proceeds of the 2005 Series C Bonds.

2005 Series D Bonds

Under the terms of the 2005 Series D Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2005 Series D Bonds shall equal, as of any date of calculation, zero dollars (\$0).

2005 Series C/D Bonds

For further information on the Debt Service Reserve Account and the Debt Service Reserve Account Requirement for the Bonds, see “SECURITY FOR THE BONDS—Debt Service Reserve Account” and “Appendix F—Certain Investments under the General Resolution” in the 2005 Series A/B Official Statement.

2005 Series C Mortgage Loans

2005 Series C Developments

It is anticipated that the proceeds of the 2005 Series C Bonds will be used to finance the 2005 Series C Mortgage Loans for the following 2005 Series C Developments:

Anticipated Mortgage Loan Supplemental Security	Subsidy Program	Development Name	Borough	Number of Units	Anticipated Construction Loan Amount	Anticipated Permanent Mortgage Loan Amount	Expected Amount of Mandatory Prepayment
REMIC [†]	LAMP ^{††}	Westchester Avenue	Bronx	70	\$ 9,650,000	\$2,870,000	\$ 6,780,000
REMIC [†]	LAMP ^{††}	Jacob's Place	Bronx	63	\$ 7,365,000	\$1,335,000	\$ 6,030,000
TOTAL					\$17,015,000	\$4,205,000	\$12,810,000

[†] It is anticipated that REMIC Insurance will secure the first loss on the Mortgage up to twenty percent (20%) of the original permanent mortgage loan amount for these 2005 Series C Developments. For a description of REMIC, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—REMIC Insurance Program” in the 2005 Series A/B Official Statement.

^{††} For a description of LAMP, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Corporation Programs—Low-income Affordable Marketplace Program” in the 2005 Series A/B Official Statement.

Each of the 2005 Series C Developments is expected to be completed within twenty-four (24) months of the making of the applicable construction 2005 Series C Mortgage Loan. See “HDC Commitments; Construction Letters of Credit” below.

The 2005 Series C Mortgage Loans will be assigned a valuation of 100% under the 2005 Series C Supplemental Resolution. For a discussion of the valuation process, see “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” in the 2005 Series A/B Official Statement. It is expected that the banks providing the letters of credit during construction will service the applicable 2005 Series C Mortgage Loans and the Corporation will service the permanent 2005 Series C Mortgage Loans (see “HDC Commitments; Construction Letters of Credit” below and “THE PROGRAM—Servicing” in the 2005 Series A/B Official Statement).

Mandatory Prepayment

Each of the Mortgagors of the 2005 Series C Developments will be required to make a 2005 Series C Mortgage Loan Mandatory Prepayment, as described in the chart under the subheading “2005 Series C Developments” above, on April 1, 2009, provided, however, each Mortgagor of a 2005 Series C Development may make its 2005 Series C Mortgage Loan Mandatory Prepayment prior to April 1, 2009, but not earlier than March 1, 2007. Said prepayments are expected to be used to redeem prior to maturity or pay at maturity the 2005 Series C Bonds which mature on May 1, 2009 (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series C Bonds—Extraordinary Redemption from Recoveries of Principal for the 2005 Series C Bonds”). Although a significant source of funds for the 2005 Series C Mortgage Loan Mandatory Prepayment for said 2005 Series C Mortgage Loan is expected to come from the syndication of federal low income housing tax credits with respect to said 2005 Series C Mortgage Loans, the 2005 Series C Mortgage Loan Mandatory Prepayments are required to be made by each Mortgagor of the applicable 2005 Series C Development whether or not the federal low income housing tax credit syndication proceeds are obtained. If a Mortgagor does not make the required 2005 Series C Mortgage Loan Mandatory Prepayment, there would be a default under the applicable 2005 Series C Mortgage Loan which would result in a draw of the construction letter of credit (as described under the subheading “HDC Commitments; Construction Letters of Credit” below) by the Corporation in the full amount of the letter of credit which could result in the redemption of all of the applicable portion of 2005 Series C Bonds. However, it is also possible in the event of such default that the Corporation and the letter of credit provider would agree to amend the applicable letter of credit to permit a partial draw in an amount equal to the applicable 2005 Series C Mortgage Loan Mandatory Prepayment; such proceeds would be applied to the payment at maturity of the applicable portion of the 2005 Series C Bonds, in which case the balance of the 2005 Series C Bonds would remain Outstanding. In such event, unless the Mortgagor of the applicable 2005 Series C Development cured such default, the applicable letter of credit provider would have the option to acquire said 2005 Series C Mortgage Loan by obligating the Corporation to make a draw on the letter of credit, the proceeds of which could be used to redeem the Outstanding 2005 Series C Bonds in an amount equal to such 2005 Series C Mortgage Loan. See “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series C Bonds—Special Redemption from Recoveries of Principal.”

Mortgage Terms

Each of the 2005 Series C Mortgage Loans will be evidenced by a mortgage note payable to the Corporation and secured by a first mortgage lien on the applicable 2005 Series C Development. The interest rate for each permanent 2005 Series C Mortgage Loan is anticipated to be 5.50% and the term to maturity for each 2005 Series C Mortgage Loan is anticipated to be approximately 30 years from completion of construction. The 2005 Series C Mortgage Loans are expected to contain provisions prohibiting the Mortgagor of the applicable 2005 Series C Development from making any prepayment, other than the applicable 2005 Series C Mortgage Loan Mandatory Prepayment, prior to May 1, 2015 (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series C Bonds—Special Redemption from Recoveries of Principal” below and “Appendix E-2—Mortgage Loan Prepayment Provisions—Category 9” in the 2005 Series A/B Official Statement).

HDC Commitments; Construction Letters of Credit

Each of the Mortgagors of the 2005 Series C Mortgage Loans has executed a commitment with the Corporation or is expected to execute a commitment with the Corporation prior to the issuance of the 2005 Series C Bonds (an “HDC Commitment”) in which the Corporation will agree to provide a 2005 Series C Mortgage Loan, as the case may be, during construction and/or on a permanent basis.

The HDC Commitment for all of the 2005 Series C Mortgage Developments requires each related Mortgagor to obtain a letter of credit, to be available during construction, from a bank acceptable to the Corporation as a condition to the Corporation providing a 2005 Series C Mortgage Loan during construction; said letter of credit need not meet the requirements under the Resolution for a Credit Facility. It is anticipated that during construction such letter of credit may be drawn upon by the Corporation if the applicable Mortgagor fails to make the required debt service payments on the related 2005 Series C Mortgage Loan, including the 2005 Series C Mortgage Loan Mandatory Prepayments described under the subheading “2005 Series C Mortgage Loans—Mandatory Prepayment” above. Such letters of credit will not be pledged to the owners of the 2005 Series C Bonds; however, any payments received by the Corporation from the letter of credit providers pursuant to such letters of credit will be pledged for the benefit of the owners of the 2005 Series C Bonds. In the event of a default on any such 2005 Series C Mortgage Loan during construction, upon receipt of payments equal to the outstanding principal balance of the applicable construction 2005 Series C Mortgage Loan plus the lesser of (i) accrued interest or (ii) the maximum amount available with respect to accrued interest, such 2005 Series C Mortgage Loan will be immediately assigned to the letter of credit provider and no longer be pledged for the benefit of the owners of the 2005 Series C Bonds.

