NYC HDC2014 Bonds — NEW ISSUE — BOOK-ENTRY ONLY **See "RATINGS" herein**

Remarketed Bonds — NOT A NEW ISSUE — BOOK-ENTRY ONLY

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 2014 Series C 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 2014 Series C Bond for any period during which such 2014 Series C 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 2014 Series C-1-A Bonds, the 2014 Series C-1-B Bonds, the 2014 Series C-2 Bonds, or the 2014 Series C-3 Bonds, respectively, or a "related person," and (ii) interest on the 2014 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2014 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). On December 19, 2013, Bond Counsel to the Corporation rendered its opinion with respect to the 2013 Series F-3 Bonds substantially to the same effect as that described in the preceding sentences with respect to the 2014 Series C Bonds. In the opinion of Bond Counsel to the Corporation, the change in the method of determining the interest rate on the 2013 Series F-3 Bonds, in and of itself, will not adversely affect the exclusion of interest from gross income for Federal income tax purposes pursuant to Section 103 of the Code on any 2013 Series F-3 Bonds, the interest on which is otherwise excluded from gross income for Federal income tax purposes under Section 103 of the Code. In the opinion of Bond Counsel to the Corporation, interest on the 2014 Series D Bonds is included in gross income for Federal income tax purposes pursuant to the Code. See "TAX MATTERS."

$359,095,000
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,

$162,345,000 2014 Series C-1-A (Fixed Rate)	**$38,000,000 2014 Series D-1 (Fixed Rate) (Federally Taxable)**
$62,705,000 2014 Series C-1-B (Fixed Rate)	**$38,000,000 2014 Series D-2 (Index Floating Rate) (Federally Taxable)**
$35,840,000 2014 Series C-2 (Variable Rate)	**$9,205,000 2013 Series F-3 (Term Rate)**
$13,000,000 2014 Series C-3 (Variable Rate)	

2014 Bonds Dated: Date of delivery

Remarketed Bonds Dated: Date of remarketing **Due: as shown on the inside cover pages**

The 2014 Series C-1-A Bonds, the 2014 Series C-1-B Bonds and the 2014 Series D-1 Bonds are being issued as fixed rate bonds, with interest payable on the dates and at the fixed rates set forth on the inside cover pages of this Official Statement. See "DESCRIPTION OF THE FIXED RATE BONDS."

The 2014 Series C-2 Bonds and the 2014 Series C-3 Bonds (collectively, the "Variable Rate Bonds") are being issued as variable rate obligations initially bearing interest at Weekly Rates separately determined for each such Series. See "THE DESCRIPTION OF THE VARIABLE RATE BONDS." Merrill Lynch, Pierce, Fenner & Smith Incorporated will serve as the Remarketing Agent of the 2014 Series C-2 Bonds and RBC Capital Markets, LLC will serve as Remarketing Agent for the 2014 Series C-3 Bonds. The Variable Rate Bonds are subject to optional and mandatory tender as set forth herein. The Corporation has arranged for a liquidity facility for each Series of the Variable Rate Bonds to provide funds for the purchase of the applicable Series of Variable Rate Bonds tendered but not remarketed by the applicable Remarketing Agent (so long as certain events have not occurred). See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY." The Corporation has no obligation to purchase Variable Rate Bonds.

The 2014 Series D-2 Bonds are being issued as indexed floating rate obligations bearing interest at a floating rate reset quarterly based on an interest rate index as described herein, payable on the dates set forth on the inside cover pages of this Official Statement. The 2014 Series D-2 Bonds are subject to optional and mandatory tender as set forth herein and the Corporation will be obligated to pay the Purchase Price of those 2014 Series D-2 Bonds subject to tender for purchase and not remarketed only from monies available from and held under the Resolutions. No liquidity facility has been obtained to fund such obligation. See "DESCRIPTION OF THE INDEX FLOATING RATE BONDS."

The 2013 Series F-3 Bonds (which were initially issued on December 19, 2013) are being remarketed as variable rate obligations in a Term Rate Period. The 2013 Series F-3 Bonds (also referred to herein as the "Term Rate Bonds") will bear interest during the Term Rate Period set forth on the inside cover pages of this Official Statement, at the fixed rate and payable on the dates set forth on the inside cover pages of this Official Statement. The Term Rate Bonds are subject to mandatory tender as set forth herein and the Corporation will be obligated to pay the Purchase Price of those Term Rate Bonds subject to mandatory tender for purchase and not remarketed only from monies available from and held under the Resolutions. No liquidity facility has been obtained to fund such obligation. See "DESCRIPTION OF THE TERM RATE BONDS."

The 2013/2014 Bonds (as defined herein) are subject to redemption as set forth herein. The Bank of New York Mellon, located in New York, New York, is the Trustee with respect to the 2013/2014 Bonds.

The 2013/2014 Bonds will be issued, or were issued, as applicable, in book-entry form only and, when issued, will be, or are, 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 2013/2014 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 2013/2014 Bonds will not receive physical delivery of bond certificates. The 2013/2014 Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. See "BOOK-ENTRY ONLY SYSTEM."

The 2013/2014 Bonds are being issued, or were issued, as applicable, when combined with other available monies, to finance directly or indirectly construction and permanent mortgage loans for certain developments and to finance corporate purposes of the Corporation. Payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2013/2014 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 the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2013/2014 Bonds are being issued, or were 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 2013/2014 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 2013/2014 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 2013/2014 Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

The issuance of the 2013 Series F-3 Bonds was subject to the approval of legality by Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation. The 2014 Bonds are offered when, as and if issued and received by the Underwriters 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 2013/2014 Bonds will be passed upon for the Corporation by its General Counsel and for the Underwriters and the 2013 Series F-3 Remarketing Agents by their Counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York. It is expected that the 2014 Series C Bonds and the 2013 Series F-3 Bonds will be available for delivery in New York, New York on or about June 26, 2014. It is expected that the 2014 Series D Bonds will be available for delivery in New York, New York on or about July 17, 2014.

J.P. Morgan†	**RBC Capital Markets†**	**BofA Merrill Lynch†**	**Raymond James †**
Blaylock Beal †	**Wells Fargo Securities †**	**Citigroup †**	**Morgan Stanley†**
Academy Securities†	**Ramirez†**	**Roosevelt and Cross†**	**Stern Brothers & Co.†**

Dated: June 18, 2014

† The underwriters and remarketing agents for each Series of the 2013/2014 Bonds are identified on the inside cover pages.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

$225,050,000 2014 Series C-1 Bonds

$16,660,000 2014 Series C-1-A Fixed Rate Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP No.†
May 1, 2017	$245,000	0.70%	100%	64972B7Q2
Nov. 1, 2017	545,000	0.85	100	64972B7R0
May 1, 2018	915,000	1.20	100	64972B7S8
Nov. 1, 2018	900,000	1.35	100	64972B7T6
May 1, 2019	930,000	1.60	100	64972B7U3
Nov. 1, 2019	910,000	1.75	100	64972B7V1
May 1, 2020	930,000	2.00	100	64972B7W9
Nov. 1, 2020	935,000	2.10	100	64972B7X7
May 1, 2021	970,000	2.35	100	64972B7Y5
Nov. 1, 2021	955,000	2.45	100	64972B7Z2
May 1, 2022	1,005,000	2.65	100	64972B8A6
Nov. 1, 2022	1,000,000	2.75	100	64972B8B4
May 1, 2023	1,045,000	2.90	100	64972B8C2
Nov. 1, 2023	1,015,000	2.95	100	64972B8D0
May 1, 2024	1,070,000	3.05	100	64972B8E8
Nov. 1, 2024	1,070,000	3.05	100	64972B8F5
May 1, 2025	1,110,000	3.20	100	64972B8G3
Nov. 1, 2025	1,110,000	3.20	100	64972B8H1

$8,875,000 0.40% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2016—Price 100% CUSIP No.† 64972B8P3

$15,595,000 0.85% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2017—Price 100% CUSIP No.† 64972B8Q1

$30,010,000 1.25% 2014 Series C-1-A Fixed Rate Term Bonds due May 1, 2018—Price 100% CUSIP No.† 64972B8R9

$9,565,000 1.25% 2014 Series C-1-A Fixed Rate Term Bonds due May 1, 2018—Price 100% CUSIP No.† 64972B8S7

$9,835,000 3.60% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2029—Price 100% CUSIP No.† 64972B8J7

$15,025,000 3.95% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2034—Price 100% CUSIP No.† 64972B8K4

$18,940,000 4.15% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2039—Price 100% CUSIP No.† 64972B8L2

$24,165,000 4.20% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2044—Price 100% CUSIP No.† 64972B8M0

$13,675,000 4.30% 2014 Series C-1-A Fixed Rate Term Bonds due November 1, 2047—Price 100% CUSIP No.† 64972B8N8

$62,705,000 2014 Series C-1-B Fixed Rate Term Bonds

$19,885,000 0.40% 2014 Series C-1-B Fixed Rate Term Bonds due November 1, 2016—Price 100% CUSIP No.† 64972CBA0

$10,800,000 0.85% 2014 Series C-1-B Fixed Rate Term Bonds due November 1, 2017—Price 100% CUSIP No.† 64972CBB8

$32,020,000 1.25% 2014 Series C-1-B Fixed Rate Term Bonds due May 1, 2018—Price 100% CUSIP No.† 64972CBC6

Interest Payment Dates: Interest on the 2014 Series C-1 Bonds is payable on May 1 and November 1, commencing November 1, 2014, or any earlier redemption date.

Authorized Denominations: $5,000 or any integral multiple thereof.

Co-Senior Managing Underwriters: J.P. Morgan Securities LLC and RBC Capital Markets, LLC

Co-Managing Underwriters: Academy Securities, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Blaylock Beal Van, LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., Raymond James & Associates, Inc., Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities

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† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2013/2014 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2013/2014 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2013/2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2013/2014 Bonds.

$35,840,000 2014 Series C-2 Bonds

$35,840,000 2014 Series C-2 Variable Rate Term Bonds due May 1, 2019—Price 100% CUSIP No.† 64972CAA1

Interest Payment Dates: Interest on the 2014 Series C-2 Bonds is payable on the first Business Date of each month, commencing on the first Business Day of July, 2014, or on any earlier tender or redemption date.

Authorized Denominations: $100,000 or any $5,000 increment in excess of $100,000.

2014 Series C-2 Underwriter and Remarketing Agent: Merrill Lynch, Pierce, Fenner & Smith Incorporated

2014 Series C-2 Initial Liquidity Facility Provider: Wells Fargo Bank, National Association

$13,000,000 2014 Series C-3 Bonds

$13,000,000 2014 Series C-3 Variable Rate Term Bonds due May 1, 2019—Price 100% CUSIP No. † 64972B7N9

Interest Payment Dates: Interest on the 2014 Series C-3 Bonds is payable on the first Business Date of each month, commencing on the first Business Day of July, 2014, or on any earlier tender or redemption date.

Authorized Denominations: $100,000 or any $5,000 increment in excess of $100,000.

2014 Series C-3 Underwriter and Remarketing Agent: RBC Capital Markets, LLC

2014 Series C-3 Initial Liquidity Facility Provider: TD Bank, N.A.

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2013/2014 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2013/2014 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2013/2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2013/2014 Bonds.

$38,000,000 2014 Series D-1 Bonds (Federally Taxable)

$23,050,000 2014 Series D-1 Fixed Rate Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP No.†
May 1, 2015	$2,135,000	0.40%	100%	64972CAD5
Nov. 1, 2015	2,150,000	0.59	100	64972CAE3
May 1, 2016	2,155,000	0.84	100	64972CAF0
Nov. 1, 2016	1,915,000	0.89	100	64972CAG8
May 1, 2017	1,890,000	1.26	100	64972CAH6
Nov. 1, 2017	1,910,000	1.41	100	64972CAJ2
May 1, 2018	1,815,000	1.70	100	64972CAK9
Nov. 1, 2018	1,695,000	1.85	100	64972CAL7
May 1, 2019	1,170,000	2.15	100	64972CAM5
Nov. 1, 2019	1,040,000	2.30	100	64972CAN3
May 1, 2020	1,045,000	2.45	100	64972CAP8
Nov. 1, 2020	980,000	2.55	100	64972CAQ6
May 1, 2021	1,005,000	2.65	100	64972CAR4
Nov. 1, 2021	1,085,000	2.85	100	64972CAS2
May 1, 2022	1,060,000	3.17	100	64972CAT0

$6,475,000 3.50% 2014 Series D-1 Fixed Rate Term Bonds due November 1, 2024—Price 100% CUSIP No.† 64972CAY9

$8,475,000 4.10% 2014 Series D-1 Fixed Rate Term Bonds due November 1, 2027—Price 100% CUSIP No.† 64972CAZ6

Interest Payment Dates: Interest on the 2014 Series D-1 Bonds is payable on May 1 and November 1, commencing November 1, 2014, or any earlier redemption date.

Authorized Denominations: $5,000 or any integral multiple thereof.

Co-Senior Managing Underwriters: Raymond James & Associates, Inc. and Blaylock Beal Van, LLC

Co-Managing Underwriters: Academy Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., RBC Capital Markets, LLC, Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities

† CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2013/2014 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2013/2014 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2013/2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2013/2014 Bonds.

