



NEW YORK CITY  
HOUSING DEVELOPMENT  
CORPORATION

**MEMORANDUM**

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To: Members of the Audit Committee

From: Mary Hom  
Chief Risk Officer

Date: January 26, 2021

Re: Counterparty Credit Risk Exposure

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Please find attached an unaudited report detailing the Corporation's counterparty exposure as of December 31, 2020. The previous report to the Audit Committee was dated October 31, 2020.

There were no rating agency actions of note, but there were two new approved counterparties: Dime Savings Bank and Hanover Bank. Formed in Brooklyn in 1864 as a savings bank, Dime Savings Bank is in the process of merging with Bridgehampton National Bank, a bank already on our approved list. The combined entity will have approximately \$11 billion in total assets and will be known as Dime Community Bank. Hanover Bank is a small, privately-held community-focused financial institution based in Mineola, Long Island with approximately \$850 million in total assets. Hanover is in the process of merging with Savoy Bank, and when the merger is completed in the first half of 2021, the combined entity will have approximately \$1.6 billion in total assets. Both Dime and Hanover are not rated by Moody's or S&P, but our investments in both Dime and Hanover are fully-collateralized by FHLB letters-of-credit.

HDC's counterparty exposure remains diversified with the largest exposures continuing to be with FHLMC and FNMA.

Investments rated double-A or higher were 44% of total investments, versus 45% at the last report. Investments rated triple-B or not rated were 32% of total investments, versus 29% at the last report, and are fully collateralized by high quality U.S. Treasury/Agency securities and/or FHLB letters-of-credit.

HDC exposure to liquidity providers increased to \$348.8 million due to the issuance of the 2020 Series I-3 bonds.

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of December 31, 2020**  
**(UNAUDITED)**

Counterparty	Moody's	S&P	Construction LOC	Permanent Enhancement	Investment	Liquidity Providers	TOTAL	% Total
							COUNTERPARTY EXPOSURE	Counterparty Exposure
Bank of America NA	Aa2	A+	\$551,525,000	\$19,200,000			\$570,725,000	3.63%
Bank of New York Mellon NA	Aa1	AA-	\$312,485,000				\$312,485,000	1.99%
Bank OZK	NR	NR			\$4,811,651		\$4,811,651	0.03%
Bayerische Landesbank	Aa3	NR			\$8,480,519		\$8,480,519	0.05%
Bridgehampton National Bank	NR	NR			\$187,482,660		\$187,482,660	1.19%
Capital One Bank	A1	BBB+		\$22,700,000			\$22,700,000	0.14%
Citibank NA	Aa3	A+	\$876,895,000	\$257,096,736	\$29,824,394		\$1,163,816,130	7.40%
Customers Bank	NR	NR			\$444,543,928		\$444,543,928	2.83%
Daiwa Securities	A3	A-			\$83,744,000		\$83,744,000	0.53%
Deutsche Bank	A3	BBB+		\$55,000,000			\$55,000,000	0.35%
Dime Savings Bank	NR	NR			\$25,000,000		\$25,000,000	0.16%
Dormitory Authority of the State of NY (DASNY)	Aa1	AAA			\$26,335,000		\$26,335,000	0.17%
Empire State Development Corp	Aa1	AA+			\$10,000,000		\$10,000,000	0.06%
Flushing Bank	NR	NR			\$159,750		\$159,750	0.00%
Goldman Sachs Bank	A1	A+	\$191,000,000				\$191,000,000	1.21%
Hanover Bank	NR	NR			\$25,000,000		\$25,000,000	0.16%
HDC	Aa2	AA	\$290,859,513				\$290,859,513	1.85%
JPMorgan Chase Bank NA	Aa1	A+	\$692,540,000	\$9,010,000			\$701,550,000	4.46%
Lakeland Bank	NR	NR			\$11,334,750		\$11,334,750	0.07%
Landesbank Baden-Wuerttemberg	Aa3	NR		\$70,000,000			\$70,000,000	0.44%
Mizuho Securities	A1	A			\$97,856,000		\$97,856,000	0.62%
NYC Transitional Finance Authority	Aa1	AAA			\$131,362,739		\$131,362,739	0.84%
NY Community Bank	A3	BBB-			\$758,357,279		\$758,357,279	4.82%
NYS HFA	NR	A			\$4,415,000		\$4,415,000	0.03%
People's United Bank	A2	A-			\$18,678,782		\$18,678,782	0.12%
Promontory (FDIC-insured)	Aaa	AA+			\$27,031,607		\$27,031,607	0.17%
Rabobank	Aa3	A+			\$3,969,339		\$3,969,339	0.03%
REMIC	NR	AA		\$332,878,052			\$332,878,052	2.12%
Royal Bank of Canada	Aa2	AA-				\$125,000,000	\$125,000,000	0.79%
Signature Bank	A2	NR			\$1,040,866,251		\$1,040,866,251	6.62%
Societe Generale	A1	A			\$322,446		\$322,446	0.00%
SONYMA	Aaa/Aa1	NR		\$470,657,193	\$27,830,000		\$498,487,193	3.17%
Sterling National Bank	NR	NR			\$304,258,645		\$304,258,645	1.93%
TD Bank NA	Aa2	AA-	\$170,800,000		\$419,969,220	\$80,000,000	\$670,769,220	4.26%
US Bank	Aa1	AA-			\$14,082,815		\$14,082,815	0.09%
<b>US Agency:</b>	<b>Aaa</b>	<b>AA+</b>	<b>\$107,525,000</b>	<b>\$4,033,716,351</b>	<b>\$1,719,519,028</b>		<b>\$5,860,760,379</b>	<b>37.26%</b>
FFCB					\$524,868,000		\$524,868,000	3.34%
FHA/HUD				\$509,271,655			\$509,271,655	3.24%
FHLB			\$107,525,000		\$258,110,000		\$365,635,000	2.32%
<b>FHLMC</b>				<b>\$1,280,996,853</b>	<b>\$775,904,129</b>		<b>\$2,056,900,982</b>	<b>13.08%</b>
<b>FNMA</b>				<b>\$2,243,447,843</b>	<b>\$132,900,000</b>		<b>\$2,376,347,843</b>	<b>15.11%</b>
GNMA					\$27,736,899		\$27,736,899	0.18%
US Treasury	Aaa	AA+			\$8,837,000		\$8,837,000	0.06%
<b>Wells Fargo Bank NA</b>	<b>Aa1</b>	<b>A+</b>	<b>\$1,483,625,007</b>			<b>\$143,780,000</b>	<b>\$1,627,405,007</b>	<b>10.35%</b>
<b>TOTAL</b>			<b>\$4,677,254,520</b>	<b>\$5,270,258,332</b>	<b>\$5,434,072,803</b>	<b>\$348,780,000</b>	<b>\$15,730,365,655</b>	<b>100.00%</b>
<i>*Counterparty Exposures Above 10% Are Highlighted</i>								