Following the satisfaction of the conditions of the applicable HDC Commitment which may require, among other things, the provision by the Mortgagor of equity, the satisfactory completion of construction within a certain time schedule from the making of the applicable construction 2005 Series C Mortgage Loan and within a certain construction budget, the receipt of the applicable 2005 Series C Mortgage Loan Mandatory Prepayment, the issuance of a certificate of occupancy, the attainment of a specified minimum rental achievement level, and delivery of other required certificates and legal opinions, the Corporation will release the letter of credit relating to the applicable construction 2005 Series C Mortgage Loan. If said letter of credit is not released because of a failure by the Mortgagor of a 2005 Series C Development to comply with the conditions enumerated in the HDC Commitment or if said letter of credit is not extended beyond its maturity until such conditions are satisfied, it is expected that said letter of credit will be drawn upon by the Corporation and the proceeds from said draw could be used to redeem a portion of the Outstanding 2005 Series C Bonds, (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series C/D Bonds—Special Redemption from Recoveries of Principal”). Until such letter of credit is released, the bank issuing the letter of credit will service or provide for the servicing of the applicable 2005 Series C Mortgage Loan. Thereafter, it is expected that the Corporation will service the applicable 2005 Series C Mortgage Loan (see “THE PROGRAM—Servicing” in the 2005 Series A/B Official Statement).

No assurances can be given that all of the Mortgagors of the 2005 Series C Mortgage Loans will enter into an HDC Commitment, or that such construction or permanent 2005 Series C Mortgage Loans will be made or, if made, funded in the amounts presently contemplated by the Corporation (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series C Bonds—Special Redemption from Unexpended 2005 Series C Bond Proceeds”).

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2005 Series D Mortgage Loan

2005 Series D GNMA Securities. The proceeds of the 2005 Series D Bonds are expected to be used to acquire the 2005 Series D GNMA Securities which will constitute the 2005 Series D Mortgage Loan. The loan underlying the 2005 Series D GNMA Securities will be secured by an FHA-insured mortgage encumbering the 2005 Series D Development and evidenced by a mortgage note. However, the mortgage encumbering the 2005 Series D Development will be held by the Mortgage Banker to secure the 2005 Series D GNMA Securities, and will not be pledged to the owners of the 2005 Series D Bonds. The 2005 Series D GNMA Securities will be “fully-modified pass-through” mortgage-backed securities issued and serviced by the Mortgage Banker. The face amount of the 2005 Series D GNMA Securities will be in the same amount as the mortgage note held by the Mortgage Banker. The Mortgage Banker will be required to pass through to the Trustee, as the holder of the 2005 Series D GNMA Securities, by the fifteenth (15th) day of each month (or if the 15th day is not a business day, the next business day) the monthly scheduled installments of principal and interest on such mortgage note (less the GNMA guarantee fee and the Mortgage Banker’s servicing fee), whether or not the Mortgage Banker receives such payment from the Mortgagor of the 2005 Series D Development, plus any unscheduled prepayments of principal of such mortgage note received by the Mortgage Banker.

In connection with the acquisition of the 2005 Series D GNMA Securities, the Mortgagor of the 2005 Series D Development is required to execute a financing agreement (the “2005 Series D Financing Agreement”) with the Corporation, the Trustee and the Mortgage Banker which is expected to occur on or before the issuance of the 2005 Series D Bonds. Pursuant to the 2005 Series D Financing Agreement, the Mortgage Banker will issue a construction loan certificate during construction for each construction loan advance (each, a “CLC”) and a permanent loan certificate after construction completion (the “PLC”). The CLCs and the PLC will be guaranteed as to timely payment of principal and interest by GNMA and are collectively referred to as the “2005 Series D GNMA Securities.” The CLCs are each expected to mature at least twelve (12) months after construction is anticipated to be completed for the 2005 Series D Development (see “2005 Series D Development” below).

If the CLCs mature and are not extended or replaced by the PLC, the payments from the CLCs could result in the redemption of the Outstanding 2005 Series D Bonds. In addition, the Outstanding 2005 Series D Bonds could be redeemed prior to maturity under certain other circumstances. See “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series D Bonds—Special Redemption from Recoveries of Principal.” No assurances can be given that CLCs or the PLC will be obtained or, if obtained, that the amount of the PLC will equal the amount deposited in the Bond Proceeds Account from the proceeds of the 2005 Series D Bonds. See “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series D Bonds—Special Redemption from Unexpended 2005 Series D Bond Proceeds.”

2005 Series D Development

It is anticipated that the proceeds of the 2005 Series D Bonds will be used to acquire the 2005 Series D GNMA Securities to finance the following 2005 Series D Development:

Anticipated Mortgage Loan Supplemental Security	Subsidy Programs	Development Name	Borough	Number of Units	Anticipated Construction Mortgage Loan Amount	Anticipated Permanent Mortgage Loan Amount	Anticipated Non-Bond Loan Payment
GNMA	Section 8/ LAMP	Kings County Senior Residence	Brooklyn	173	\$13,145,000	\$13,145,000	\$7,500,000

For a description of GNMA, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—GNMA Mortgage-Backed Securities Program” in the 2005 Series A/B Official Statement. For a description of Section 8, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Section 8 Program” in the 2005 Series A/B Official Statement. For a description of LAMP, see “Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Corporation Programs—Low-income Affordable Marketplace Program” in the 2005 Series A/B Official Statement.

The Mortgagor of the 2005 Series D Mortgage Loan has executed a commitment with the Corporation in which the Corporation has agreed to provide a 2005 Series D Mortgage Loan during construction and/or on a permanent basis.

The 2005 Series D Mortgage Loan will be assigned a valuation of 100% under the 2005 Series D Supplemental Resolution. For a discussion of the valuation process, see “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates.”

Construction of the 2005 Series D Development is expected to be completed within eighteen (18) months of the making of the 2005 Series D Mortgage Loan.

2005 Series D Non-Bond Loan

The Corporation will use moneys other than proceeds of Bonds to make a loan in the amount of \$7,500,000 to the Mortgagor of the 2005 Series D Development to finance additional construction costs (the “2005 Series D Non-Bond Loan”). The 2005 Series D Non-Bond Loan will mature on April 1, 2009; provided however that the Mortgagor will be required to prepay the 2005 Series D Non-Bond Loan following completion of construction of the 2005 Series D Development, which may occur prior to such maturity date. Payment of the 2005 Series D Non-Bond Loan is guaranteed by MMA Financial Holdings, Inc., a Florida corporation. Such payment or prepayment is referred to as the “2005 Series D Non-Bond Loan Payment.” The Corporation intends to apply the 2005 Series D Non-Bond Loan Payment to redeem prior to maturity or pay at maturity the 2005 Series D Bonds which mature on May 1, 2009 (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series D Bonds—Extraordinary Redemption of the 2005 Series D Bonds from 2005 Series D Non-Bond Loan Payment”). Although a significant source of funds for the payment of the 2005 Series D Non-Bond Loan is expected to come from the syndication of federal low income housing tax credits with respect to said 2005 Series D Development, the 2005 Series D Non-Bond Loan Payment is required to be made by the Mortgagor of said 2005 Series D Development whether or not the federal low income housing tax credit syndication proceeds are obtained. Failure by such Mortgagor to make the 2005 Series D Non-Bond Loan Payment is not a default under the 2005 Series D Mortgage Loan. See “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series D Bonds—Special Redemption from Recoveries of Principal.”