$38,000,000 2014 Series D-2 Bonds (Federally Taxable)

$38,000,000 2014 Series D-2 Index Floating Rate Term Bonds due May 1, 2037 —Price 100% CUSIP No.[†] 64972CAC7

Interest Payment Dates: Interest on the 2014 Series D-2 Bonds is payable on February 1, May 1, August 1 and November 1, commencing August 1, 2014, or any earlier tender or redemption date.

Authorized Denominations: $100,000 or any integral multiple of $5,000 in excess of $100,000.

Senior Managing Underwriter: J.P. Morgan Securities LLC and Blaylock Beal Van, LLC

$9,205,000 2013 Series F-3 Bonds

Price: 100%
$9,205,000 Term Bond Due: November 1, 2018 CUSIP No.[†] 64972B8T5

Mandatory Tender Date for the 2013 Series F-3 Term Rate Term:	October 26, 2017
Interest Rate:	1.00%
Interest Payment Dates:	November 1, 2014 and each May 1 and November 1 thereafter and on October 26, 2017 and any earlier mandatory tender or redemption date.
Earliest Redemption or Mandatory Tender Date:	February 26, 2016
Authorized Denomination:	$5,000 or any whole multiple thereof.

Remarketing Agent: J.P. Morgan Securities LLC and RBC Capital Markets, LLC

Co-Remarketing Agents: Academy Securities, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Blaylock Beal Van, LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., Raymond James & Associates, Inc., Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities

[†] CUSIP numbers have been assigned by an independent company not affiliated with the Corporation and are included solely for the convenience of the owners of the 2013/2014 Bonds. The Corporation is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2013/2014 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2013/2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2013/2014 Bonds.

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 2013/2014 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, J.P. Morgan Securities LLC as representative of the underwriters of the 2014 Series C-1 Bonds (the "2014 Series C-1 Underwriters"), Merrill Lynch, Pierce, Fenner & Smith Incorporated as the underwriter for the 2014 Series C-2 Bonds (the "2014 Series C-2 Underwriter"), RBC Capital Markets, LLC as the underwriter for the 2014 Series C-3 Bonds (the "2014 Series C-3 Underwriter"), Raymond James & Associates, Inc. as representative of the underwriters for the 2014 Series D-1 Bonds (the "2014 Series D-1 Underwriters"), J.P. Morgan Securities LLC, as representative of the underwriters of the 2014 Series D-2 Bonds (the "2014 Series D-2 Underwriters", and together with the 2014 Series C-1 Underwriters, the 2014 Series C-2 Underwriter, the 2014 Series C-3 Underwriter and the 2014 Series D-1 Underwriters, the "Underwriters") and J.P. Morgan Securities LLC as representative of the remarketing agents of the 2013 Series F-3 Bonds (the "2013 Series F-3 Remarketing Agents") 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, Wells Fargo Bank, National Association, as the Initial Liquidity Facility Provider for the 2014 Series C-2 Bonds, TD Bank, N.A., as the Initial Liquidity Facility Provider for the 2014 Series C-3 Bonds, 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 Underwriters or the 2013 Series F-3 Remarketing Agents 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, Wells Fargo Bank, National Association, as the Initial Liquidity Facility Provider for the 2014 Series C-2 Bonds, or TD Bank, N.A., as the Initial Liquidity Facility Provider for the 2014 Series C-3 Bonds, or the other matters described herein since the date hereof.

The Underwriters and the 2013 Series F-3 Remarketing Agents have provided the following sentence for inclusion in this Official Statement: The Underwriters and 2013 Series F-3 Remarketing Agents have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters and 2013 Series F-3 Remarketing Agents do not guarantee the accuracy or completeness of such information.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

THE 2013/2014 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.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS OR 2013 SERIES F-3 REMARKETING AGENTS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2013/2014 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 UNDERWRITERS OR 2013 SERIES F-3 REMARKETING AGENTS MAY OFFER AND SELL THE 2013/2014 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS OR THE 2013 SERIES F-3 REMARKETING AGENTS.

Part I and Part II of this Official Statement, including their respective appendices, are to be read together, and together Part I and Part II, including their respective appendices, constitute this Official Statement.

PART I

PART II

OFFICIAL STATEMENT PART I

$359,095,000
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,
$162,345,000 2014 Series C-1-A (Fixed Rate)
$62,705,000 2014 Series C-1-B (Fixed Rate)
$35,840,000 2014 Series C-2 (Variable Rate)
$13,000,000 2014 Series C-3 (Variable Rate)
$38,000,000 2014 Series D-1 (Fixed Rate) (Federally Taxable)
$38,000,000 2014 Series D-2 (Index Floating Rate) (Federally Taxable)
$9,205,000 2013 Series F-3 (Term Rate)

This Official Statement Part I ("Part I") provides information as of its date (*except* where otherwise expressly stated) concerning the Corporation's 2013/2014 Bonds. It contains only a part of the information to be provided by the Corporation in connection with the issuance and sale or remarketing, as applicable, of the 2013/2014 Bonds. Additional information concerning Bonds previously issued under the General Resolution, certain sources of payment and security for the Bonds (including the 2013/2014 Bonds), the Corporation, and the mortgage loan program financed with the proceeds of the Bonds is contained in the Official Statement Part II ("Part II") and is subject in all respects to the information contained herein.

TABLE OF CONTENTS

Page

OFFICIAL STATEMENT PART I

$359,095,000
NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,
$162,345,000 2014 Series C-1-A (Fixed Rate)
$62,705,000 2014 Series C-1-B (Fixed Rate)
$35,840,000 2014 Series C-2 (Variable Rate)
$13,000,000 2014 Series C-3 (Variable Rate)
$38,000,000 2014 Series D-1 (Fixed Rate) (Federally Taxable)
$38,000,000 2014 Series D-2 (Index Floating Rate) (Federally Taxable)
$9,205,000 2013 Series F-3 (Term Rate)

This Official Statement consists of Part I and Part II. The purpose of Part I, which includes the cover page and inside cover pages to this Official Statement, and the appendices to this Part I, is to set forth certain information concerning the New York City Housing Development Corporation (the "Corporation") in connection with the sale of (i) $162,345,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series C-1-A (the "2014 Series C-1-A Bonds"), (ii) $62,705,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series C-1-B (the "2014 Series C-1-B Bonds" and together with the 2014 Series C-1-A Bonds, the "2014 Series C-1 Bonds"), (iii) $35,840,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series C-2 (the "2014 Series C-2 Bonds"), (iv) $13,000,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series C-3 (the "2014 Series C-3 Bonds" and together with the 2014 Series C-1 Bonds and the 2014 Series C-2 Bonds, the "2014 Series C Bonds"), (v) $38,000,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series D-1 (the "2014 Series D-1 Bonds") and (vi) $38,000,000 principal amount of its Multi-Family Housing Revenue Bonds, 2014 Series D-2 (the "2014 Series D-2 Bonds" and together with the 2014 Series D-1 Bonds, the "2014 Series D Bonds") and the remarketing of $9,205,000 principal amount of its Multi-Family Housing Revenue Bonds, 2013 Series F-3 (the "2013 Series F-3 Bonds" or the "Remarketed Bonds"). The 2014 Series C Bonds and the 2014 Series D Bonds are collectively referred to herein as the "2014 Bonds". The 2014 Series C-1 Bonds and the 2014 Series D-1 Bonds will bear interest at fixed rates to maturity and are referred to herein as the "Fixed Rate Bonds." The 2014 Series C-2 Bonds and the 2014 Series C-3 Bonds will bear interest at variable rates, initially reset weekly, are subject to optional and mandatory tender as described herein and are referred to herein as the "Variable Rate Bonds". The 2014 Series D-2 Bonds will bear interest at a floating rate reset quarterly based on an interest rate index, are subject to optional and mandatory tender as described herein and are referred to herein as the "Index Floating Rate Bonds." The 2013 Series F-3 Bonds will bear interest at a fixed rate during a Term Rate Period, are subject to mandatory tender as described herein and are referred to herein as the "Term Rate Bonds." The 2014 Bonds and the 2013 Series F-3 Bonds are referred to herein, collectively, as the "2013/2014 Bonds."

The 2014 Bonds are to be issued, and the Remarketed Bonds were 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"), a supplemental resolution for the 2014 Series C-1 Bonds entitled "One Hundred Ninety-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-1" (the "2014 Series C-1 Supplemental Resolution") adopted by the Members of the Corporation on June 10, 2014, a supplemental resolution for the 2014 Series C-2 Bonds entitled "One Hundred Ninety-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-2" (the "2014 Series C-2 Supplemental Resolution") adopted by the Members of the Corporation on June 10, 2014, a supplemental resolution for the 2014 Series C-3 Bonds entitled “One Hundred Ninety-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-3” (the “2014 Series C-3 Supplemental Resolution”) adopted by the Members of the Corporation on June 10, 2014, a supplemental resolution for the 2014 Series D-1 Bonds entitled “One Hundred Ninety-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series D-1” (the “2014 Series D-1 Supplemental Resolution”) adopted by the Members of the Corporation on June 10, 2014, a supplemental resolution for the 2014 Series D-2 Bonds entitled “One Hundred Ninety-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series D-2” (the “2014 Series D-2 Supplemental Resolution”) adopted by the Members of the Corporation on June 10, 2014 and a supplemental resolution for the 2013 Series F-3 Bonds entitled “One Hundred Eighty-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series F” (the “2013 Series F Supplemental Resolution” and, together with the 2014 Series C-1 Supplemental Resolution, the 2014 Series C-2 Supplemental Resolution, the 2014 Series C-3 Supplemental Resolution, the 2014 Series D-1 Supplemental Resolution and the 2014 Series D-2 Supplemental Resolution, the “2013/2014 Supplemental Resolutions”) adopted by the Members of the Corporation on November 25, 2013. The General Resolution and the 2013/2014 Supplemental Resolutions are referred to herein, collectively, as the “Resolutions.” Part II of this Official Statement sets forth additional information concerning the Corporation, the Act, the Program (as such term is defined below) and the Outstanding Bonds.

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 2013/2014 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.”

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 include 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 2013/2014 Bonds are special revenue obligations of the Corporation, and payment of the principal or Redemption Price or Purchase Price, as applicable, of and interest on the 2013/2014 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 the Mortgage Loans, and monies and/or Cash Equivalents held under the Debt Service Reserve Account. The 2014 Bonds are being issued, and the Remarketed Bonds were 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. As of May 31, 2014, the aggregate principal balance of Bonds Outstanding was $3,996,020,000. None of the Bonds Outstanding are Subordinate Bonds. See “SECURITY FOR THE BONDS” and “BONDS OUTSTANDING UNDER THE PROGRAM” in Part II of this Official

Statement. In addition, as of May 31, 2014, the Corporation has pledged amounts on deposit from time to time in the Revenue Account held under the General Resolution to secure (i) $322,560,000 principal amount of the Corporation's Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 1 (the "NIBP Series 1 Bonds") secured under the Corporation's One Hundred Twenty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 1, adopted by the Members of the Corporation on December 3, 2009, as amended (the "NIBP Series 1 Resolution") and any additional bonds issued under the NIBP Series 1 Resolution and (ii) $41,820,000 principal amount of the Corporation's Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 2 (the "NIBP Series 2 Bonds") secured under the Corporation's One Hundred Twenty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), NIBP Series 2, adopted by the Members of the Corporation on December 3, 2009, as amended (the "NIBP Series 2 Resolution") and any additional bonds issued under the NIBP Series 2 Resolution. Such pledge is on a parity with the pledge to secure the Bonds. See "SECURITY FOR THE BONDS—Additional Obligations Secured by the Resolution" in Part II of this Official Statement. Funds held under the NIBP Series 1 Resolution and the NIBP Series 2 Resolution are <u>not</u> security for the Bonds. The NIBP Series 1 Resolution and the NIBP Series 2 Resolution are collectively referred to as the "NIBP Resolutions" and each is referred to individually as a "NIBP Resolution." The NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the "NIBP Bonds."

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"), including insurance through the FHA Risk-Sharing Insurance Program, (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"), (b) mortgage-backed securities guaranteed by the Government National Mortgage Association ("GNMA"), (c) a credit enhancement instrument provided by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac") and (d) bank letters of credit ("Long-term LOCs" or "Construction LOCs") or other forms of supplemental security. 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 ("HUD Payments") 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 or other programs of the Corporation such as the Affordable Housing Permanent Loan Program ("AHPLP"), the Low-income Affordable Marketplace Program ("LAMP"), the Low-income Affordable Marketplace Preservation Program ("LAMP Preservation"), the Mitchell-Lama Repair Loan Program ("ML Repair Loan Program"), the Mixed Income Program ("Mixed Income") and the New Housing Opportunities Program ("New HOP"), (e) various Federal, State and other 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 Low Income Rental Program ("LIRP"), 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—Developments and

Mortgage Loans Outstanding under the Program" and "Appendix G—Description of Supplemental Security and Subsidy Programs" in Part II of this Official Statement. A Mortgage Loan also may represent the Corporation's participation interest in a mortgage loan or pool of mortgage loans or the cash flow therefrom. A Mortgage Loan, or the mortgage loan underlying a participation 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).