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
**Counterparty Credit Risk Exposure Report as of December 31, 2020**  
**(UNAUDITED)**

<b>Municipal Investments:</b>			
<b>Issuer</b>		<b>Amount</b>	
Dormitory Authority of the State of NY		\$26,335,000	
Empire State Development Corp		\$10,000,000	
NYC TFA		\$131,362,739	
NYS HFA		\$4,415,000	
SONYMA		\$27,830,000	
<b>Total Municipal Investments</b>		<b>\$199,942,739</b>	
<b>Exposure to Counterparties Rated A-Minus and Below, or Not-Rated:</b>			
<b>Counterparty</b>	<b>Type of Exposure</b>	<b>Amount</b>	<b>% Total Counterparty Exposure</b>
Bank OZK*	Money Market	\$4,811,651	0.03%
Bridgehampton National Bank*	Money Market	\$187,482,660	1.19%
Capital One Bank	Permanent Enhancement	\$22,700,000	0.14%
Customers Bank*	Money Market	\$444,543,928	2.83%
Daiwa Securities*	Repo	\$83,744,000	0.53%
Deutsche Bank*	Repo/Perm Enhancement	\$55,000,000	0.35%
Dime Savings Bank*	Money Market	\$25,000,000	0.16%
Flushing Bank*	Money Market	\$159,750	0.00%
Hanover Bank*	Money Market	\$25,000,000	0.16%
Lakeland Bank*	Money Market	\$11,334,750	0.07%
NY Community Bank*	Money Market	\$758,357,279	4.82%
People's United Bank*	Money Market	\$18,678,782	0.12%
Sterling National Bank*	Money Market	\$304,258,645	1.93%
<b>TOTAL</b>		<b>\$1,941,071,445</b>	<b>12.34%</b>
<i>*Fully- or over-collateralized by FHLB LOC and/or US Treasury/Agency securities</i>			
<b>Country Exposure (Ex-U.S.):</b>			
<b>Country</b>	<b>Type</b>	<b>\$ Amount</b>	<b>% Total Counterparty Exposure</b>
Canada (TD Bank/Royal Bank of Canada)	LOC/GIC/Liq	\$795,769,220	5.06%
France (Societe Generale)	GIC	\$322,446	0.00%
Germany (Bayerische Landesbank/Deutsche/LBW)	GIC/LOC	\$133,480,519	0.85%
Japan (Daiwa/Mizuho)	RP	\$181,600,000	1.15%
Netherlands (Rabobank Nederland)	GIC	\$3,969,339	0.03%
<b>TOTAL</b>		<b>\$1,115,141,524</b>	<b>7.09%</b>