Mortgage Terms

The interest rate for the 2005 Series D Mortgage Loan is anticipated to be 4.08% prior to completion of construction of the 2005 Series D Development and 3.22% after completion of construction. The term to maturity for the 2005 Series D Mortgage Loan is anticipated to be approximately 40 years from the completion of construction. The 2005 Series D Mortgage Loan is expected to contain provisions prohibiting the Mortgagor of the 2005 Series D Development from making any prepayment prior to May 1, 2015 (see “DESCRIPTION OF THE 2005 SERIES C/D BONDS—Redemption Provisions for the 2005 Series D Bonds—Special Redemption from Recoveries of Principal” below and “Appendix E-2—Mortgage Loan Prepayment Provisions—Category 7” in the 2005 Series A/B Official Statement).

DESCRIPTION OF THE 2005 SERIES C/D BONDS

General

The 2005 Series C/D Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. The Bank of New York is the Trustee for the Bonds, including the 2005 Series C/D Bonds.

The 2005 Series C/D Bonds will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the 2005 Series C/D Bonds will accrue from their dated date and be payable on May 1 and November 1 in each year, commencing November 1, 2005, at the rates per annum set forth on the inside cover page of this Official Statement. Interest on the 2005 Series C/D Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Redemption Provisions for the 2005 Series C Bonds

The 2005 Series C Bonds are subject to special redemption, sinking fund redemption and optional redemption prior to maturity, all as described below.

Special Redemption from Recoveries of Principal

The 2005 Series C Bonds are subject to redemption, in whole or in part, at any time at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series C Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from amounts representing: (a) Recoveries of Principal with respect to the 2005 Series C Mortgage Loans other than as described in the succeeding paragraph deposited in the Redemption Account and (b) any other monies made available under the General Resolution in connection with the redemptions described in clause (a) above. See also "PLAN OF FINANCING—2005 Series C Mortgage Loans."

The 2005 Series C Bonds are subject to redemption, in whole or in part, at any time prior to maturity on or after May 1, 2015, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series C Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from amounts representing Recoveries of Principal deposited in the Redemption Account and resulting from (a) proceeds of an optional prepayment of any 2005 Series C Mortgage Loan by the Mortgagor thereof (which optional prepayment shall not include the proceeds of the applicable 2005 Series C Mortgage Loan Mandatory Prepayment but which may be derived from proceeds of a new series of bonds issued by the Corporation), (b) proceeds of the sale, assignment, endorsement or other disposition of any 2005 Series C Mortgage Loan (other than a sale, assignment, endorsement or other disposition required pursuant to the General Resolution in the event of a default under the General Resolution or made when, in the sole judgment of the Corporation, such 2005 Series C Mortgage Loan is in default) and (c) any other monies made available under the General Resolution in connection with the redemptions described in clauses (a) and (b) above.

Notwithstanding anything to the contrary contained in the Resolutions, so long as the 2005 Series C Bonds remain Outstanding, (i) the only Series of Bonds that may be redeemed in accordance with the redemption provisions described above in connection with Recoveries of Principal deposited in the Redemption Account derived from or with respect to the underlying 2005 Series C Mortgage Loans or the 2005 Series C Developments shall be the 2005 Series C Bonds and (ii) the 2005 Series C Bonds may not be redeemed in accordance with the redemption provisions described above in connection with Recoveries of Principal deposited in the Redemption Account derived from or with respect to any Mortgage Loans or Developments financed in connection with a Series of Bonds other than the 2005 Series C Bonds.

As provided in the Resolutions, the Recoveries of Principal described under “Redemption Provisions for the 2005 Series C Bonds—Special Redemption from Recoveries of Principal” above shall be deposited in the Redemption Account and applied to the redemption of the 2005 Series C Bonds unless the Corporation files written instructions with the Trustee, accompanied by a Cash Flow Statement, directing that all or any portion of such Recoveries of Principal be deposited in the Revenue Account. See “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” and “Appendix B—Summary of Certain Provisions of the General Resolution” in the 2005 Series A/B Official Statement.

See “THE PROGRAM—Certain Factors Affecting the Mortgage Loans” and “Appendix E-2—Mortgage Loan Prepayment Provisions” in the 2005 Series A/B Official Statement for a description of the prepayment features applicable to the Mortgage Loans .

Extraordinary Redemption from Recoveries of Principal for the 2005 Series C Bonds

The 2005 Series C Bonds maturing on May 1, 2009 are subject to redemption in whole or in part at any time prior to maturity on or after May 1, 2007, from amounts representing Recoveries of Principal deposited in the Redemption Account and resulting from proceeds of the 2005 Series C Mortgage Loan Mandatory Prepayment (which shall not include the proceeds of an optional prepayment as described in “Special Redemption from Recoveries of Principal” immediately above), at a Redemption Price equal to one hundred percent (100%) of the principal amount of such 2005 Series C Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date (see “PLAN OF FINANCING—2005 Series C Mortgage Loans” for the expected amount of the 2005 Series C Mortgage Loan Mandatory Prepayments for the applicable 2005 Series C Developments). It is expected that the Mortgagors of the three (3) 2005 Series C Developments which are subject to a 2005 Series C Mortgage Loan Mandatory Prepayment will receive proceeds from the syndication of federal low income housing tax credits with respect to the applicable 2005 Series C Development in an amount sufficient to make a significant portion of the applicable 2005 Series C Mortgage Loan Mandatory Prepayment and will make the 2005 Series C Mortgage Loan Mandatory Prepayment upon receipt thereof. However, no assurance can be given that federal low income housing tax credit syndication proceeds will be obtained or, if obtained, will be in an amount sufficient to make a significant portion of the 2005 Series C Mortgage Loan Mandatory Prepayments. The 2005 Series C Mortgage Loan Mandatory Prepayments are required to be made by said Mortgagor whether or not the federal low income housing tax credit syndication proceeds are obtained. See “PLAN OF FINANCING—2005 Series C Mortgage Loans—Mandatory Prepayment.”

Special Redemption from Unexpended 2005 Series C Bond Proceeds

The 2005 Series C Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series C Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, in an amount not in excess of amounts on deposit in the Bond Proceeds Account representing unexpended proceeds of the 2005 Series C Bonds not used to finance the 2005 Series C Mortgage Loans and any other monies made available under the General Resolution in connection with such redemption.

Sinking Fund Redemption for the 2005 Series C Bonds

The 2005 Series C Term Bonds maturing on November 1, 2025 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2005 Series C Bonds specified for each of the Redemption Dates shown below:

2005 SERIES C TERM BONDS MATURING ON NOVEMBER 1, 2025

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
May 1, 2016	\$55,000	May 1, 2021	\$65,000
Nov. 1, 2016	55,000	Nov. 1, 2021	70,000
May 1, 2017	55,000	May 1, 2022	70,000
Nov. 1, 2017	55,000	Nov. 1, 2022	70,000
May 1, 2018	55,000	May 1, 2023	70,000
Nov. 1, 2018	60,000	Nov. 1, 2023	75,000
May 1, 2019	60,000	May 1, 2024	75,000
Nov. 1, 2019	65,000	Nov. 1, 2024	80,000
May 1, 2020	60,000	May 1, 2025	75,000
Nov. 1, 2020	65,000	Nov. 1, 2025 [†]	80,000

[†] Stated maturity

The 2005 Series C Term Bonds maturing on May 1, 2037 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2005 Series C Bonds specified for each of the Redemption Dates shown below:

2005 SERIES C TERM BONDS MATURING ON MAY 1, 2037

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
May 1, 2026	\$ 75,000	May 1, 2032	\$105,000
Nov. 1, 2026	80,000	Nov. 1, 2032	105,000
May 1, 2027	80,000	May 1, 2033	105,000
Nov. 1, 2027	85,000	Nov. 1, 2033	110,000
May 1, 2028	85,000	May 1, 2034	110,000
Nov. 1, 2028	85,000	Nov. 1, 2034	115,000
May 1, 2029	90,000	May 1, 2035	120,000
Nov. 1, 2029	95,000	Nov. 1, 2035	120,000
May 1, 2030	90,000	May 1, 2036	125,000
Nov. 1, 2030	100,000	Nov. 1, 2036	125,000
May 1, 2031	95,000	May 1, 2037 [†]	130,000
Nov. 1, 2031	100,000		

[†] Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Corporation, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the 2005 Series C Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption

Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Corporation files a Cash Flow Statement with the Trustee as provided in the General Resolution.