A portion of the proceeds of the 2014 Series C Bonds is expected to be used by the Corporation to finance twelve (12) Mortgage Loans (the "2014 Series C Mortgage Loans") for the construction of eight (8) developments and the acquisition and rehabilitation of four (4) developments. A portion of the proceeds of the 2014 Series C-1 Bonds, together with the amounts on deposit in the 2013 Series F Bond Proceeds Account established under the 2013 Series F Supplemental Resolution (the "2013 Series F Bond Proceeds Account") to be transferred to the Bond Proceeds Account upon the remarketing of the 2013 Series F-3 Bonds, is expected to be used by the Corporation to finance one (1) Mortgage Loan (the "2014 Series C/2013 Series F Mortgage Loan") for the acquisition and rehabilitation of one (1) development. See "PLAN OF FINANCING."

A portion of the proceeds of the 2014 Series D Bonds is expected to be used to finance the acquisition of five (5) subordinate mortgage loans (the "2014 Series D Mortgage Loans") previously originated or financed by the Corporation with its own corporate funds. A portion of the proceeds of the 2014 Series D Bonds (approximately $34,517,016) is also expected to be deposited in the Bond Proceeds Account to be applied in the future at the direction of the Corporation for any corporate purpose for which bonds may be issued under the Act, the General Resolution and the applicable 2013/2014 Supplemental Resolutions, including, but not limited to, the redemption of Bonds and the financing of Mortgage Loans.

The ability of the Corporation to pay the principal or Redemption Price or Purchase Price, as applicable, of and interest on the Bonds, including the 2013/2014 Bonds, is dependent on the Revenues derived from the assets pledged to secure the Bonds, which consist of all the Mortgage Loans (including the 2014 Series C/2013 Series F Mortgage Loan, the 2014 Series C Mortgage Loans and the 2014 Series D Mortgage Loans). 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 or Purchase Price, as applicable, 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. Each 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 or collect maintenance 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" in Part II of this Official Statement and under the subheadings "Supplemental Security" and "Subsidy Programs" in Appendix G in Part II of this Official Statement.

The Variable Rate Bonds are variable rate demand bonds, initially issued in the Weekly Rate Mode. The Variable Rate Bonds may be tendered at the option of the Bond owners thereof and are subject to mandatory tender for purchase as described herein. Tendered Variable Rate Bonds are to be remarketed by the applicable Remarketing Agent (which, for the 2014 Series C-2 Bonds will initially be

Merrill Lynch, Pierce, Fenner & Smith Incorporated, and for the 2014 Series C-3 Bonds will initially be RBC Capital Markets, LLC). Any 2014 Series C-2 Bonds not remarketed by the applicable Remarketing Agent are to be purchased with funds provided under a standby bond purchase agreement for the 2014 Series C-2 Bonds (the "Wells Fargo Initial Liquidity Facility") between the Corporation and Wells Fargo Bank, National Association ("Wells Fargo"). Any 2014 Series C-3 Bonds not remarketed by the applicable Remarketing Agent are to be purchased with funds provided under a standby bond purchase agreement for the 2014 Series C-3 Bonds (the "TD Bank Initial Liquidity Facility") between the Corporation and TD Bank, N.A. ("TD Bank"). The Wells Fargo Bank Initial Liquidity Facility and the TD Bank Initial Liquidity Facility are each an "Initial Liquidity Facility" and collectively the "Initial Liquidity Facilities." Wells Fargo and TD Bank are each an "Initial Liquidity Facility Provider" and collectively the "Initial Liquidity Facility Providers." See "DESCRIPTION OF THE VARIABLE RATE BONDS—Optional and Mandatory Purchase of Variable Rate Bonds—Additional Provisions Regarding Bank Bonds" for a description of the payment provisions applicable to the Variable Rate Bonds held by an Initial Liquidity Facility Provider. *Following the occurrence of certain events of default, the applicable Initial Liquidity Facility will automatically and immediately terminate or be suspended without notice or mandatory tender. See "Wells Fargo Bank Initial Liquidity Facility" and "TD Bank Initial Liquidity Facility" herein. Pursuant to the applicable Tender Agent Agreement, the Tender Agent will subsequently give notice to applicable Variable Rate Bond owners of such termination or suspension.*

If an Initial Liquidity Facility Provider fails to purchase the applicable Variable Rate Bonds tendered or deemed tendered for purchase by the Bond owners thereof and not remarketed or if an Initial Liquidity Facility is terminated without an alternate Liquidity Facility in place, the applicable Variable Rate Bonds will continue to bear interest as described in "DESCRIPTION OF THE VARIABLE RATE BONDS—General—Weekly Rate Period." Bond owners will continue to have the right to tender their Variable Rate Bonds during such period, but the Purchase Price of such Variable Rate Bonds will be payable solely from remarketing proceeds. The Corporation has no obligation to purchase such Variable Rate Bonds. If remarketing proceeds are not available, then Bond owners may be required to hold such Variable Rate Bonds to their maturity or prior redemption. See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY" for a description of the circumstances under which each Initial Liquidity Facility will terminate and the conditions to each Liquidity Facility Provider's obligation to purchase.

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 Part II of this 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 2014 Series C Mortgage Loans, the 2014 Series C/2013 Series F Mortgage Loan, the 2014 Series D Mortgage Loans, the 2013/2014 Bonds, sources of payment therefor, the Program, the Resolutions, the Initial Liquidity Facilities and the Initial Liquidity Facility Providers are included in Part I and Part II of this 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 2013/2014 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 the Municipal Securities Rulemaking Board. 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 Part II of this Official Statement.

PLAN OF FINANCING

General

2014 Series C Bonds/2013 Series F-3 Bonds

Upon the issuance of the 2014 Series C Bonds, the proceeds of the 2014 Series C Bonds initially will be deposited in the Bond Proceeds Account and invested in Investment Securities. A portion of the proceeds of the 2014 Series C Bonds is expected to be used by the Corporation to finance twelve (12) Mortgage Loans (the "2014 Series C Mortgage Loans") for the construction of eight (8) developments and the acquisition and rehabilitation of four (4) developments (the "2014 Series C Developments"). In addition, a portion of the proceeds of the 2014 Series C-1 Bonds, together with the amounts on deposit in the 2013 Series F Bond Proceeds Account to be transferred to the Bond Proceeds Account upon the remarketing of the 2013 Series F-3 Bonds, is expected to be used by the Corporation to finance one (1) Mortgage Loan (the "2014 Series C/2013 Series F Mortgage Loan") for the acquisition and rehabilitation of one (1) development (the "2014 Series C/2013 Series F Development"). See "2014 Series C Mortgage Loans, and 2014 Series C/2013 Series F Mortgage Loan" below.

2014 Series D Bonds

A portion of the proceeds of the 2014 Series D Bonds is expected to be used to finance the acquisition of five (5) subordinate mortgage loans (the "2014 Series D Mortgage Loans") previously originated or financed by the Corporation with its own corporate funds. See "2014 Series D Mortgage Loans" below.

A portion of the proceeds of the 2014 Series D Bonds (approximately $34,517,016) is also expected to be deposited in the Bond Proceeds Account to be applied in the future at the direction of the Corporation for any corporate purpose for which bonds may be issued under the Act, the General Resolution and the applicable 2013/2014 Supplemental Resolutions, including, but not limited to, the redemption of Bonds and the financing of Mortgage Loans.

Estimated Sources and Uses of Funds

The proceeds of the 2014 Bonds received by the Corporation upon the sale of the 2014 Bonds and the proceeds of the 2013 Series F-3 Bonds that were received upon the sale of the 2013 Series F-3 Bonds and are currently on deposit in the 2013 Series F-3 Bond Proceeds Account, together with other available monies of the Corporation, are expected to be applied approximately as follows:

	2013 Series F-3	2014 Series C	2014 Series D	Total
SOURCES				
Proceeds of Bonds	$9,205,000	$273,890,000	$76,000,000	$359,095,000
Other Available Monies	70,526	2,055,107	437,056	2,562,689
TOTAL SOURCES	$9,275,526	$275,945,107	$76,437,056	$361,657,689
USES				
Deposit to Bond Proceeds Account	$9,205,000	$273,890,000	$34,517,016	$317,612,016
Acquisition of 2014 Series D Mortgage Loans			41,482,984	41,482,984
Cost of Issuance*	70,526	2,055,107	437,056	2,562,689
TOTAL USES	$9,275,526	$275,945,107	$76,437,056	$361,657,689

*Includes compensation to the Underwriters of the 2014 Bonds and the Remarketing Agent of the 2013 Series F-3 Bonds. See "UNDERWRITING AND REMARKETING."

Debt Service Reserve Account

2014 Series C-1 Bonds

Under the terms of the 2014 Series C-1 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series C-1-A Bonds shall equal, as of any date of calculation, an amount equal to three percent (3%) of the principal amount of the Outstanding 2014 Series C-1-A Bonds excluding the 2014 Series C-1-A Term Bonds maturing on November 1, 2016, the 2014 Series C-1-A Term Bonds maturing on November 1, 2017 with CUSIP No. 64972B8Q1, the 2014 Series C-1-A Term Bonds maturing on May 1, 2018 with CUSIP No. 64972B8R9 and the 2014 Series C-1-A Term Bonds maturing on May 1, 2018 with CUSIP No. 64972B8S7. The Corporation will fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Account Requirement for the 2014 Series C-1-A Bonds with funds held under the Resolutions.

Under the terms of the 2014 Series C-1 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series C-1-B Bonds shall equal zero dollars ($0).

2014 Series C-2 Bonds

Under the terms of the 2014 Series C-2 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series C-2 Bonds shall equal zero dollars ($0).

2014 Series C-3 Bonds

Under the terms of the 2014 Series C-3 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series C-3 Bonds shall equal zero dollars ($0).

2014 Series D-1 Bonds

Under the terms of the 2014 Series D-1 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series D-1 Bonds shall equal, as of any date of calculation, an amount equal to three percent (3%) of the principal amount of the Outstanding 2014 Series D-1 Bonds. The Corporation will fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Account Requirement for the 2014 Series D-1 Bonds with funds held under the Resolutions.

2014 Series D-2 Bonds

Under the terms of the 2014 Series D-2 Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2014 Series D-2 Bonds shall equal, as of any date of calculation, an amount equal to three percent (3%) of the principal amount of the Outstanding 2014 Series D-2 Bonds. The Corporation will fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Account Requirement for the 2014 Series D-2 Bonds with funds held under the Resolutions.

2013 Series F-3 Bonds

Under the terms of the 2013 Series F Supplemental Resolution, the Debt Service Reserve Account Requirement with respect to the 2013 Series F-3 Bonds shall equal zero dollars ($0).

2013/2014 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-1—Certain Investments under the General Resolution" in Part II of this Official Statement.

2014 Series C Mortgage Loans and 2014 Series C/2013 Series F Mortgage Loan

2014 Series C Developments and 2014 Series C/2013 Series F Development

It is anticipated that a portion of the proceeds of the 2014 Series C Bonds will be used to finance the 2014 Series C Mortgage Loans for the 2014 Series C Developments and that a portion of the proceeds of the 2014 Series C-1-A Bonds and the proceeds of the 2013 Series F-3 Bonds will be used to finance the 2014 Series C/2013 Series F Mortgage Loan for the 2014 Series C/2013 Series F Development described in the chart below. No assurances can be given that the 2014 Series C Mortgage Loans or 2014 Series C/2013 Series F Mortgage Loan will be made or, if made, funded in the amounts presently contemplated by the Corporation. For purposes of this section, the 2014 Series C/2013 Series F Mortgage Loan will be referred to as a "2014 Series C Mortgage Loan" and the 2014 Series C/2013 Series F

Development will be referred to as a “2014 Series C Development.” Additionally, the Corporation may substitute other Developments for those described in the chart below.

[Chart appears on the next page]

Series of Bonds Financing the Mortgage Loan	Anticipated Construction LOC†	Anticipated Permanent Supplemental Security†	Subsidy Program††	Development Name (Borough/ Number of Units)	Anticipated Construction or Rehabilitation Period (in months)	Anticipated Construction Loan Amount	Expected Amount of Mandatory Prepayment	Anticipated Permanent Mortgage Loan Amount
2014 Series C-1-A	Bank of New York Mellon	SONYMA†††	LAMP/ Section 8	Williamsburg Apartments (Brooklyn/53)	34	$12,300,000	$9,565,000	$2,735,000
2014 Series C-1-A and 2014 Series C-1-B	Bank of America, N.A.	REMIC††††	LAMP	655 Morris Avenue (Bronx/176)	30	$31,310,000	$16,100,000	$15,210,000
2014 Series C-1-A and 2014 Series C-1-B	Capital One Bank▼▼	REMIC††††	Mixed Income	810 River Avenue (Bronx/134)	30	$28,400,000	$15,920,000	$12,480,000
2014 Series C-1-A	Wells Fargo Bank, National Association	REMIC††††	LAMP	Greenpoint Landing Site G2 (Brooklyn/93)	30	$14,460,000	$10,230,000	$4,230,000
2014 Series C-1-A	Bank of New York Mellon	FHA Risk-Sharing ▼	LAMP	Prospect Plaza Phase I (Brooklyn/110)	30	$22,490,000	$19,780,000	$2,710,000
2014 Series C-1-A and 2014 Series C-1-B	Bank of New York Mellon	REMIC††††	LAMP Preservation	Plover Apartments (Bronx/138)	28	$13,900,000	$10,800,000	$3,100,000
2014 Series C-1-A	JPMorgan Chase Bank, N.A.	REMIC††††	LAMP Preservation	Mount Sharon (Bronx/106)	27	$11,460,000	$10,130,000	$1,330,000
2014 Series C-1-B	Wells Fargo Bank, National Association	N/A	LAMP Preservation	Edgecombe Preservation (Manhattan/254)	18	$19,885,000	$19,885,000	N/A
2014 Series C-1-A and 2013 Series F-3	JPMorgan Chase Bank, N.A.	REMIC††††	LAMP Preservation	1380 University Avenue (Bronx/139)	24	$23,000,000	$14,670,000	$8,330,000
2014 Series C-1-A	Capital One Bank▼▼	REMIC††††	New HOP	High Hawk Apartments (Bronx/73)	30	$8,885,000	N/A	$8,885,000
2014 Series C-1-A	JPMorgan Chase Bank, N.A.	SONYMA†††	LAMP Preservation/ Section 8	PRC Monterey (Bronx/330)	20	$30,155,000	$8,875,000	$21,280,000
2014 Series C-1-A and 2014 Series C-2	Wells Fargo Bank, National Association	REMIC††††	LAMP	Gateway Elton III (Brooklyn/287)	32	$53,850,000	$35,840,000	$18,010,000
2014 Series C-3	TD Bank, N.A.	NA	LAMP	261 Hudson Street (Manhattan/41)▼▼▼	36	$13,000,000	$13,000,000	N/A
	TOTAL					$283,095,000	$184,795,000	$98,300,000

Footnotes appear on the next page.