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Credit Enhancement Diversification as of December 31, 2020*  
**(UNAUDITED)**

**CONSTRUCTION PROJECTS**

Provider	Moody's	S&P	Enhancement During Construction:			Expected Permanent Enhancement:		
			Number of Projects	LOC Amount	% of Total During Construction	Number of Projects	Expected Permanent Enhanced or Insured Amount	% of Total During Permanent
Bank of America	Aa2	A+	12	\$551,525,000	11.79%	0	\$0	0.00%
Bank of New York Mellon	Aa1	AA-	7	\$312,485,000	6.68%	0	\$0	0.00%
Citibank	Aa3	A+	18	\$876,895,000	18.75%	0	\$0	0.00%
FHA	Aaa	AA+	0	\$0	0.00%	28	\$988,069,000	59.11%
FHLB	Aaa	AA+	4	\$107,525,000	2.30%	0	\$0	0.00%
FHLMC*	Aaa	AA+	0	\$0	0.00%	4	\$312,128,500	18.67%
Goldman Sachs Bank	A1	A+	1	\$191,000,000	4.08%	0	\$0	0.00%
HDC	Aa2	AA	14	\$290,859,513	6.22%	0	\$0	0.00%
JPMorgan Chase	Aa1	A+	17	\$692,540,000	14.81%	0	\$0	0.00%
NONE	NR	NR	2	\$0	0.00%	1	\$0	0.00%
REMIC	NR	AA	0	\$0	0.00%	57	\$192,849,503	11.54%
SONYMA	Aa1	NR	0	\$0	0.00%	11	\$178,512,500	10.68%
TD Bank NA	Aa2	AA-	3	\$170,800,000	3.65%	0	\$0	0.00%
Wells Fargo	Aa1	A+	19	\$1,483,625,007	31.72%	0	\$0	0.00%
<b>TOTAL</b>			<b>97</b>	<b>\$4,677,254,520</b>	<b>100.00%</b>	<b>101</b>	<b>\$1,671,559,503</b>	<b>100.00%</b>

In Construction:	
Rating	% of Total
AAA	0.00%
AA	18.85%
A	81.15%
<b>TOTAL</b>	<b>100.00%</b>

\*Three projects with FHLMC are risk share with HDC

**PERMANENT LOANS WITH ENHANCEMENT**

Provider	Moody's	S&P	% of Total Permanent Enhanced			In Permanent:	
			Number of Projects	Enhanced Amount	Amount	Rating	% of Total
Bank of America	Aa2	A+	1	\$19,200,000	0.36%	AAA	0.00%
Capital One	A1	BBB+	1	\$22,700,000	0.43%	AA	93.11%
Citibank	Aa3	A+	26	\$257,096,736	4.88%	A	5.41%
Deutsche Bank	A3	BBB+	1	\$55,000,000	1.04%	BBB	1.47%
FHA	Aaa	AA+	35	\$509,271,655	9.66%	<b>TOTAL</b>	<b>100.00%</b>
FHLMC	Aaa	AA+	34	\$1,280,996,853	24.31%		
FNMA	Aaa	AA+	44	\$2,243,447,843	42.57%		
JPMorgan Chase	Aa1	A+	2	\$9,010,000	0.17%		
Landesbank Baden Wuer	Aa3	NR	1	\$70,000,000	1.33%		
REMIC*	NR	AA	245	\$332,878,052	6.32%		
SONYMA	Aa1	NR	74	\$470,657,193	8.93%		
<b>TOTAL</b>			<b>464</b>	<b>\$5,270,258,332</b>	<b>100.00%</b>		

\*Unenhanced portion totals approximately \$1.3 billion

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Investment Summary as of December 31, 2020*  
 (UNAUDITED)

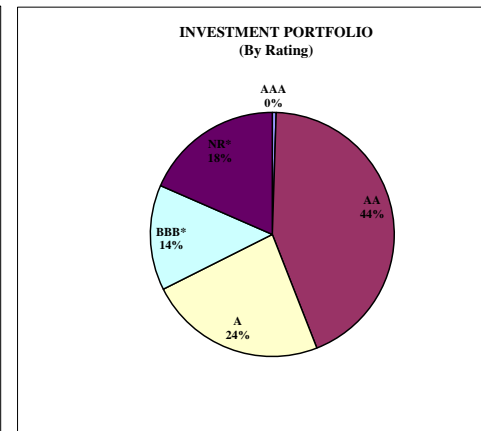
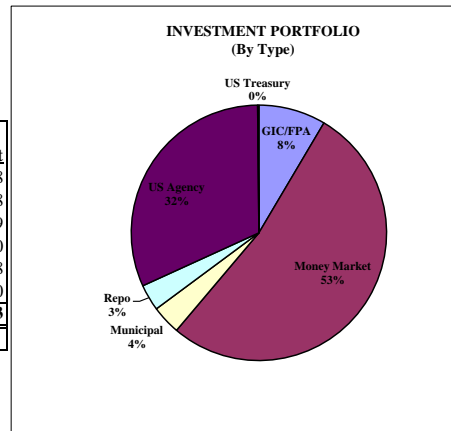
**Investment Securities & Repo-By Rating:**