Upon the purchase or redemption of any 2005 Series C Bonds for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, an amount equal to the principal amount of the 2005 Series C Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the 2005 Series C Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

Optional Redemption

The 2005 Series C Bonds are also subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity on or after May 1, 2015, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series C Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date.

Redemption Provisions for the 2005 Series D Bonds

The 2005 Series D Bonds are subject to special redemption, extraordinary redemption, sinking fund redemption and optional redemption prior to maturity, all as described below.

Special Redemption from Recoveries of Principal

The 2005 Series D Bonds are subject to redemption, in whole or in part, at any time, prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series D Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from amounts representing: (a) Recoveries of Principal with respect to the 2005 Series D Mortgage Loan other than as described in the succeeding paragraph deposited in the Redemption Account and (b) any other monies made available under the General Resolution in connection with the redemptions described in clause (a) above. See also "PLAN OF FINANCING—2005 Series D Mortgage Loan."

The 2005 Series D Bonds are subject to redemption, in whole or in part, at any time prior to maturity on or after May 1, 2015, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series D Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date, from amounts representing: (a) Recoveries of Principal deposited in the Redemption Account with respect to the 2005 Series D Mortgage Loan and the underlying mortgage loan backing the 2005 Series D Mortgage Loan and resulting from any amounts required to be passed through the 2005 Series D Mortgage Loan as a result of (i) the advance payment of principal amounts to become due pursuant to the underlying mortgage loan, at the option of the Mortgagor of the 2005 Series D Development (which advance payment may be derived from proceeds of a new series of bonds issued by the Corporation), (ii) proceeds of the sale, assignment, endorsement or other disposition of the underlying mortgage loan (other than a sale, assignment, endorsement or other disposition made when the underlying mortgage loan is in default, including proceeds of FHA Insurance, if any, with respect to the underlying mortgage loan) and (b) any other monies made available under the General Resolution in connection with the redemptions described in clauses (a) above.

Notwithstanding anything to the contrary contained in the Resolutions, so long as the 2005 Series D Bonds remain Outstanding, (i) the only Series of Bonds that may be redeemed in accordance with the redemption provisions described above in connection with Recoveries of Principal deposited in the Redemption Account derived from or with respect to the underlying 2005 Series D Mortgage Loan or the 2005 Series D Development shall be the 2005 Series D Bonds and (ii) the 2005 Series D Bonds may not

be redeemed in accordance with the redemption provisions described above in connection with Recoveries of Principal deposited in the Redemption Account derived from or with respect to any Mortgage Loans or Developments financed in connection with a Series of Bonds other than the 2005 Series D Bonds.

As provided in the Resolutions, the Recoveries of Principal described under “Redemption Provisions for the 2005 Series D Bonds—Special Redemption from Recoveries of Principal” above shall be deposited in the Redemption Account and applied to the redemption of the 2005 Series D Bonds unless the Corporation files written instructions with the Trustee, accompanied by a Cash Flow Statement, directing that all or any portion of such Recoveries of Principal be deposited in the Revenue Account. See “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” and “Appendix B—Summary of Certain Provisions of the General Resolution” in the 2005 Series A/B Official Statement.

See “THE PROGRAM—Certain Factors Affecting the Mortgage Loans” and “Appendix E-3—Mortgage Loan Prepayment Provisions” for a description of the prepayment features applicable to the Mortgage Loans in the 2005 Series A/B Official Statement.

Extraordinary Redemption of the 2005 Series D Bonds from 2005 Series D Non-Bond Loan Payment

The 2005 Series D Bonds maturing on May 1, 2009 are subject to redemption in whole or in part at any time prior to maturity on or after May 1, 2007, from proceeds of the 2005 Series D Non-Bond Loan Payment, at a Redemption Price equal to one hundred percent (100%) of the principal amount of such 2005 Series D Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date (see “PLAN OF FINANCING—2005 Series D Mortgage Loan” for the expected amount of the 2005 Series D Non-Bond Loan Payment for the 2005 Series D Development). It is expected that the Mortgagor of the 2005 Series D Development will receive proceeds from the syndication of federal low income housing tax credits with respect to said 2005 Series D Development in an amount sufficient to make a significant portion of its 2005 Series D Non-Bond Loan Payment and will make the 2005 Series D Non-Bond Loan Payment upon receipt thereof. However, no assurance can be given that federal low income housing tax credit syndication proceeds will be obtained or, if obtained, will be in an amount sufficient to make a significant portion of the 2005 Series D Non-Bond Loan Payment. The 2005 Series D Non-Bond Loan Payment is required to be made by said Mortgagor whether or not the federal low income housing tax credit syndication proceeds are obtained. See “PLAN OF FINANCING—2005 Series D Non-Bond Loan—Payment of 2005 Series D Non-Bond Loan.”

Special Redemption from Unexpended 2005 Series D Bond Proceeds

The 2005 Series D Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series D Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, in an amount not in excess of amounts on deposit in the Bond Proceeds Account representing unexpended proceeds of the 2005 Series D Bonds not used to finance the 2005 Series D Mortgage Loan and any other monies made available under the General Resolution in connection with such redemption.

Sinking Fund Redemption for the 2005 Series D Bonds

The 2005 Series D Term Bonds maturing on May 1, 2047 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on May 1 and November 1 of each year the principal amount of such 2005 Series D Bonds specified for each of the Redemption Dates shown below:

2005 SERIES D TERM BONDS
MATURING ON MAY 1, 2047

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
May 1, 2016	\$40,000	May 1, 2032	\$ 80,000
Nov. 1, 2016	40,000	Nov. 1, 2032	80,000
May 1, 2017	40,000	May 1, 2033	85,000
Nov. 1, 2017	40,000	Nov. 1, 2033	85,000
May 1, 2018	45,000	May 1, 2034	90,000
Nov. 1, 2018	45,000	Nov. 1, 2034	85,000
May 1, 2019	40,000	May 1, 2035	95,000
Nov. 1, 2019	45,000	Nov. 1, 2035	95,000
May 1, 2020	50,000	May 1, 2036	95,000
Nov. 1, 2020	45,000	Nov. 1, 2036	100,000
May 1, 2021	50,000	May 1, 2037	90,000
Nov. 1, 2021	50,000	Nov. 1, 2037	100,000
May 1, 2022	50,000	May 1, 2038	100,000
Nov. 1, 2022	50,000	Nov. 1, 2038	100,000
May 1, 2023	55,000	May 1, 2039	105,000
Nov. 1, 2023	55,000	Nov. 1, 2039	110,000
May 1, 2024	55,000	May 1, 2040	110,000
Nov. 1, 2024	55,000	Nov. 1, 2040	110,000
May 1, 2025	60,000	May 1, 2041	115,000
Nov. 1, 2025	60,000	Nov. 1, 2041	115,000
May 1, 2026	60,000	May 1, 2042	125,000
Nov. 1, 2026	60,000	Nov. 1, 2042	120,000
May 1, 2027	65,000	May 1, 2043	125,000
Nov. 1, 2027	65,000	Nov. 1, 2043	130,000
May 1, 2028	65,000	May 1, 2044	135,000
Nov. 1, 2028	65,000	Nov. 1, 2044	135,000
May 1, 2029	70,000	May 1, 2045	135,000
Nov. 1, 2029	75,000	Nov. 1, 2045	145,000
May 1, 2030	70,000	May 1, 2046	140,000
Nov. 1, 2030	75,000	Nov. 1, 2046	150,000
May 1, 2031	75,000	May 1, 2047 [†]	155,000
Nov. 1, 2031	80,000		

[†] Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Corporation, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the 2005 Series D Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Corporation files a Cash Flow Statement with the Trustee as provided in the General Resolution.