† For a description of the Construction LOCs, SONYMA Insurance, FHA Risk-Sharing Insurance and REMIC Insurance, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security" in Part II of this Official Statement.

†† For a description of LAMP, LAMP Preservation, NewHOP, Mixed Income and Section 8, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs" in Part II of this Official Statement.

††† It is anticipated that SONYMA Insurance will secure the first loss on the Mortgage Loan up to fifty percent (50%) of the original permanent Mortgage Loan amount for the applicable 2014 Series C Development. For a description of SONYMA Insurance, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—SONYMA Insurance Program" in Part II of this Official Statement.

†††† It is anticipated that REMIC Insurance will secure the first loss on the Mortgage Loan up to twenty percent (20%) of the original permanent Mortgage Loan amount for the applicable 2014 Series C Development. For a description of REMIC, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—REMIC Insurance Program" in Part II of this Official Statement.

▼ It is anticipated that FHA Risk-Sharing Insurance pursuant to the FHA Risk-Sharing Insurance Program will secure up to one hundred percent (100%) of the loss on the Mortgage Loan amount for the applicable 2014 Series C Development. For a description of the FHA Risk-Sharing Insurance Program, see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—FHA Risk-Sharing Insurance Program" in Part II of this Official Statement.

▼▼ This Construction LOC is expected to be confirmed by an irrevocable standby letter of credit confirmation issued by the Federal Home Loan Bank of Atlanta for so long as the senior debt of the Construction LOC provider is rated below the minimum bank rating requirement of the Corporation.

▼▼▼ The 2014 Series C Mortgage Loan for the 261 Hudson Street Development is financing the low-income portion of a 201 unit development that is also being financed with a subordinate loan that will be originated by the Corporation and funded by TD Bank, N.A. and participants pursuant to a participation agreement.

The 2014 Series C Mortgage Loans will be assigned a valuation of 100% under the applicable 2013/2014 Supplemental Resolutions. For a discussion of the valuation process, see "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement. It is expected that the provider of the Construction LOC (as described under the subheading "HDC Commitments; Construction Letters of Credit" below) will service the applicable 2014 Series C Mortgage Loan during construction or rehabilitation, and the Corporation will service the permanent 2014 Series C Mortgage Loans after construction or rehabilitation. See "HDC Commitments; Construction Letters of Credit" below and "THE PROGRAM—Servicing" in Part II of this Official Statement.

Mandatory Prepayments

Each of the Mortgagors of the 2014 Series C Developments (except for the Mortgagor of the High Hawk Apartments Development) will be required to make a 2014 Series C Mortgage Loan Mandatory Prepayment, as described in the chart under the subheading "2014 Series C Developments and 2014 Series C/2013 Series F Development" above, upon completion of construction or rehabilitation and release of the applicable Construction LOC. The 2014 Series C Mortgage Loan Mandatory Prepayments may be used to redeem Bonds prior to maturity (including the 2014 Series C Bonds and 2013 Series F-3 Bonds). See "DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—Short-Term Fixed Rate Bonds—Optional Redemption" and "—Long-Term Fixed Rate Bonds—Special Optional Redemption" and "DESCRIPTION OF THE VARIABLE RATE BONDS—Redemption Provisions for the Variable Rate Bonds—Optional Redemption" and "DESCRIPTION OF THE TERM RATE BONDS—Redemption Provisions for the Term Rate Bonds—Optional Redemption." Although a significant source of funds for each 2014 Series C Mortgage Loan Mandatory Prepayment is expected to come from either the syndication of federal low income housing tax credits, state low income housing tax credits or from a combination of the syndication of federal and state low income housing tax credits and local subordinate loan or grant programs, each 2014 Series C Mortgage Loan Mandatory Prepayment is required to be made by the Mortgagor of the applicable 2014 Series C Development whether or not the federal and state low income housing tax credit syndication proceeds or the local subordinate loan or grant program proceeds are obtained. For each 2014 Series C Mortgage Loan with a 2014 Series C Mortgage Loan Mandatory Prepayment, if the Mortgagor does not make the required 2014 Series C Mortgage Loan Mandatory Prepayment, there would be a default under the applicable 2014 Series C Mortgage Loan and the Corporation may draw on the applicable Construction LOC in the full amount of such Construction LOC, which could result in the redemption of Bonds (including the 2014 Series C Bonds and 2013 Series F-3 Bonds) in an amount equal to the applicable 2014 Series C Mortgage Loan. However, it is also possible in the event of such default that the Construction LOC provider would direct the Corporation to make a partial draw on the applicable Construction LOC in an amount equal to the applicable 2014 Series C Mortgage Loan Mandatory Prepayment; such proceeds could be applied to redeem Bonds (including the 2014 Series C Bonds and 2013 Series F-3 Bonds) prior to maturity in an amount equal to the applicable 2014 Series C Mortgage Loan Mandatory Prepayment. In such event, unless the Mortgagor of the applicable 2014 Series C Development cured such default, the applicable Construction LOC provider would have the option to acquire the related 2014 Series C Mortgage Loan by obligating the Corporation to make a draw on the remaining portion of the applicable Construction LOC, the proceeds of which could be used to redeem Bonds (including the 2014 Series C Bonds and 2013 Series F-3 Bonds) in an amount equal to such draw. Any Recoveries of Principal derived from or with respect to the 2014 Series C Mortgage Loans may be used by the Corporation to redeem Bonds. See "DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—Short-Term Fixed Rate Bonds—Optional Redemption" and "—Long-Term Fixed Rate Bonds—Special Optional Redemption" and "DESCRIPTION OF THE VARIABLE RATE BONDS—Redemption Provisions for the Variable Rate Bonds—Optional Redemption" and "DESCRIPTION OF THE TERM RATE BONDS—Redemption Provisions for the Term Rate Bonds—Optional Redemption."

Mortgage Terms

Each of the 2014 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 2014 Series C Development. The interest rate (inclusive of servicing and credit enhancement fees) for the permanent 2014 Series C Mortgage Loans for the 2014 Series C Developments (except the for the permanent 2014 Series C Mortgage Loan for the Greenpoint Landing Site G2 Development) is anticipated to be 5.75%. The interest rate (inclusive of servicing and credit enhancement fees) for the permanent 2014 Series C Mortgage Loan for the Greenpoint Landing Site G2 Development is anticipated to be 5.55%. The term to maturity for each 2014 Series C Mortgage Loan (except for the 2014 Series C Mortgage Loans for the Edgecombe Preservation Development and the 261 Hudson Street Development), is anticipated to be 30 years after completion of construction or rehabilitation and the closing of the applicable permanent 2014 Series C Mortgage Loan. The term to maturity for the 2014 Series C Mortgage Loan for the Edgecombe Preservation Development is anticipated to be eighteen (18) months, subject to one (1) three-month extension and one (1) six-month extension if the applicable Construction LOC is simultaneously extended. The term to maturity for the 2014 Series C Mortgage Loan for the 261 Hudson Street Development is anticipated to be thirty-six (36) months, subject to two (2) one year extensions if the applicable Construction LOC is simultaneously extended. Each permanent 2014 Series C Mortgage Loan is expected to contain provisions prohibiting the Mortgagor of the applicable 2014 Series C Development from making any prepayment, other than the 2014 Series C Mortgage Loan Mandatory Prepayment, prior to approximately ten (10) years after the closing of the applicable permanent 2014 Series C Mortgage Loan; however, the Corporation may waive a prohibition on prepayments contained in a Mortgage Loan.

HDC Commitments; Construction Letters of Credit

Each of the Mortgagors of the 2014 Series C Mortgage Loans has executed or is expected to execute, prior to issuance of the 2014 Series C Bonds and the remarketing of the 2013 Series F-3 Bonds, a commitment with the Corporation (an "HDC Commitment") in which the Corporation has agreed or will agree to provide a 2014 Series C Mortgage Loan. The HDC Commitment for all 2014 Series C Developments will require the Mortgagor to obtain a letter of credit to be available during construction or rehabilitation, from a bank acceptable to the Corporation, as a condition to the Corporation providing a 2014 Series C Mortgage Loan during construction or rehabilitation (a "Construction LOC"). The Construction LOCs need not meet the requirements under the General Resolution for a Credit Facility (as defined in the General Resolution). Such Construction LOCs will not be pledged to the owners of the Bonds; however, any payments received by the Corporation from the Construction LOC providers pursuant to such Construction LOCs will be pledged for the benefit of the owners of the Bonds. It is anticipated that the Corporation will make a principal and interest or an interest-only drawing on the applicable Construction LOC if the applicable Mortgagor fails to make the required debt service payments on the related 2014 Series C Mortgage Loan; provided, however, the Construction LOC provider may direct the Corporation to make a principal and interest drawing or an interest-only drawing. In the case of a principal and interest drawing, the amount drawn on a Construction LOC will be the outstanding principal balance of the applicable construction 2014 Series C Mortgage Loan plus the lesser of (i) accrued interest or (ii) the maximum amount available with respect to accrued interest, and such 2014 Series C Mortgage Loan will be immediately assigned to the Construction LOC provider and no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the General Resolution.

Following the satisfaction of the conditions of the applicable HDC Commitment which may require, among other things, the provision by the applicable Mortgagor of equity, the payment of the 2014 Series C Mortgage Loan Mandatory Prepayment, if any, the satisfactory completion of construction or rehabilitation, as applicable, within a certain time schedule from the making of the applicable construction 2014 Series C Mortgage Loan and within a certain construction budget, the issuance of a certificate of occupancy, if applicable, the attainment of a specified minimum rental achievement level, and delivery of other required certificates and legal opinions, the Corporation will release the Construction LOC relating to the applicable construction 2014 Series C Mortgage Loan. If said Construction LOC is not released because of a failure by the Mortgagor of the applicable 2014 Series C Development to comply with the conditions enumerated in the related HDC Commitment or if said Construction LOC is not extended beyond its maturity until such conditions are satisfied, it is expected that said Construction LOC will be drawn upon by the Corporation and the proceeds from said draw could be used to redeem a portion of the applicable Outstanding 2014 Series C Bonds or 2013 Series F-3 Bonds (see "DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—Short-Term Fixed Rate Bonds—Optional Redemption" and "—Long-Term Fixed Rate Bonds—Special Optional Redemption" and "DESCRIPTION OF THE VARIABLE RATE BONDS—Redemption Provisions for the Variable Rate Bonds—Optional Redemption" and "DESCRIPTION OF THE TERM RATE BONDS—Redemption Provisions for the Term Rate Bonds—Optional Redemption").

Each Construction LOC for a 2014 Series C Mortgage Loan provides that, in the event that any rating assigned by Standard & Poor's Rating Services or Moody's Investors Service, Inc. to the Construction LOC provider is reduced below the minimum bank rating requirement of the Corporation or if such Construction LOC is confirmed by an irrevocable standby letter of credit, and such confirmation provider is reduced below the minimum bank rating requirement, and the applicable Construction LOC provider fails to provide alternative or supplemental credit enhancement satisfactory to the Corporation within 90 days, the Corporation may draw on the applicable Construction LOC and hold the proceeds to secure the applicable 2014 Series C Mortgage Loan. If there is a default on the applicable 2014 Series C Mortgage Loan or the applicable 2014 Series C Mortgage Loan is not converted to a permanent loan pursuant to the terms of the HDC Commitment, the Corporation is expected to apply such proceeds to redeem a portion of the applicable Outstanding 2014 Series C Bonds or 2013 Series F-3 Bonds (see "DESCRIPTION OF THE FIXED RATE BONDS—Redemption Provisions for the Fixed Rate Bonds—Short-Term Fixed Rate Bonds—Optional Redemption" and "—Long-Term Fixed Rate Bonds—Special Optional Redemption" and "DESCRIPTION OF THE VARIABLE RATE BONDS—Redemption Provisions for the Variable Rate Bonds—Optional Redemption" and "DESCRIPTION OF THE TERM RATE BONDS—Redemption Provisions for the Term Rate Bonds—Optional Redemption") and at that time would assign the applicable 2014 Series C Mortgage Loan to the applicable Construction LOC provider. Otherwise, such funds will be released to the Construction LOC provider upon conversion of the applicable 2014 Series C Mortgage Loan to a permanent Mortgage Loan or replacement or further credit enhancement of the Construction LOC.