Counterparty	Type	Amount	NRSRO Rating-December 31, 2020:				
			AAA	AA	A	BBB*	NR*
Bank OZK	MM	\$4,811,651					\$4,811,651
Bayerische Landesbank	GIC	\$8,480,519		\$8,480,519			
Bridgehampton National Bank	MM	\$187,482,660					\$187,482,660
Citibank NA	FPA	\$29,824,394			\$29,824,394		
Customers Bank	MM	\$444,543,928					\$444,543,928
Daiwa Securities	REPO	\$83,744,000			\$83,744,000		
Dime Savings Bank	MM	\$25,000,000					\$25,000,000
Dormitory Authority of the State of NY	MUNI	\$26,335,000		\$26,335,000			
Empire State Development Corp	MUNI	\$10,000,000		\$10,000,000			
Flushing Bank	MM	\$159,750					\$159,750
Hanover Bank	MM	\$25,000,000					\$25,000,000
Lakeland Bank	MM	\$11,334,750					\$11,334,750
Mizuho Securities	REPO	\$97,856,000			\$97,856,000		
NYC TFA	MUNI	\$131,362,739		\$131,362,739			
NY Community Bank	MM	\$758,357,279				\$758,357,279	
NYS HFA	MUNI	\$4,415,000			\$4,415,000		
People's United Bank	MM	\$18,678,782			\$18,678,782		
Promontory	MM	\$27,031,607		\$27,031,607			
Rabobank	GIC	\$3,969,339			\$3,969,339		
Signature Bank	MM	\$1,040,866,251			\$1,040,866,251		
Societe Generale	GIC	\$322,446			\$322,446		
SONYMA	MUNI	\$27,830,000	\$27,830,000				
Sterling National Bank	MM	\$304,258,645					\$304,258,645
TD Bank	GIC	\$419,969,220		\$419,969,220			
US Bank	MM	\$14,082,815		\$14,082,815			
US Agency	US Agency	\$1,719,519,028		\$1,719,519,028			
US Treasury	US Treasury	\$8,837,000		\$8,837,000			
		<b>\$5,434,072,803</b>	<b>\$27,830,000</b>	<b>\$2,365,617,928</b>	<b>\$1,279,676,212</b>	<b>\$758,357,279</b>	<b>\$1,002,591,384</b>
<b>% of Total</b>		<b>100.00%</b>	<b>0.51%</b>	<b>43.53%</b>	<b>23.55%</b>	<b>13.96%</b>	<b>18.45%</b>

\*BBB and NR exposures are fully-collateralized

**Weighted Average Maturity (Years):** 3.15

Investment Portfolio-By Type of Investment:		
	% Total	Amount
GIC/FPA	8.51%	\$462,565,918
Money Market	52.66%	\$2,861,608,118
Municipal	3.68%	\$199,942,739
Repo	3.34%	\$181,600,000
US Agency	31.64%	\$1,719,519,028
US Treasury	0.16%	\$8,837,000
<b>Total</b>	<b>100.00%</b>	<b>\$5,434,072,803</b>



**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**  
*Liquidity Providers as of December 31, 2020*  
**(UNAUDITED)**

**ROYAL BANK OF CANADA**

<u>Issue</u>	<u>Amount</u>
2019 A-4	\$30,000,000
2019 E-3	\$45,000,000
2020 E	\$11,510,000
2020 F-2	\$38,490,000
	<b>\$125,000,000</b>

**TD BANK**

<u>Issue</u>	<u>Amount</u>
2020 I-3	\$80,000,000
	<b>\$80,000,000</b>

**WELLS FARGO BANK**

<u>Issue</u>	<u>Amount</u>
2017 C-4	\$57,830,000
2017 G-3	\$85,950,000
	<b>\$143,780,000</b>

<b>Diversification:</b>	<u>Amount</u>	<u>% Total</u>
Royal Bank of Canada	\$125,000,000	35.84%
TD Bank	\$80,000,000	22.94%
Wells Fargo Bank	\$143,780,000	41.22%
<b>TOTAL</b>	<b>\$348,780,000</b>	<b>100.00%</b>