Upon the purchase or redemption of any 2005 Series D Bonds, for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, an amount equal to the principal amount of the 2005 Series D Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the 2005 Series D Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order,

unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

Optional Redemption

The 2005 Series D Bonds are also subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity on or after May 1, 2015, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2005 Series D Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date.

Selection of Bonds to be Redeemed

Subject to the redemption requirements set forth in a Supplemental Resolution authorizing a particular Series of Bonds, in the event of a partial redemption of Bonds in connection with Recoveries of Principal, the Series, the maturity or maturities, and the amount thereof, to be so redeemed shall be selected as directed by the Corporation in written instructions filed with the Trustee accompanied by a Cash Flow Statement. In the absence of such direction, (i) Bonds of each Series subject to redemption shall be redeemed in connection with Recoveries of Principal derived from or with respect to the Mortgage Loans financed from or allocated to such Bonds and (ii) Bonds of each maturity within each Series of Bonds subject to redemption shall be redeemed in the proportion that the amount Outstanding of each such maturity bears to the total amount of all Outstanding Bonds of such Series. The Series and maturities of 2005 Series C/D Bonds to be redeemed in accordance with the optional redemption provisions described above shall be selected as directed by the Corporation. In the event of redemption of less than all the Bonds of the same Series and maturity, the Trustee shall select the Bonds by lot, using such method of selection as it shall deem proper in its sole discretion.

Corporation's Right to Purchase Bonds

The Corporation retains the right to purchase any Series of 2005 Series C/D Bonds, at such times, in such amounts and at such prices as the Corporation shall determine, subject to the provisions of the General Resolution, and, thereby, reduce its obligations, including Sinking Fund Payments, for such Series of 2005 Series C/D Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in the 2005 Series A/B Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem a Series of 2005 Series C/D Bonds, or is otherwise required to redeem a Series of 2005 Series C/D Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Series of 2005 Series C/D Bonds. Such notice will specify the Series and maturities of the 2005 Series C/D Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than thirty (30) days before the Redemption Date for the 2005 Series C/D Bonds, the Trustee is to mail a copy of such notice to the registered owners of any 2005 Series C/D Bonds which are to be redeemed at their last addresses appearing upon the registry books. Interest will not be payable on any Series of 2005 Series C/D Bonds after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Series of 2005 Series C/D Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York will act as securities depository for the 2005 Series C/D Bonds. The 2005 Series C/D Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for

each maturity of each Series of the 2005 Series C/D Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of 2005 Series C/D Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such 2005 Series C/D Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2005 Series C/D Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2005 Series C/D Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2005 Series C/D Bonds, except in the event that use of the book-entry system for the 2005 Series C/D Bonds is discontinued.

To facilitate subsequent transfers, all 2005 Series C/D Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2005 Series C/D Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2005 Series C/D Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 2005 Series C/D Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2005 Series C/D Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2005 Series C/D Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2005 Series C/D Bond documents. For example, Beneficial Owners of 2005 Series C/D Bonds may wish to ascertain that the nominee holding the 2005 Series C/D Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the 2005 Series C/D Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2005 Series C/D Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2005 Series C/D Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the 2005 Series C/D Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Corporation or Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Corporation or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2005 Series C/D Bonds at any time by giving reasonable notice to the Corporation or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, such 2005 Series C/D Bond certificates, as the case may be, are required to be printed and delivered. The Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, 2005 Series C/D Bond certificates will be printed and delivered.

The above information concerning DTC and DTC's book-entry system has been obtained from sources that the Corporation and the Underwriter believe to be reliable, but neither the Corporation nor the Underwriter takes responsibility for the accuracy thereof. The Beneficial Owners should confirm the foregoing information with DTC, the Direct Participants or the Indirect Participants.

So long as Cede & Co. is the registered owner of the 2005 Series C/D Bonds of a Series, as nominee for DTC, references herein to Bond owners or registered owners of the 2005 Series C/D Bonds of such Series (other than under the heading "TAX MATTERS") shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the 2005 Series C/D Bonds of such Series.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Trustee to DTC only.

NONE OF THE CORPORATION, THE UNDERWRITER NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2005 SERIES C/D BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO

RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2005 SERIES C/D BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE 2005 SERIES C/D BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE 2005 SERIES C/D BONDS; OR (VI) ANY OTHER MATTER.

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RATINGS

Standard & Poor's Ratings Services and Moody's Investors Service, Inc. have assigned the 2005 Series C/D Bonds ratings of "AA" and "Aa2," respectively. Such ratings reflect only the respective views of such rating agencies, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that either or both of such ratings will be retained for any given period of time or that the same will not be revised downward or withdrawn entirely by the rating agency furnishing the same if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the 2005 Series C/D Bonds.

AGREEMENT OF THE STATE

Section 657 of the Act provides that the State pledges to and agrees with the holders of obligations of the Corporation, including owners of the 2005 Series C/D Bonds, that it will not limit or alter the rights vested by the Act in the Corporation to fulfill the terms of any agreements made with the owners of the 2005 Series C/D Bonds, or in any way impair the rights and remedies of such owners until the 2005 Series C/D Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such owners of the 2005 Series C/D Bonds, are fully met and discharged.

TAX MATTERS

Opinion of Bond Counsel to the Corporation

2005 Series C Bonds and 2005 Series D Bonds

In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions, (i) interest on the 2005 Series C Bonds and 2005 Series D Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any 2005 Series C Bond or 2005 Series D Bond for any period during which such 2005 Series C Bond or 2005 Series D Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the 2005 Series C Bonds or 2005 Series D Bonds or a "related person," and (ii) interest on the 2005 Series C Bonds and 2005 Series D Bonds, however, is treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code. In rendering such opinion, Bond Counsel to the Corporation has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation, the Mortgagors of the 2005 Series C Developments, the Mortgagor of the 2005 Series D Development and others in connection with the issuance of the 2005 Series C/D Bonds and Bond Counsel to the Corporation has assumed compliance by the Corporation, the Mortgagors of the 2005 Series C Developments and the Mortgagor of the 2005 Series D Development with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2005 Series C Bonds and 2005 Series D Bonds from gross income under Section 103 of the Code.

In the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2005 Series C/D Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Bond Counsel to the Corporation expresses no opinion regarding any other Federal or state tax consequences with respect to the 2005 Series C/D Bonds. Bond Counsel to the Corporation renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law

or interpretation, or otherwise. Bond Counsel to the Corporation expresses no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the 2005 Series C Bonds and the 2005 Series D Bonds, or under state and local tax law.