2014 Series D Mortgage Loans

2014 Series D Developments

It is anticipated that a portion of the proceeds of the 2014 Series D Bonds will be used to finance the acquisition of five (5) subordinate mortgage loans (the "2014 Series D Mortgage Loans") for five (5) developments (the "2014 Series D Developments") previously originated by the Corporation with its own corporate funds, which are described in the chart below in the aggregate as of April 30, 2014. Additionally, the Corporation may substitute other developments for those described in the chart below.

Lien Position	**Supplemental Security**	**Subsidy Program**	**Number of Mortgage Loans**	**Number of Units**	**Aggregate Outstanding Mortgage Balance**	**Weighted Average Mortgage Interest Rate**	**Weighted Average Maturity (in years)**
Subordinate	N/A	LAMP	5	851	$51,915,000	1.00%	28.24

† May not add due to rounding.

The 2014 Series D Mortgage Loans will be assigned a weighted average valuation of 79% under the applicable 2013/2014 Supplemental Resolutions. Each of the Mortgagors of the 2014 Series D Mortgage Loans in the table above has already closed its mortgage loan from available funds of the Corporation. Construction or rehabilitation of all of the 2014 Series D Developments has been completed. The occupancy of each 2014 Series D Development is at least ninety-six percent (96%). The physical inspection rating of two (2) of the 2014 Series D Developments is Above Average. The physical inspection rating of two (2) of the 2014 Series D Developments is Satisfactory. The physical inspection rating of one (1) of the 2014 Series D Developments is pending a first inspection because it is newly constructed. See "Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings."

As of April 30, 2014, all of the 2014 Series D Mortgage Loans are subject to existing mortgage loans that are senior to the 2014 Series D Mortgage Loans and such senior mortgage loans have an outstanding balance of $46,100,551. The Corporation is the lender of all of such senior mortgage loans and all such senior mortgage loans are already pledged under the General Resolution.

Each of the 2014 Series D Mortgage Loans is evidenced by a mortgage note payable to the Corporation and secured by a subordinate mortgage lien on the applicable 2014 Series D Development. The principal payment on each 2014 Series D Mortgage Loan is due in a balloon payment at maturity. Each of the 2014 Series D Mortgage Loans is prepayable at any time.

For a description of the subsidy program for the 2014 Series D Mortgage Loans see "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Corporation Programs—LAMP."

DESCRIPTION OF THE FIXED RATE BONDS

General

The 2014 Series C-1 Bonds and the 2014 Series D-1 Bonds will bear interest at fixed rates to maturity and are referred to herein as the "Fixed Rate Bonds." The 2014 Series C-1-A Term Bonds maturing on November 1, 2016, the 2014 Series C-1-A Term Bonds maturing on November 1, 2017 with CUSIP No. 64972B8Q1, the 2014 Series C-1-A Term Bonds maturing on May 1, 2018 with CUSIP No. 64972B8R9, the 2014 Series C-1-A Term Bonds maturing on May 1, 2018 with CUSIP No. 64972B8S7 and the 2014 Series C-1-B Bonds are referred to herein as the "Short-Term Fixed Rate Bonds." All other 2014 Series C-1 Bonds and the 2014 Series D-1 Bonds are referred to herein as the "Long-Term Fixed Rate Bonds." The Fixed Rate Bonds will mature on the dates and in the amounts set forth on the inside cover pages of this Official Statement. The Bank of New York Mellon is the Trustee for the Bonds, including the Fixed Rate Bonds.

The Fixed Rate 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 Fixed Rate Bonds will accrue from their dated date and be payable on May 1 and November 1 in each year, commencing November 1, 2014, at the rates per annum set forth on the inside cover pages of this Official Statement. Interest on the Fixed Rate Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Redemption Provisions for the Fixed Rate Bonds

The Fixed Rate Bonds are subject to optional redemption, special optional redemption and sinking fund redemption prior to maturity, as described below.

Short-Term Fixed Rate Bonds

Optional Redemption

The 2014 Series C-1-A Bonds maturing on November 1, 2016 and the 2014 Series C-1-B Bonds maturing on November 1, 2016 are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after November 1, 2015 at a Redemption Price equal to one hundred percent (100%) of the principal amount of such Short-Term Fixed Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

The 2014 Series C-1-A Bonds maturing on November 1, 2017 with CUSIP No. 64972B8Q1 and the 2014 Series C-1-B Bonds maturing on November 1, 2017 are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after May 1, 2016 at a Redemption Price equal to one hundred percent (100%) of the principal amount of such Short-Term Fixed Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

The 2014 Series C-1-A Bonds maturing on May 1, 2018 with CUSIP No. 64972B8R9 and the 2014 Series C-1-B Bonds maturing May 1, 2018 are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after November 1, 2016 at a Redemption Price equal to one hundred percent (100%) of the principal amount of such Short-Term Fixed Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

The 2014 Series C-1-A Bonds maturing on May 1, 2018 with CUSIP No. 64972B8S7 are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after May 1, 2017 at a Redemption Price equal to one hundred percent (100%) of the principal amount of such Short-Term Fixed Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Special Optional Redemption

The Short-Term Fixed Rate 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 Short-Term Fixed Rate 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 Short-Term Fixed Rate Bonds not used to finance the 2014 Series C Mortgage Loans or the 2014 Series C/2013 Series F Mortgage Loan, and any other monies made available under the General Resolution in connection with such redemption.

Long-Term Fixed Rate Bonds

Optional Redemption

The Long-Term Fixed Rate Bonds are subject to redemption, at the option of the Corporation, in whole or in part, from any source, at any time prior to maturity on or after May 1, 2023, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Long-Term Fixed Rate Bonds of the applicable Series or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Special Optional Redemption

The Long-Term Fixed Rate 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 Long-Term Fixed Rate Bonds of the applicable Series or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from any source other than: (i) Voluntary Sale Proceeds[*]; (ii) proceeds of bonds issued, or caused to be issued, by the Corporation for the purpose of refunding of all or a portion of the Long-Term Fixed Rate Bonds of the applicable Series or refinancing all or a portion of any Mortgage Loan; or (iii) any other unencumbered funds of the Corporation not subject to the lien of the Resolutions.

Amounts that may be applied to the foregoing redemption include, but are not limited to: any prepayment of a 2014 Series C Mortgage Loan, the 2014 Series C/2013 Series F Mortgage Loan or a 2014 Series D Mortgage Loan by the Mortgagor thereof or, upon the filing of a Cash Flow Statement, any other Mortgage Loans (except any Mortgage Loan financed under a Supplemental Resolution that prohibits such use); unexpended proceeds of the Long-Term Fixed Rate Bonds; and, upon the filing of a Cash Flow Statement, amounts held in the Revenue Account that are not required to be used for other purposes.

[*] "Voluntary Sale Proceeds" means the proceeds of the sale, assignment, endorsement or other disposition of any Mortgage Loan (including any 2014 Series C Mortgage Loan, the 2014 Series C/2013 Series F Mortgage Loan or any 2014 Series D Mortgage Loan), except 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 Mortgage Loan is in default.

Sinking Fund Redemption – 2014 Series C-1-A Bonds

The 2014 Series C-1-A Bonds maturing on November 1, 2029 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 2014 Series C-1-A Bonds specified for each of the Redemption Dates shown below:

2014 SERIES C-1-A BONDS
MATURING ON NOVEMBER 1, 2029

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2026	$1,140,000	May 1, 2028	$1,240,000
Nov. 1, 2026	1,150,000	Nov. 1, 2028	1,275,000
May 1, 2027	1,205,000	May 1, 2029	1,305,000
Nov. 1, 2027	1,215,000	Nov. 1, 2029†	1,305,000

† Stated maturity

The 2014 Series C-1-A Bonds maturing on November 1, 2034 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 2014 Series C-1-A Bonds specified for each of the Redemption Dates shown below:

2014 SERIES C-1-A BONDS
MATURING ON NOVEMBER 1, 2034

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2030	$1,375,000	Nov. 1, 2032	$1,500,000
Nov. 1, 2030	1,375,000	May 1, 2033	1,570,000
May 1, 2031	1,410,000	Nov. 1, 2033	1,565,000
Nov. 1, 2031	1,445,000	May 1, 2034	1,645,000
May 1, 2032	1,495,000	Nov. 1, 2034†	1,645,000

† Stated maturity

The 2014 Series C-1-A Bonds maturing on November 1, 2039 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 2014 Series C-1-A Bonds specified for each of the Redemption Dates shown below:

2014 SERIES C-1-A BONDS
MATURING ON NOVEMBER 1, 2039

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2035	$1,710,000	Nov. 1, 2037	$1,910,000
Nov. 1, 2035	1,730,000	May 1, 2038	1,970,000
May 1, 2036	1,800,000	Nov. 1, 2038	2,010,000
Nov. 1, 2036	1,810,000	May 1, 2039	2,055,000
May 1, 2037	1,850,000	Nov. 1, 2039†	2,095,000

† Stated maturity

The 2014 Series C-1-A Bonds maturing on November 1, 2044 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 2014 Series C-1-A Bonds specified for each of the Redemption Dates shown below:

2014 SERIES C-1-A BONDS
MATURING ON NOVEMBER 1, 2044

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2040	$2,180,000	Nov. 1, 2042	$2,430,000
Nov. 1, 2040	2,210,000	May 1, 2043	2,500,000
May 1, 2041	2,270,000	Nov. 1, 2043	2,565,000
Nov. 1, 2041	2,315,000	May 1, 2044	2,625,000
May 1, 2042	2,390,000	Nov. 1, 2044†	2,680,000

† Stated maturity

The 2014 Series C-1-A Bonds maturing on November 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 2014 Series C-1-A Bonds specified for each of the Redemption Dates shown below:

2014 SERIES C-1-A BONDS
MATURING ON NOVEMBER 1, 2047

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2045	$2,760,000	Nov. 1, 2046	$2,460,000
Nov. 1, 2045	2,820,000	May 1, 2047	1,905,000
May 1, 2046	2,910,000	Nov. 1, 2047†	820,000

† 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 2014 Series C-1-A 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 2014 Series C-1-A 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 2014 Series C-1-A 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 2014 Series C-1-A Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to 2014 Series C-1-A 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.

Sinking Fund Redemption – 2014 Series D-1 Bonds

The 2014 Series D-1 Bonds maturing on November 1, 2024 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 2014 Series D-1 Bonds specified for each of the Redemption Dates shown below:

2014 SERIES D-1 BONDS
MATURING ON NOVEMBER 1, 2024

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Nov. 1, 2022	$915,000	May 1, 2024	1,350,000
May 1, 2023	1,510,000	Nov. 1, 2024†	1,365,000
Nov. 1, 2023	1,335,000		

† Stated maturity

The 2014 Series D-1 Bonds maturing on November 1, 2027 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 2014 Series D-1 Bonds specified for each of the Redemption Dates shown below:

2014 SERIES D-1 BONDS
MATURING ON NOVEMBER 1, 2027

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2025	$1,380,000	Nov. 1, 2026	$1,425,000
Nov. 1, 2025	1,395,000	May 1, 2027	1,435,000
May 1, 2026	1,415,000	Nov. 1, 2027†	1,425,000

† 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 (45^{th}) day preceding the due date of such Sinking Fund Payment, to the purchase of the 2014 Series D-1 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 2014 Series D-1 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 2014 Series D-1 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 2014 Series D-1 Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to 2014 Series D-1 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.

Selection of Fixed Rate Bonds to be Redeemed

Subject to the redemption requirements set forth in the applicable 2013/2014 Supplemental Resolution, in the event of a redemption of Fixed Rate Bonds in connection with Recoveries of Principal, the Series of Bonds, 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) Fixed Rate Bonds of a 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 Fixed Rate Bonds and (ii) Fixed Rate Bonds of each maturity within a Series 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 Fixed Rate Bonds of such Series. The Series and maturities of Fixed Rate Bonds to be redeemed at the option of the Corporation shall be selected as directed by the Corporation. In the event of a redemption of less than all of the Fixed Rate Bonds of the same Series and maturity, the Trustee shall select the Fixed Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the applicable 2013/2014 Supplemental Resolution, no Fixed Rate Bond shall be selected for redemption if the portion of such Fixed Rate Bond remaining after such redemption would not be in a denomination authorized by the General Resolution or the applicable 2013/2014 Supplemental Resolution.

Corporation's Right to Purchase Fixed Rate Bonds

The Corporation retains the right to purchase any Fixed Rate 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, if any, for such Fixed Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Fixed Rate Bonds, or is otherwise required to redeem Fixed Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Fixed Rate Bonds or portions thereof. Such notice will specify the Series and maturities of the Fixed Rate 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 Fixed Rate Bonds, the Trustee is to mail a copy of such notice to the registered owners of any Fixed Rate Bonds or portions thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Fixed Rate Bonds or portions thereof 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 Fixed Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

DESCRIPTION OF THE VARIABLE RATE BONDS

General

The 2014 Series C-2 Bonds and the 2014 Series C-3 Bonds will bear interest at variable rates, initially reset weekly, are subject to optional and mandatory tender as described herein and are referred to herein as the "Variable Rate Bonds." The Variable Rate Bonds will mature on the dates and in the amounts set forth on the inside cover pages of this Official Statement. The Bank of New York Mellon is the Trustee for the Bonds, including the Variable Rate Bonds, and is the Tender Agent for the Variable Rate Bonds.