Summary of Certain Federal Tax Requirements for the 2005 Series C and 2005 Series D Bonds

2005 Series C Bonds

Under applicable provisions of the Code, the exclusion from gross income of interest on the 2005 Series C Bonds for purposes of Federal income taxation requires with respect to the 2005 Series C Developments financed by the 2005 Series C Bonds that (i) at least 25% of the units in such Developments be occupied during the “Qualified Project Period” (as defined in this paragraph) by individuals whose incomes, determined in a manner consistent with Section 8 of the United States Housing Act of 1937, as amended, do not exceed 60% of the median income for the area, as adjusted for family size, and (ii) all of the units of such Developments be rented or available for rental on a continuous basis during the Qualified Project Period. “Qualified Project Period” for such Developments financed with the proceeds of the 2005 Series C Bonds means a period commencing upon occupancy of 10% of the units in such Development and running until the later of (i) the date which is 15 years after occupancy of 50% of the units in such Development and (ii) the first date on which no tax-exempt private activity bonds issued with respect to such Developments are outstanding. Each such Development will meet the continuing low income requirement as long as an individual’s income does not increase to more than 140% of the applicable limit. Upon an increase over 140% of the applicable limit, the next available unit of comparable or smaller size in such Development must be rented to an individual having an income of 60% or less of the area median income, as adjusted for family size.

2005 Series D Bonds

Under applicable provisions of the Code, the exclusion from gross income of interest on the 2005 Series D Bonds for purposes of Federal income taxation requires with respect to the 2005 Series D Development financed by the 2005 Series D Bonds that (i) at least 25% of the units in the Development be occupied during the “Qualified Project Period” (as defined in this paragraph) by individuals whose incomes, determined in a manner consistent with Section 8 of the United States Housing Act of 1937, as amended, do not exceed 60% of the median income for the area, as adjusted for family size, and (ii) all of the units of the Development be rented or available for rental on a continuous basis during the Qualified Project Period. “Qualified Project Period” for the Development financed with the proceeds of the 2005 Series D Bonds means a period commencing upon occupancy of 10% of the units in such Development and running until the later of (i) the date which is 15 years after occupancy of 50% of the units in such Development and (ii) the first date on which no tax-exempt private activity bonds issued with respect to such Development are outstanding. The Development will meet the continuing low income requirement as long as an individual’s income does not increase to more than 140% of the applicable limit. Upon an increase over 140% of the applicable limit, the next available unit of comparable or smaller size in such Development must be rented to an individual having an income of 60% or less of the area median income, as adjusted for family size.

Compliance and Additional Requirements for the 2005 Series C Bonds and the 2005 Series D Bonds

In the event of noncompliance with the above requirements arising from events occurring after the issuance of the 2005 Series C Bonds and the 2005 Series D Bonds, the Treasury Regulations provide that the exclusion of interest from gross income for Federal income tax purposes will not be impaired if the Corporation takes appropriate corrective action within a reasonable period of time after such noncompliance is first discovered or should have been discovered by the Corporation.

In addition, the Code establishes certain additional requirements which must be met subsequent to the issuance and delivery of the 2005 Series C Bonds and the 2005 Series D Bonds in order that interest

on the 2005 Series C Bonds and the 2005 Series D Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of the proceeds of the 2005 Series C Bonds and the 2005 Series D Bonds, yield and other limits regarding investments of the proceeds of the 2005 Series C Bonds and the 2005 Series D Bonds and other funds, and rebate of certain investment earnings on such amounts on a periodic basis to the United States.

The Corporation has covenanted in the Resolutions that it shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the 2005 Series C Bonds and the 2005 Series D Bonds shall be excluded from gross income for Federal income tax purposes. The Corporation has included provisions in the Resolutions and its Federal Tax Regulatory Certificate, and has established procedures in order to assure compliance with the requirements which must be met subsequent to the issuance of the 2005 Series C Bonds and the 2005 Series D Bonds. In connection with the issuance of the 2005 Series C Bonds and the 2005 Series D Bonds, the Corporation will receive certain certifications from the Mortgagor of each Development to be financed with the proceeds of the 2005 Series C Bonds and the 2005 Series D Bonds to assure compliance with the Code. However, no assurance can be given that in the event of a breach of any such covenants, or noncompliance with the provisions, procedures or certifications set forth therein, the remedies available to the Corporation and/or the owners of the 2005 Series C Bonds and the 2005 Series D Bonds can be judicially enforced in such manner as to assure compliance with the above-described requirements and therefore to prevent the loss of the exclusion of interest from gross income for Federal income tax purposes. Any loss of such exclusion of interest from gross income may be retroactive to the date from which interest on the 2005 Series C Bonds and the 2005 Series D Bonds is payable.

Certain Collateral Federal Tax Consequences for the 2005 Series C Bonds and the 2005 Series D Bonds

The following is a brief discussion of certain collateral Federal income tax matters with respect to the 2005 Series C Bonds and the 2005 Series D Bonds. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a 2005 Series C Bond and a 2005 Series D Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own advisors regarding the Federal tax consequences of owning and disposing of the 2005 Series C Bonds and 2005 Series D Bonds.

Prospective owners of the 2005 Series C Bonds and the 2005 Series D Bonds should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property, casualty and life insurance companies, individual recipients of Social Security or railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the 2005 Series C Bonds and the 2005 Series D Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Legislation

Legislation affecting municipal bonds is frequently considered by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the 2005 Series C Bonds or the 2005 Series D Bonds will not have an adverse effect on the tax-exempt status or market price of the 2005 Series C Bonds or the 2005 Series D Bonds.

NO LITIGATION

At the time of delivery and payment for the 2005 Series C/D Bonds, the Corporation will deliver, or cause to be delivered, a certificate of the Corporation substantially to the effect that there is no litigation or other proceeding of any nature now pending or threatened against or adversely affecting the

Corporation of which the Corporation has notice or, to the Corporation's knowledge, any basis therefor, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2005 Series C/D Bonds, or in any way contesting or affecting the validity of the 2005 Series C/D Bonds, the Resolutions, the Disclosure Agreement (as defined below), any investment agreement related to the 2005 Series C/D Bonds or any proceedings of the Corporation taken with respect to the issuance or sale of the 2005 Series C/D Bonds, or the pledge, collection or application of any monies or security provided for the payment of the Bonds (including the 2005 Series C/D Bonds), or the financing of the 2005 Series C Mortgage Loans or the 2005 Series D Mortgage Loan, or the existence, powers or operations of the Corporation, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, if any.

CERTAIN LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the 2005 Series C/D Bonds by the Corporation are subject to the approval of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation. Certain legal matters will be passed upon for the Corporation by its General Counsel. Certain legal matters will be passed upon for the Underwriter by its Counsel, Orrick, Herrington & Sutcliffe, LLP, New York, New York. Orrick, Herrington & Sutcliffe, LLP has represented one Mortgagor, which Mortgagor has an aggregate outstanding Mortgage Loan of approximately \$6,000,000.

LEGALITY OF 2005 SERIES C/D BONDS FOR INVESTMENT AND DEPOSIT

Under the provisions of Section 662 of the Act, the 2005 Series C/D Bonds are securities in which all public officers and bodies of the State of New York and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or in other obligations of the State, may properly and legally invest funds, including capital, in their control or belonging to them. The 2005 Series C/D Bonds are also securities which may be deposited with and may be received by all public officers and bodies of the State and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or hereafter authorized.

FINANCIAL STATEMENTS

The financial statements of the Corporation as of October 31, 2004 and for the year ended October 31, 2004, which are included as Appendix C to the 2005 Series A/B Official Statement, have been audited by Ernst & Young LLP, independent auditors, as stated in their report appearing therein. The information contained in these financial statements, which are provided for informational purposes only, should not be used in any way to modify the description of the security for the Bonds contained herein. The assets of the Corporation, other than those pledged pursuant to the General Resolution including certain instruments of the Corporation with respect to the Debt Service Reserve Account, are not pledged to nor are they available to Bond owners.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with the provisions of paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Corporation and the Trustee will enter into a written agreement for the benefit of the holders of the 2005 Series C/D Bonds (the "Disclosure Agreement") to provide continuing disclosure. The Corporation will undertake to provide to each nationally recognized municipal securities information repository designated by the Securities and Exchange Commission (a

“Repository”), and if and when one is established, a state information depository for the State of New York (the “State Information Depository”), on an annual basis on or before 150 days after the end of each fiscal year of the Corporation commencing with the fiscal year ended October 31, 2005, certain financial and operating data, referred to herein as “Corporation Annual Information,” including, but not limited to annual financial statements of the Corporation. In addition, the Corporation will undertake in the Disclosure Agreement, for the benefit of the holders of the 2005 Series C/D Bonds, to provide to each such Repository or to the Municipal Securities Rulemaking Board (“MSRB”), and to the State Information Depository, in a timely manner, the notices required to be provided by Rule 15c2-12 and described below.

The Corporation Annual Information shall consist of the following: (a) annual financial statements of the Corporation prepared in conformity with accounting principles generally accepted in the United States and audited by an independent firm of certified public accountants in accordance with auditing standards generally accepted in the United States; provided, however, that if financial statements are not available in accordance with the dates described above, unaudited financial statements shall be provided and such audited financial statements shall be delivered to each Repository and to the State Information Depository when they become available; (b) a statement setting forth the amount on deposit in the Debt Service Reserve Account; (c) a statement setting forth the valuations of the Mortgage Loans with respect to each Series of Bonds; and (d) financial and operating data of the type set forth in the 2005 Series A/B Official Statement under the headings or subheadings “BONDS OUTSTANDING UNDER THE PROGRAM,” “SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates” (chart only), “SECURITY FOR THE BONDS—Summary of Program Assets and Revenues,” “THE PROGRAM—Mortgage Loans” (charts only), “Appendix D—Activities of the Corporation,” “Appendix E-1—Developments and Mortgage Loans Outstanding under the Program,” “Appendix E-2—Mortgage Loan Prepayment Provisions” (chart only), “Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings” (chart only), “Appendix E-4—Cross-Call Provisions and Related Information,” “Appendix E-5—Projected Section 236 Contract Payments Relating to Mitchell-Lama Restructuring Bonds” and “Appendix F—Certain Investments under the General Resolution;” together with (e) such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial and operating data concerning the Corporation and in judging the financial information about the Corporation.

Pursuant to the Disclosure Agreement, the Corporation will further undertake to use its best efforts to provide to each Repository and the State Information Depository, on an annual basis on or before 150 days after the end of each fiscal year of any Mortgagor whose payment obligations under its Mortgage Note equals or exceeds twenty percent (20%) of the aggregate payment obligations due under all outstanding Mortgage Notes, certain financial and operating data, referred to herein as “Mortgagor Annual Information,” including, but not limited to, annual financial statements of such Mortgagor, prepared in accordance with generally accepted accounting principles and audited by an independent firm of certified public accountants in accordance with generally accepted auditing standards if so required by the applicable Mortgage; provided, however, that if audited financial statements are required but not available in accordance with the dates described above, unaudited financial statements shall be provided and such audited financial statements shall be delivered to each Repository and to the State Information Depository when they become available. Currently, there are no Mortgagors whose payment obligations equal or exceed the twenty percent (20%) threshold.

The notices required to be provided by Rule 15c2-12, which the Corporation will undertake to provide as described above, include notices of any of the following events with respect to the 2005 Series C/D Bonds, if material: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the 2005 Series C/D Bonds; (7) modification to the rights of holders of 2005 Series C/D Bonds; (8) 2005 Series C/D Bond calls, other than mandatory sinking fund redemptions; (9) defeasances of all or a portion

of the 2005 Series C/D Bonds; (10) the release, substitution or sale of property securing repayment of the 2005 Series C/D Bonds and (11) rating changes; and to each Repository or to the MSRB and to the State Information Depository, in a timely manner, notice of a failure by the Corporation to provide the Corporation Annual Information or the Mortgage Annual Information required by the Disclosure Agreement.

If any party to the Disclosure Agreement fails to comply with any provisions thereof, then each of the other parties to the Disclosure Agreement and, as a direct or third party beneficiary, as the case may be, any holder of the 2005 Series C/D Bonds may enforce, for the equal benefit and protection of all holders similarly situated, by mandamus or other suit or proceeding at law or in equity, the Disclosure Agreement against such party and any of its officers, agents and employees, and may compel such party or any such officers, agents or employees to perform and carry out their duties thereunder; provided that the sole and exclusive remedy for breach or default under the Disclosure Agreement to provide the continuing disclosure described above is an action to compel specific performance of the undertakings contained therein, and no person or entity may recover monetary damages thereunder under any circumstances; provided, however, that the rights of any holder of 2005 Series C/D Bonds to challenge the adequacy of the information provided by the Corporation are conditioned upon the provisions of the General Resolution with respect to the enforcement of remedies of holders of the 2005 Series C/D Bonds upon the occurrence of an Event of Default described in the General Resolution. A breach or default under the Disclosure Agreement shall not constitute an Event of Default under the General Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the Disclosure Agreement, insofar as the provisions of Rule 15c2-12 no longer in effect required the provision of such information, shall no longer be required to be provided. Beneficial Owners of the 2005 Series C/D Bonds are third-party beneficiaries of the Disclosure Agreement and, as such, are deemed to be holders of the 2005 Series C/D Bonds of the purposes of exercising remedies.

The foregoing undertakings are intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data. Where an undertaking calls for information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. The Disclosure Agreement, however, may be amended or modified without the consent of the holders of the 2005 Series C/D Bonds under certain circumstances set forth in the Disclosure Agreement.

Copies of the Disclosure Agreement, when executed and delivered by the parties thereto on the date of the initial delivery of the 2005 Series C/D Bonds, will be on file at the office of the Corporation.

With regard to each Series of Bonds issued under the General Resolution to which Rule 15c2-12 applies, the Corporation has entered into agreements substantially identical to the Disclosure Agreement and has complied with the provisions of such agreements. Rule 15c2-12 applies to the 1996 Series A Bonds and each subsequent Series of Bonds issued under the General Resolution.

From time to time the Corporation has entered into other agreements to provide continuing disclosure (each, a "CDA") with regard to bonds that were not issued under the General Resolution. The Corporation has fully complied with such CDAs to date except with respect to one financing. In that instance, the underlying obligor failed to provide certain of the information required by the CDA to the Corporation and the Corporation did not provide notice of such failure as required by the CDA. Subsequently, the Corporation (i) provided notice of the failure of such underlying obligor to provide such information as required by the CDA and (ii) provided such information as required by the CDA promptly upon receipt by the Corporation.

APPENDICES TO 2005 SERIES A/B OFFICIAL STATEMENT

Any reference to the 2005 Series A Bonds or the 2005 Series B Bonds in the information incorporated herein by reference in “Appendix A - Definitions of Certain Terms” and “Appendix B - Summary of Certain Provisions of the General Resolution” shall be read to be a reference to the 2005 Series C Bonds or the 2005 Series D Bonds, respectively, unless the context thereof clearly indicates that such information is only applicable to the 2005 Series A Bonds or the 2005 Series B Bonds.