The Variable Rate Bonds will be dated the date of delivery thereof. The Variable Rate Bonds will bear interest from the date of their delivery until payment of the principal thereof is made or provided for in accordance with the provisions of the General Resolution and the 2014 Series C-2 Supplemental Resolution and the 2014 Series C-3 Supplemental Resolution (each such Supplemental Resolution referred to under this heading "DESCRIPTION OF THE VARIABLE RATE BONDS" as a "2014 Series C Supplemental Resolution"), whether at maturity, upon redemption or otherwise. The Variable Rate Bonds are being issued as variable rate obligations which will bear interest from their date of issue to but not including the Thursday following said date of issue at a rate per annum set forth in a Certificate of the Corporation delivered on the date of issuance of the Variable Rate Bonds. Thereafter, the Variable Rate Bonds will bear interest initially at the Weekly Rate as determined from time to time by the applicable Remarketing Agent. At no time shall the interest rate on the Variable Rate Bonds exceed the Maximum Rate (10%). The interest rate for each Series of the Variable Rate Bonds will be determined separately. Each Series of Variable Rate Bonds is subject to conversion to alternate methods of determining interest rates thereon from time to time and to conversion to an interest rate fixed to maturity upon the terms and conditions described herein.

This Official Statement in general describes the Variable Rate Bonds only while the Variable Rate Bonds bear interest at the Weekly Rate.

The Variable Rate Bonds will be issued solely in fully registered form, without coupons, issuable during a Weekly Rate Period in the denomination of $100,000 or any $5,000 increment in excess of $100,000.

Interest on each Series of Variable Rate Bonds will be payable on a monthly basis on the first Business Day of each month, commencing on the first Business Day of July, 2014, on any Change Date and on the maturity date of such Variable Rate Bonds. Interest on the Variable Rate Bonds will be computed on the basis of a 365 or 366-day year, for the actual number of days elapsed. If the date for payment of interest on or principal or Redemption Price of the Variable Rate Bonds is a day other than a Business Day, then payment may be made on the next succeeding Business Day with the same force and effect as if made on the date originally fixed for payment, and in the case of such payment no interest shall accrue for the period from the date originally fixed for payment to such next succeeding Business Day.

Weekly Rate Period. The Variable Rate Bonds shall bear interest at the Weekly Rate, determined in accordance with the applicable 2014 Series C Supplemental Resolution, during the period from the date of initial issuance and delivery of the Variable Rate Bonds to the earlier of the first date on which the method of determining the interest rate on the Variable Rate Bonds changes (an "Interest Method Change Date") or the final maturity or redemption in whole of the Variable Rate Bonds. The interest rate for each Series of the Variable Rate Bonds will be determined separately.

The Weekly Rate for each Series of the Variable Rate Bonds shall be the lowest interest rate, not exceeding the Maximum Rate, which, in the determination of the applicable Remarketing Agent as of the date of determination and under prevailing market conditions, would result as nearly as practicable in the market price for such Variable Rate Bonds on the Weekly Effective Rate Date being one hundred percent (100%) of the principal amount thereof, such interest rate to be determined as follows. The applicable Remarketing Agent shall determine the Weekly Rate not later than 4:00 p.m., New York City time, on the day immediately preceding the Weekly Effective Rate Date for each Weekly Rate Term; provided, however, that the Weekly Rate from the date of initial issuance and delivery of the Variable Rate Bonds to but not including the Thursday following said date of issue shall be the rate for the Variable Rate Bonds determined by the Corporation and set forth in a Certificate delivered to the Trustee on the date of such issuance and delivery. The applicable Remarketing Agent shall immediately give notice of the determination of any Weekly Rate to the Corporation, the Trustee, the Tender Agent and the applicable Initial Liquidity Facility Provider by telecopy or other similar means of electronic communication or by such other method of communication as shall be mutually agreed upon by the applicable Remarketing Agent and the recipients of such notice.

If for any reason the position of the applicable Remarketing Agent is vacant or if the applicable Remarketing Agent fails in the performance of its duty to determine the Weekly Rate for any Weekly Rate Term or the Weekly Rate is held to be invalid or unenforceable by a court of law, as set forth in a written notice from the Corporation to the Trustee, the Weekly Rate for such Weekly Rate Term shall be determined by the Trustee and shall be (i) if a Liquidity Facility is in effect for the Variable Rate Bonds, one hundred percent (100%) of the most recent The Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index theretofore published in *The Bond Buyer* or otherwise made available to the Trustee or (ii) if a Liquidity Facility is not in effect, the Maximum Rate. During any period when all of the Variable Rate Bonds of a Series are Bank Bonds, the Weekly Rate for such Variable Rate Bonds shall be determined by the Trustee and shall be one hundred percent (100%) of the most recent The Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index theretofore established in *The Bond Buyer* or otherwise made available to the Trustee.

If an Initial Liquidity Facility Provider fails to purchase any Variable Rate Bonds tendered or deemed tendered for purchase by the Bond owners thereof and not remarketed or if an Initial Liquidity Facility is terminated without an alternate Liquidity Facility in place, the applicable Variable Rate Bonds will continue to bear interest as described under the headings "Weekly Rate Period." Bond owners will continue to have the right to tender their Variable Rate Bonds during such period, but the Purchase Price of such Variable Rate Bonds will be payable solely from remarketing proceeds. The Corporation has no obligation to purchase such Variable Rate Bonds. If remarketing proceeds are not available, then Bond owners may be required to hold such Variable Rate Bonds to their maturity or prior redemption. See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY" for a description of the circumstances under which the applicable Initial Liquidity Facility will terminate and the conditions to the applicable Initial Liquidity Facility Provider's obligation to purchase.

Interest Rate Changes. No change in the method of determining the interest rate on a Series of Variable Rate Bonds shall be made unless the Trustee has received, at least 30 days prior to the Interest Method Change Date, (1) a Certificate of an Authorized Officer of the Corporation specifying (i) the date which is to be the Interest Method Change Date and (ii) the method of determining the interest rate which shall take effect on such date, (2) if necessary, an amendment to the applicable Liquidity Facility conforming such Liquidity Facility to the requirements of the applicable 2014 Series C Supplemental Resolution applicable to such instrument from and after the Interest Method Change Date or provision for the issuance of an alternate Liquidity Facility meeting the requirements of the applicable 2014 Series C Supplemental Resolution, in which case the Interest Method Change Date shall also be a Facility Change Date, together with various opinions of counsel as set forth in the applicable 2014 Series C Supplemental Resolution, and (3) a Bond Counsel's Opinion to the effect that the proposed change in the method of determining the interest rate on such Variable Rate Bonds is consistent with the provisions of the applicable 2014 Series C Supplemental Resolution and will not adversely affect the exclusion of the interest on such Variable Rate Bonds from gross income for Federal income tax purposes.

Optional and Mandatory Purchase of Variable Rate Bonds

Purchase of the Variable Rate Bonds on Demand of Owner

Each owner of a Variable Rate Bond may, by delivery of a written notice of tender to the Principal Office of the Tender Agent at 101 Barclay Street, Floor 7W, Attention: New York Municipal Finance Unit, New York, New York 10286 (or such other address as may be established by the Tender Agent from time to time), and the applicable Remarketing Agent (with respect to the 2014 Series C-2 Bonds, at One Bryant Park, 9th Floor, New York, New York 10036, Attention: Municipal Markets Department, and with respect to the 2014 Series C-3 Bonds, at 3 World Financial Center, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: Manager, Municipal Short Term Sales, Trading and Underwriting (or such other address as may be established by the applicable Remarketing Agent from time to time), not later than 5:00 p.m., New York City time, on any Business Day not less than seven (7) calendar days before the particular Business Day chosen as the purchase date, demand payment of the Purchase Price on and as of such purchase date of all or a portion of such Variable Rate Bond in any denomination authorized by the applicable 2014 Series C Supplemental Resolution; provided, however, that no Variable Rate Bonds of an owner shall be purchased unless any remaining Variable Rate Bonds of such owner shall be in a denomination authorized by the applicable 2014 Series C Supplemental Resolution. Each such notice of tender shall be irrevocable and effective upon receipt and shall:

(i) be delivered to the Tender Agent and the applicable Remarketing Agent at their respective Principal Offices and be in a form satisfactory to the Tender Agent; and

(ii) state (A) the aggregate principal amount of the Variable Rate Bonds to be purchased and the numbers of such Variable Rate Bonds to be purchased, and (B) the date on which such Variable Rate Bonds are to be purchased, which date shall be a Business Day not prior to the seventh (7th) day next succeeding the date of delivery of such notice and which date shall be prior to any Change Date.

If any Variable Rate Bond is to be purchased prior to an Interest Payment Date and after the Record Date in respect thereof, the owner of such Variable Rate Bond demanding purchase thereof shall deliver to the Tender Agent a due-bill check, payable to bearer, for interest due on such Interest Payment Date.

Any Variable Rate Bonds for which a demand for purchase has been made shall be delivered to the Tender Agent at or prior to 12:00 noon, New York City time, on the date designated for purchase, with an appropriate endorsement for transfer to the Tender Agent or accompanied by a bond power endorsed in blank.

Any Variable Rate Bonds not so delivered to the Tender Agent on or prior to the purchase date ("Undelivered Variable Rate Bonds") for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Variable Rate Bonds shall be deemed to have been purchased at the Purchase Price. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED VARIABLE RATE BONDS TO DELIVER ITS AFFECTED VARIABLE RATE BONDS ON OR PRIOR TO THE PURCHASE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE PURCHASE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED VARIABLE RATE BONDS, AND ANY UNDELIVERED VARIABLE RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Notwithstanding the above, in the event that any Variable Rate Bond whose owner has exercised its demand purchase option is remarketed to such owner, such owner need not deliver such Variable Rate Bond to the Tender Agent, but such Variable Rate Bond shall be deemed to have been delivered to the Tender Agent and remarketed and redelivered to such owner.

Mandatory Purchase of Variable Rate Bonds on Interest Method Change Date

Each Series of the Variable Rate Bonds shall be subject to mandatory tender for purchase on any Interest Method Change Date for such Series of Variable Rate Bonds at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Interest Method Change Date to the applicable Remarketing Agent, the applicable Initial Liquidity Facility Provider and to the owner of each Variable Rate Bond to which such notice relates, at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Interest Method Change Date, that all owners of affected Variable Rate Bonds shall be deemed to have tendered their Variable Rate Bonds for purchase on the Interest Method Change Date, and the Purchase Price for such Variable Rate Bonds.

Owners of Variable Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Variable Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Interest Method Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Variable Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Variable Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Interest Method Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED VARIABLE RATE BONDS TO DELIVER ITS AFFECTED VARIABLE RATE BONDS ON OR PRIOR TO THE INTEREST METHOD CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE INTEREST METHOD CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED VARIABLE RATE BONDS, AND ANY UNDELIVERED VARIABLE RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Mandatory Purchase of Variable Rate Bonds Upon Replacement, Termination or Expiration of Liquidity Facility

Each Series of the Variable Rate Bonds shall be subject to mandatory tender for purchase on any Facility Change Date for such Series of Variable Rate Bonds at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Facility Change Date to the applicable Remarketing Agent, the applicable Initial Liquidity Facility Provider and to the owner of each Variable Rate Bond to which such notice relates at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Facility Change Date and reason therefor, that all owners of affected Variable Rate Bonds shall be deemed to have tendered their Variable Rate Bonds for purchase on the Facility Change Date, and the Purchase Price for such Variable Rate Bonds.

Owners of Variable Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Variable Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Facility Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Variable Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of the Undelivered Variable Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Facility Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED VARIABLE RATE BONDS TO DELIVER ITS AFFECTED VARIABLE RATE BONDS ON OR PRIOR TO THE FACILITY CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE FACILITY CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED VARIABLE RATE BONDS, AND ANY UNDELIVERED VARIABLE RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Mandatory Purchase of Variable Rate Bonds on Discretionary Tender Date

Each Series of the Variable Rate Bonds shall be subject to mandatory tender for purchase on any Discretionary Tender Date for such Series of Variable Rate Bonds at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Discretionary Tender Date to the applicable Remarketing Agent, the applicable Initial Liquidity Facility Provider and to the owner of each Variable Rate Bond to which such notice relates at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Discretionary Tender Date, that all owners of affected Variable Rate Bonds shall be deemed to have tendered their Variable Rate Bonds for purchase on the Discretionary Tender Date, and the Purchase Price for such Variable Rate Bonds.

Owners of Variable Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Variable Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Discretionary Tender Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Variable Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of the Undelivered Variable Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Discretionary Tender Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED VARIABLE RATE BONDS TO DELIVER ITS AFFECTED VARIABLE RATE BONDS ON OR PRIOR TO THE DISCRETIONARY TENDER DATE, SAID OWNER SHALL

NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE DISCRETIONARY TENDER DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED VARIABLE RATE BONDS, AND ANY UNDELIVERED VARIABLE RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

<u>Initial Liquidity Facility Provider's Right To Cause a Mandatory Tender for Purchase of Variable Rate Bonds upon Certain Events of Default under an Initial Liquidity Facility</u>

Pursuant to the applicable 2014 Series C Supplemental Resolution, for so long as the Initial Liquidity Facility is in effect for the applicable Series of Variable Rate Bonds, upon the receipt by the Trustee of written notice from the applicable Initial Liquidity Facility Provider that certain events of default have occurred under such Initial Liquidity Facility, the Trustee shall specify a Change Date on which the Variable Rate Bonds of such Series shall be subject to mandatory tender for purchase, which Change Date shall not be later than twenty-five (25) days following receipt by the Trustee of such written notice from such Initial Liquidity Facility Provider. Upon receipt of such written notice from such Initial Liquidity Facility Provider, the Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Change Date to the applicable Remarketing Agent and to the owner of each Variable Rate Bond to which such notice relates at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY" for a discussion of the events of default that may result in a mandatory tender.