The following supplements the information contained in “Appendix A - Definitions of Certain Terms.”

With respect to the definition of “Pledged Receipts”: The 2005 Series C Supplemental Resolution, with respect to the 2005 Series C Mortgage Loans, provides that any prepayment premium or penalty shall not constitute a Pledged Receipt. The 2005 Series C Supplemental Resolution provides that, with respect to any Acquired Project, Acquired Project Net Operating Income shall constitute a Pledged Receipt. The 2005 Series C Supplemental Resolution, with respect to the 2005 Series C Mortgage Loans, provides that (i) the payment in whole or in part of a 2005 Series C Mortgage Loan Mandatory Prepayment on or after April 1, 2009 and (ii) amounts obtained under a letter of credit or other credit enhancement securing a 2005 Series C 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 2005 Series C Mortgage Loan with respect to scheduled principal and/or interest payments required by such 2005 Series C Mortgage Loan, including the applicable 2005 Series C Mortgage Loan Mandatory Prepayment, shall constitute Pledged Receipts.

With respect to the definition of “Recoveries of Principal”: The 2005 Series C Supplemental Resolution, with respect to the 2005 Series C Mortgage Loans provides that any prepayment premium or penalty shall not constitute a Recovery of Principal. The 2005 Series C Supplemental Resolution provides that, with respect to any Acquired Project, the proceeds of sale of any Acquired Project shall constitute a Recovery of Principal. The 2005 Series C Supplemental Resolution, with respect to the 2005 Series C Mortgage Loans, provides that (i) the payment in whole or in part of a 2005 Series C Mortgage Loan Mandatory Prepayment made prior to April 1, 2009 and (ii) amounts obtained under a letter of credit or other credit enhancement securing a 2005 Series C 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 2005 Series C Mortgage Loan other than with respect to scheduled principal and/or interest payments required by such 2005 Series C Mortgage Loan, shall constitute Recoveries of Principal. The 2005 Series D Supplemental Resolution, with respect to the 2005 Series D Mortgage Loan and the underlying mortgage loan backing the 2005 Series D Mortgage Loan, provides that any amounts required to be passed through a 2005 Series D Mortgage Loan as a result of (i) the advance payment of principal amounts to become due with respect to such underlying mortgage loan, at the option of the 2005 Series D Mortgagor or the option or direction the Federal Housing Administration, (ii) proceeds from the acceleration of payments due under such underlying mortgage loan or other remedial proceedings taken in the event of a default thereon, (iii) proceeds of insurance awards resulting from damage or destruction of the 2005 Series D Project financed by such underlying mortgage loan, which proceeds are required to be applied to payment of the related mortgage note pursuant to the related mortgage, (iv) proceeds of a condemnation award resulting from the taking by condemnation (or by agreement of interested parties in lieu of condemnation) by any governmental body or any person, firm, or corporation acting under governmental authority, of title to or any interest in or the temporary use of, the 2005 Series D Project financed by such underlying mortgage loan or any portion thereof, which proceeds are required to be applied to payment of the related mortgage note pursuant to the related mortgage, (v) proceeds of the sale, assignment, endorsement or other disposition of such underlying mortgage note, (vi) proceeds of FHA Insurance with respect to such underlying mortgage loan, and (vii) the payment at maturity of a CLC with respect to the underlying mortgage loan for which a PLC has not been acquired, shall constitute Recoveries of Principal.

The following supplements the information contained in “Appendix B - Summary of Certain Provisions of the General Resolution.”

Pursuant to the 2005 Series C Supplemental Resolution, with respect to the 2005 Series C Mortgage Loans, and pursuant to the 2005 Series D Supplemental Resolution, with respect to the 2005 Series D Mortgage Loan, the following additional provisions shall apply:

(1) The Corporation shall take all steps, actions and proceedings reasonably necessary, in the judgment of the Corporation, to protect its rights with respect to the Mortgages securing the 2005 Series C 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 2005 Series C Mortgage Loan and to protect and enforce the rights and interests of Bondholders, the Corporation may, in its discretion, commence foreclosure proceedings against each 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 2005 Series C 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 such Mortgage. The Corporation shall pay the Acquired Project Net Operating Income derived from such Acquired Project to the Trustee for deposit into the Revenue Fund.

(4) Notwithstanding the provisions of paragraph (3) above, upon acquisition by the Corporation of a Project securing a 2005 Series C 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 a Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related 2005 Series C 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 2005 Series C 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, following a default under a 2005 Series C Mortgage Loan, the Corporation may, in its discretion, cause or consent to the sale of a Project 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 a Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related underlying 2005 Series C 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 2005 Series C Mortgage Loan has been so replaced.

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

(7) In addition, and as a further alternative to the rights of the Corporation described above, following a default under a 2005 Series C Mortgage Loan, the Corporation may, in its discretion, obtain amounts under any letter of credit or other credit enhancement securing such 2005 Series C 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 2005 Series C 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 2005 Series C Mortgage Loan to or upon the order of the provider thereof free and clear of the lien of the General Resolution.

(8) The Corporation shall not take any action in conflict with the regulations or prescribed 2005 Series D Mortgage Loan documents of the Federal Housing Administration or applicable GNMA documents, rules or regulations so as to jeopardize the FHA Insurance or the guaranty of the Mortgage-Backed Securities by GNMA, or the right to receive the Mortgage-Backed Securities.

Disposition of Recoveries of Principal: All Recoveries of Principal shall be deposited in the Redemption Account and applied to the redemption of Bonds as soon as practically possible; provided, however, that, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, in lieu of such deposit, the Corporation may, upon filing a Cash Flow Statement, direct the Trustee to deposit all or a portion of any such Recoveries of Principal in the Revenue Account.

FURTHER INFORMATION

The information contained in this Official Statement is subject to change without notice and no implication should be derived therefrom or from the sale of the 2005 Series C/D Bonds that there has been no change in the affairs of the Corporation from the date hereof. Pursuant to the General Resolution, the Corporation has covenanted to keep proper books of record and account in which full, true and correct entries will be made of all its dealings and transactions under the General Resolution, and to cause such books to be audited for each fiscal year. The General Resolution requires that such books be open to inspection by the Trustee and the owners of not less than five percent (5%) of the 2005 Series C/D Bonds issued thereunder during regular business hours of the Corporation, and that the Corporation furnish a copy of the auditor's report, when available, upon the request of the owner of any Outstanding 2005 Series C/D Bonds.

Additional information, including the annual report of the Corporation, may be obtained from the undersigned at 110 William Street, New York, New York 10038, (212) 227-5500 or through its internet address: www.nychdc.com.

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MISCELLANEOUS

The 2005 Series A/B Official Statement is incorporated herein by reference. **This Official Statement is not complete unless read in conjunction with the information from the 2005 Series A/B Official Statement incorporated herein by reference.** The 2005 Series A/B Official Statement is currently on file with each of the nationally recognized securities information repositories within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, and the Municipal Securities Rulemaking Board.

Any statements in this Official Statement involving matters of opinions, whether or not expressly so stated, are intended as such, and not as representations of fact. This Official Statement is not to be construed as an agreement or contract between the Corporation and the purchasers or owners of any 2005 Series C/D Bonds.

This Official Statement is submitted in connection with the sale of the 2005 Series C/D Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Official Statement and the distribution thereof has been duly authorized and approved by the Corporation, and duly executed and delivered on behalf of the Corporation.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: _____ /s/ Emily A. Youssouf
Emily A. Youssouf
President

Dated: June 24, 2005