Such notice shall set forth, in substance, the Change Date and reason therefor, that all owners of affected Variable Rate Bonds shall be deemed to have tendered their Variable Rate Bonds for purchase on the Change Date, and the Purchase Price for such Variable Rate Bonds. Owners of Variable Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Variable Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Variable Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of the Undelivered Variable Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED VARIABLE RATE BONDS TO DELIVER ITS AFFECTED VARIABLE RATE BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED VARIABLE RATE BONDS, AND ANY UNDELIVERED VARIABLE RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Following the occurrence of certain events of default, an Initial Liquidity Facility will automatically and immediately terminate or be suspended without notice or mandatory tender. See "Wells Fargo Bank Initial Liquidity Facility" and "TD Bank Initial Liquidity Facility" herein. Pursuant to the applicable Tender Agent Agreement, the Tender Agent will subsequently give notice to affected Variable Rate Bond owners of such termination or suspension.

Remarketing

The Corporation will enter into a Remarketing Agreement for each Series of the Variable Rate Bonds with each Remarketing Agent pursuant to which the Remarketing Agent will undertake the duties of Remarketing Agent, including determining interest rates and using its best efforts to remarket tendered Variable Rate Bonds of the applicable Series. Each Remarketing Agreement provides that the Remarketing Agent may at any time resign and be discharged of its duties thereunder, generally by giving thirty (30) days' written notice, and that the Corporation may remove the Remarketing Agent upon thirty (30) days' written notice. In the event the applicable Remarketing Agent is unable to remarket the Variable Rate Bonds of a Series so tendered while an Initial Liquidity Facility is in effect, the applicable Initial Liquidity Facility Provider is to purchase such Variable Rate Bonds in accordance with such Initial Liquidity Facility. The applicable Remarketing Agent will not be required to remarket the Variable Rate Bonds under certain conditions, including after the occurrence and continuation of an Event of Default under the General Resolution.

Corporation Not Responsible for Failed Purchase or Remarketing of Variable Rate Bonds

The Corporation is not responsible for any failure by an Initial Liquidity Facility Provider to purchase Variable Rate Bonds tendered at the option of the Variable Rate Bond owner or subject to mandatory tender for purchase or for the applicable Remarketing Agent's failure to remarket the Variable Rate Bonds. Failure to purchase a Variable Rate Bond tendered at the option of the Variable Rate Bond owner or subject to mandatory tender for purchase does not constitute an Event of Default under the General Resolution. See "DESCRIPTION OF THE VARIABLE RATE BONDS—General—Weekly Rate Period."

Additional Provisions Regarding Bank Bonds

Pursuant to the applicable 2014 Series C Supplemental Resolution, Variable Rate Bonds purchased by the applicable Initial Liquidity Facility Provider pursuant to the applicable Initial Liquidity Facility will be "Bank Bonds."

Principal of and interest on any Variable Rate Bonds that are Bank Bonds is payable from Revenues on a parity with all other Bonds (other than Subordinate Bonds). Interest on any Bank Bond will be due and payable at the rate provided for the applicable Series of Variable Rate Bonds and the principal of any Bank Bond will be payable at the times and in the amounts set forth for the applicable Series of Variable Rate Bonds.

Failure to pay principal of or interest on Bank Bonds is an event of default under the applicable Initial Liquidity Facility and may result in the termination or suspension of the obligation of the applicable Initial Liquidity Facility Provider to purchase tendered Variable Rate Bonds pursuant to such Initial Liquidity Facility. See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY".

Provisions Affecting Variable Rate Bonds if a Change of Method of Determining the Interest Rate Cannot be Effected or if a Liquidity Facility Cannot be Replaced

In the event of an Interest Method Change Date, and following the provision of notice of mandatory purchase of Variable Rate Bonds of the affected Series, the Trustee receives notice from the Corporation or the Remarketing Agent, as applicable, that a change in the method of determining the interest rate on such Variable Rate Bonds cannot be effected, (i) the new method of determining the interest rate on such Variable Rate Bonds shall not take effect, (ii) such Variable Rate Bonds shall be subject to mandatory tender on the proposed Interest Method Change Date and the Holders of such Variable Rate Bonds shall not have the right to retain their Variable Rate Bonds and (iii) the method of determining the interest rate on such Variable Rate Bonds shall remain unchanged on the proposed Interest Method Change Date, without any further action by any party.

In the event of a Facility Change Date, and following the provision of notice of mandatory purchase of Variable Rate Bonds of the affected Series, the Trustee receives notice from the Corporation or the Remarketing Agent, as applicable, that a Liquidity Facility that was to be replaced cannot be replaced, the Facility Change Date shall be canceled, unless the prior Liquidity Facility is expiring within sixty (60) days after the Facility Change Date. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of each Variable Rate Bond of the affected Series stating that such change shall not occur (and the reasons therefor) and that the related mandatory tender shall be canceled.

Changes of Time Period for Provision of Notice Relating to Mandatory Purchase Provision or Demand Purchase Option

Each 2014 Series C Supplemental Resolution relating to a Series of Variable Rate Bonds provides that it is subject to amendment and supplement by a Supplemental Resolution, from time to time, without Bondholder consent, to effect a change with respect to the time periods for provision of notice relating to the Mandatory Purchase Provision, Demand Purchase Option or interest rate determination or the time periods for interest rate determination or the procedure for tendering Variable Rate Bonds of the applicable Series in connection with the Mandatory Purchase Provision or Demand Purchase Option, which Supplemental Resolution may be adopted and become effective (i) upon filing of a copy thereof certified by an Authorized Officer of the Corporation with the Trustee (ii) upon filing with the Trustee and the Corporation of consents to such Supplemental Resolution executed by the Trustee and the applicable Initial Liquidity Provider, and (iii) after such period of time as the Trustee and the Corporation deem appropriate following notice to the owners of such Variable Rate Bonds (but not less than thirty (30) days). A copy of any such Supplemental Resolution shall be provided to the owners of such Variable Rate Bonds.

Delivery of Variable Rate Bonds in Book-Entry-Only Form

Notwithstanding any other provision of the Resolutions to the contrary, so long as any Variable Rate Bond is held in book-entry form, such Variable Rate Bond need not be delivered in connection with any optional or mandatory tender of Variable Rate Bonds described under "DESCRIPTION OF THE VARIABLE RATE BONDS." In such case, payment of the Purchase Price in connection with such tender shall be made to the registered owner of such Variable Rate Bonds on the date designated for such payment, without further action by the Beneficial Owner who delivered notice, and transfer of beneficial ownership shall be made in accordance with the procedures of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

Disclosure Concerning Remarketing of the Variable Rate Bonds

The information contained under this subheading "Disclosure Concerning Remarketing of the Variable Rate Bonds" has been provided by the Remarketing Agents for use in this Official Statement but has not been required by the Corporation to be included herein and, to the extent such information does not describe express provisions in the Resolutions or the Remarketing Agreements, the Corporation does not accept any responsibility for its accuracy or completeness. As used under this subheading "Disclosure Concerning Remarketing of the Variable Rate Bonds", the term "Variable Rate Bonds" shall refer to the Variable Rate Bonds of the applicable Series.

Remarketing Agents are Paid by the Corporation

Each Remarketing Agent's responsibilities include determining the interest rate for the Variable Rate Bonds from time to time and remarketing the Variable Rate Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the applicable Remarketing Agreement), all as further described in this Official Statement. The Remarketing Agent for each Series of Variable Rate Bonds is appointed by the Corporation and is paid for its services by the Corporation with amounts provided by the applicable Mortgagor. As a result, the interests of each Remarketing Agent may differ from those of existing holders and potential purchasers of Variable Rate Bonds.

Each Remarketing Agent May Purchase Bonds for its Own Account

Each Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, may purchase such obligations for its own account. Each Remarketing Agent is permitted, but not obligated, to purchase tendered Variable Rate Bonds for its own account and, in its sole discretion, may routinely acquire such tendered Variable Rate Bonds in order to achieve a successful remarketing of the Variable Rate Bonds (i.e., because there otherwise are not enough buyers to purchase the Variable Rate Bonds) or for other reasons. However, the Remarketing Agents are not obligated to purchase Variable Rate Bonds, and may cease doing so at any time without notice. The Remarketing Agents may also make a market in the Variable Rate Bonds by purchasing and selling Variable Rate Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agents are not required to make a market in the Variable Rate Bonds. Each Remarketing Agent may also sell any Variable Rate Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Variable Rate Bonds. The purchase of Variable Rate Bonds by a Remarketing Agent may create the appearance that there is greater third party demand for the Variable Rate Bonds in the market than is actually the case. The practices described above also may result in fewer Variable Rate Bonds being tendered in a remarketing.

Variable Rate Bonds May be Offered at Different Prices on Any Date Including an Interest Rate Determination Date

Pursuant to the applicable Remarketing Agreement, each Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of Variable Rate Bonds at par plus accrued interest, if any, on and as of the date on which the rate is determined (the "Rate Determination Date"). The interest rate will reflect, among other factors, the level of market demand for the Variable Rate Bonds (including whether the Remarketing Agent is willing to purchase Variable Rate Bonds for its own account). There may or may not be Variable Rate Bonds tendered and remarketed on a Rate Determination Date, the Remarketing Agent may or may not be able to remarket any Variable Rate Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Variable Rate Bonds at varying prices to different investors on such date or any other date. The Remarketing Agents are not obligated to advise purchasers in a remarketing if they do not have third party buyers for all of the Variable Rate Bonds at the remarketing price. In the event a Remarketing Agent owns any Variable Rate Bonds for its own account, it may, in its sole discretion, in a secondary market transaction outside the tender process, offer such Variable Rate Bonds on any date, including the Rate Determination Date, at a discount to par to some investors.

The Ability to Sell the Variable Rate Bonds other than through Tender Process May Be Limited

The Remarketing Agents may buy and sell Variable Rate Bonds other than through the tender process. However, they are not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Variable Rate Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Variable Rate Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Variable Rate Bonds other than by tendering the Variable Rate Bonds in accordance with the tender process. The applicable Initial Liquidity Facility is not available to purchase Variable Rate Bonds other than those tendered in accordance with the tender process and, as such, would not be drawn to purchase Variable Rate Bonds in connection with a sale of Variable Rate Bonds by the owners to the Remarketing Agent.

Variable Rate Bonds Not Remarketed

In the event a Remarketing Agent is unable to remarket the Variable Rate Bonds so tendered while an Initial Liquidity Facility is in effect, the applicable Initial Liquidity Facility Provider is to purchase such Variable Rate Bonds in accordance with such Initial Liquidity Facility.

Following the occurrence of certain events of default, each Initial Liquidity Facility will automatically and immediately terminate or be suspended without notice or mandatory tender. See "WELLS FARGO BANK INITIAL LIQUIDITY FACILITY" and "TD BANK INITIAL LIQUIDITY FACILITY."

Redemption Provisions for the Variable Rate Bonds

The Variable Rate Bonds are subject to optional redemption prior to maturity, as described below.

Optional Redemption

The Variable Rate Bonds of each Series are subject to redemption, at the option of the Corporation, in whole or in part, on any Business Day, at a Redemption Price equal to one hundred percent (100%) of the principal amount of such Variable Rate 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 the applicable 2014 Series C Supplemental Resolution, in the event of a partial redemption of Variable Rate Bonds of a Series in connection with Recoveries of Principal, 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) Variable Rate Bonds of a 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 Variable Rate Bonds and (ii) Variable Rate Bonds of each maturity within a Series 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 Variable Rate Bonds of such Series. The Series and maturities of Variable Rate Bonds to be redeemed at the option of the Corporation shall be selected as directed by the Corporation. In the event of redemption of less than all of the Variable Rate Bonds of the same Series and maturity, the Trustee shall select the Variable Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the applicable 2014 Series C Supplemental Resolution, (i) for so long as an Initial Liquidity Facility shall be in effect for a Series of the Variable Rate Bonds, the first Variable Rate Bonds of such Series to be redeemed shall be Bank Bonds, and (ii) no Variable Rate Bond shall be selected for redemption if the portion of such Variable Rate Bond remaining after such redemption would not be in a denomination authorized by the General Resolution or the applicable 2014 Series C Supplemental Resolution. Notwithstanding the foregoing, for so long as an Initial Liquidity Facility shall be in effect for a Series of the Variable Rate Bonds, Recoveries of Principal deposited in the Redemption Account derived from or with respect to a

2014 Series C Mortgage Loan or 2014 Series C Development financed with the proceeds of such Series of Variable Rate Bonds may only be used to redeem Variable Rate Bonds of such Series.

Corporation's Right to Purchase Bonds

The Corporation retains the right to purchase any Variable Rate 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, if any, for such Variable Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Variable Rate Bonds, or is otherwise required to redeem Variable Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Variable Rate Bonds or portions thereof. Such notice will specify the Series and maturities of the Variable Rate 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 fifteen (15) days before the Redemption Date for such Variable Rate Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of such Variable Rate Bonds or portions thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Variable Rate Bonds or portions thereof 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 Variable Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

THE WELLS FARGO BANK INITIAL LIQUIDITY FACILITY

The Corporation expects to execute an Initial Liquidity Facility for the 2014 Series C-2 Bonds (the "Wells Fargo Bank Initial Liquidity Facility") with Wells Fargo Bank, National Association ("Wells Fargo") on the date of delivery of the 2014 Series C-2 Bonds. The Wells Fargo Bank Initial Liquidity Facility contains various provisions, covenants and conditions, certain of which are summarized below. Certain words or terms used in the following summary are defined hereinbelow and other words or terms not defined hereinbelow are defined elsewhere in this Official Statement, in the Wells Fargo Bank Initial Liquidity Facility, the General Resolution or the 2014 Series C-2 Supplemental Resolution, and reference thereto is made for such definitions. The Wells Fargo Bank Initial Liquidity Facility requires Wells Fargo to provide funds for the purchase of the 2014 Series C-2 Bonds that have been tendered and not remarketed subject to certain conditions described below. In addition, the Wells Fargo Bank Initial Liquidity Facility does not guarantee the payment of principal of or interest or redemption premium, if any, of the 2014 Series C-2 Bonds in the event of non-payment of such interest, principal or redemption premium, if any, by the Corporation and is subject to termination or suspension based on certain defaults set forth below.

The obligation of Wells Fargo pursuant to the Wells Fargo Bank Initial Liquidity Facility to provide funds for the purchase of the 2014 Series C-2 Bonds that have been tendered and not remarketed shall end on the later of (a) the last day of the Commitment Period (as hereinafter defined) and (b) the payment in full of the principal of and interest on all Bank Bonds and all Obligations due under the Wells Fargo Bank Initial Liquidity Facility. The "Commitment Period" means the period from the Effective Date to and including the earliest to occur of: (i) February 27, 2017, as such date may be extended from time to time in accordance with the Wells Fargo Bank Initial Liquidity Facility, (ii) the date on which no

2014 Series C-2 Bonds are Outstanding, (iii) the close of business on the Business Day immediately following the Conversion Date, (iv) the close of business on the thirtieth (30th) day following the date on which a Notice of Termination Date is received by the Corporation and the Trustee pursuant to specified sections of the Wells Fargo Bank Initial Liquidity Facility, or if such thirtieth (30th) day is not a Business Day, the next succeeding Business Day and (v) the date on which the Available Commitment (as defined in the Wells Fargo Bank Initial Liquidity Facility) has been reduced to zero or terminated in its entirety pursuant to the specified sections of the Wells Fargo Bank Initial Liquidity Facility under the circumstances described below under "Events of Default and Remedies."

Subject to the terms and conditions of the Wells Fargo Bank Initial Liquidity Facility, Wells Fargo agrees from time to time during the Commitment Period to purchase, with its own funds, 2014 Series C-2 Bonds at the Purchase Price on a purchase date. Wells Fargo's obligation is limited to an amount equal to the aggregate principal amount of the 2014 Series C-2 Bonds then Outstanding plus an amount equal to at least 34 days of interest at 10% computed on the basis of a 365-day year.

The obligation of Wells Fargo to purchase 2014 Series C-2 Bonds on any date is subject to the satisfaction of the following conditions, unless waived in writing by Wells Fargo: (i) no Special Event of Default or Suspension Event described in paragraph (a) or (b) below shall have occurred and be continuing; and (ii) Wells Fargo shall have timely received a notice of purchase.

<u>Events of Default and Remedies</u>. The following events constitute Events of Default under the Wells Fargo Bank Initial Liquidity Facility:

(1) The Corporation shall fail to pay when due (i) any principal or sinking fund requirement due on any 2014 Series C-2 Bond (including any Bank Bond) in accordance with the terms of the Resolutions or the terms of the Wells Fargo Bank Initial Liquidity Facility or (ii) any interest on any 2014 Series C-2 Bond (including any Bank Bond) in accordance with the terms of the Resolutions; or

(2) [Reserved]

(3) Any representation or warranty made by or on behalf of the Corporation in such Initial Liquidity Facility, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or in any other Related Document or in any certificate or statement delivered under said documents shall be incorrect or untrue in any material respect when made or deemed to have been made; or

(4) The Corporation shall default in the due performance or observance of any of the covenants set forth in specified sections of such Initial Liquidity Facility; or

(5) The Corporation shall materially default in the due performance or observance of any other term, covenant or agreement contained in such Initial Liquidity Facility, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or in any other Related Document and such default shall remain unremedied for a period of thirty (30) days after the Corporation shall have received notice thereof; or

(6) One or more final, unappealable judgments against the Corporation for the payment of money, which judgments are not covered by insurance, and which judgments are to be enforced pursuant to a lien upon, or an attachment against, any or all of the Trust Estate, the operation or result of which judgments, individually or in the aggregate, equal or exceed $10,000,000 and which judgments shall remain unpaid, undischarged, unbonded or undismissed for a period of thirty (30) days; or

(7) (a) The Corporation shall commence any case, proceeding or other action (i) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it, or seeking to declare a moratorium with respect to the 2014 Series C-2 Bonds or any Parity Debt, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets or for all or any portion of the Trust Estate; or the Corporation shall make a general assignment for the benefit of its creditors; or (b) there shall be commenced against the Corporation any case, proceeding or other action of a nature referred to in clause (a) above which (i) results in an order for such relief or in the appointment of a receiver or similar official or (ii) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (c) there shall be commenced against the Corporation, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets or for all or any portion of the Trust Estate, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (d) the Corporation shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (a), (b) or (c) above; or (e) the Corporation shall admit in writing, its inability to, pay its debts; or

(8) (a) Any provision of the Act, the Wells Fargo Bank Initial Liquidity Facility, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or the 2014 Series C-2 Bonds relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt, shall at any time, and for any reason, cease to be valid and binding on the Corporation, or shall be declared to be null and void, invalid or unenforceable as the result of a final nonappealable judgment by any federal or state court or as a result of any legislative or administrative action by any governmental authority having jurisdiction over the Corporation; or (b) the Corporation repudiates or otherwise denies that it has any further liability or obligation under or with respect to any provision of the Act, the Wells Fargo Bank Initial Liquidity Facility, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate, the 2014 Series C-2 Bonds or any Parity Debt relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt; or (c) the State or the Corporation shall have taken or permitted to be taken any official action, or has duly enacted any statute, which would materially adversely affect the enforceability of any provision of the Wells Fargo Bank Initial Liquidity Facility, the 2014 Series C-2 Bonds, the Act, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt; or (d) any Governmental Authority with jurisdiction to rule on the validity or enforceability of the Wells Fargo Bank Initial Liquidity Facility, the 2014 Series C-2 Bonds, the Act, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt shall find or rule, in a judicial or administrative proceeding, that any provision of the Wells Fargo Bank Initial Liquidity Facility, the 2014 Series C-2 Bonds, the Act, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt, as the case may be, relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt, is not valid or not binding on, or enforceable against, the Corporation; or (e) the State or the Corporation (i) makes a claim in a judicial or administrative proceeding that the Corporation has no further liability or obligation under the Wells Fargo Bank Initial Liquidity Facility, the 2014 Series C-2 Bonds, the Act, the General Resolution, the 2014

Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (ii) contests in a judicial or administrative proceeding the validity or enforceability of any provision of the Wells Fargo Bank Initial Liquidity Facility, the 2014 Series C-2 Bonds, the Act, the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt relating to or otherwise affecting (A) the Corporation's ability or obligation to pay, when due, the principal of or interest on the 2014 Series C-2 Bonds (including any Bank Bonds) or any Parity Debt or (B) the Trust Estate securing said Bonds and Parity Debt; or (f) a debt moratorium or comparable extraordinary restriction on repayment of debt shall have been declared or imposed (whether or not in writing) with respect to the 2014 Series C-2 Bonds (including any Bank Bond) or any Parity Debt; or

(9) Moody's Investors Service and Standard & Poor's Ratings Services and any other rating agency then rating the 2014 Series C-2 Bonds and any Parity Debt shall have (a) assigned the 2014 Series C-2 Bonds or any Parity Debt, a long-term rating below "Baa3" and "BBB-," respectively (or comparable rating, in the case of another rating agency), (b) withdrawn their long-term ratings of the 2014 Series C-2 Bonds or any Parity Debt for any credit-related reasons or (c) suspended their long-term ratings of the 2014 Series C-2 Bonds or any Parity Debt for any credit-related reasons; *provided, however*, that any downgrade, withdrawal or suspension described in any of the foregoing provisions shall not be deemed an Event of Default under the Wells Fargo Bank Initial Liquidity Facility if said downgrade, withdrawal or suspension, as the case may be, shall be attributable to the downgrade, withdrawal or suspension of the long-term ratings assigned to any bond insurance or other credit enhancement provided by a Person other than the Corporation; or

(10) (a) Except as otherwise provided in clause (b) below, any "Event of Default" as defined in Section 10.1 of the General Resolution which is not cured within any applicable cure period shall occur which, if not cured, would give rise to remedies available thereunder; or any "Event of Default" which is not cured within any applicable grace period shall occur which, if not cured, would give rise to remedies available under any other agreement between the Corporation and Wells Fargo regarding Parity Debt; or (b) the Corporation shall fail to make any payment in respect of principal or interest on any Parity Debt, issued and outstanding or to be issued, when due (i.e., whether upon said Parity Debt's scheduled maturity, required prepayment, acceleration, upon demand or otherwise, except as such payments may be accelerated, demanded or required to be prepaid under the Wells Fargo Bank Initial Liquidity Facility), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Parity Debt.

Following the occurrence of certain of the above referenced Events of Default, Wells Fargo may take any one or more of the following actions, among others. Reference is made to the Wells Fargo Bank Initial Liquidity Facility for a complete listing of all consequences of Events of Default.

(a) In the case of any Event of Default specified in paragraph 1, 7(a), 7(d), 7(e), 8(a), 8(b), 8(c), 8(f), 9 or 10(b) above (each, a "Special Event of Default"), the Available Commitment shall immediately be reduced to zero, in which case the obligations of Wells Fargo under Article II of the Wells Fargo Bank Initial Liquidity Facility shall immediately terminate and expire without requirement of notice by Wells Fargo; provided, that the Suspension Events described in paragraph (b) below will not qualify as "Special Events of Default" unless and until the conditions described in said paragraph (b) below for such qualification have been satisfied. After such termination or expiration, Wells Fargo shall deliver promptly to the Corporation, the Trustee, the Tender Agent and the Remarketing Agent written notice of such termination or expiration; provided, however, that failure to provide such written notice shall have no effect on the validity or enforceability of such termination or expiration.

(b) In the case of any Event of Default or Default specified in paragraph 7(b), 7(c), 8(d) or 8(e) above (each, a "Suspension Event"), the obligation of Wells Fargo to purchase Eligible Bonds under the Wells Fargo Bank Initial Liquidity Facility shall be immediately suspended without notice or demand and, thereafter, Wells Fargo shall be under no obligation to purchase Eligible Bonds until the Available Commitment is reinstated as described below. Promptly upon the occurrence of any such Suspension Event, Wells Fargo shall notify the Corporation, the Trustee, the Tender Agent and the Remarketing Agent of such suspension and the effective date of such suspension in writing by facsimile, promptly confirmed by regular mail; *provided*, that Wells Fargo shall incur no liability of any kind by reason of its failure to give such notice and such failure shall in no way affect the suspension of the Available Commitment to purchase Eligible Bonds pursuant to the Wells Fargo Bank Initial Liquidity Facility.

(i) Upon the occurrence of an Event of Default described in paragraph 7(b)(i), Wells Fargo's obligations to purchase Eligible Bonds shall be suspended immediately and automatically and remain suspended until said case, proceeding or other action referred to therein is either dismissed, discharged or bonded or the Termination Date occurs, whichever is first. In the event that said Event of Default shall have been dismissed, discharged or bonded prior to the Termination Date, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall be reinstated and the terms of the Wells Fargo Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the Wells Fargo Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been dismissed, discharged or bonded prior to the Termination Date, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, Wells Fargo shall be under no obligation to purchase Eligible Bonds.

(ii) Upon the occurrence of a Default described in paragraph 7(b)(ii), Wells Fargo's obligations to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended until the case, proceeding or other action referred to therein is either dismissed, discharged or bonded within sixty (60) days from the commencement of such case, proceeding or action, or the Termination Date occurs, whichever is first. In the event that said Suspension Event shall have been dismissed, discharged or bonded within the sixty (60) day period described therein and prior to the Termination Date, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall be reinstated and the terms of the Wells Fargo Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the Wells Fargo Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been dismissed, discharged or bonded within said sixty (60) day period when the Termination Date occurs, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, Wells Fargo shall be under no obligation to purchase Eligible Bonds.

(iii) Upon the occurrence of a Default described in paragraph 7(c), Wells Fargo's obligations to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended until the case, proceeding or other action referred to therein is either vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the commencement of such case, proceeding or action, or the Termination Date occurs, whichever is first. In the event that said Suspension Event shall have been vacated, discharged, or stayed or bonded pending appeal within the sixty (60) day period described therein and prior to the Termination Date, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall be reinstated and the terms of the Wells Fargo Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the Wells Fargo Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been vacated, discharged, or stayed or bonded pending appeal within the sixty (60) day period when the Termination Date occurs, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, the Bank shall be under no obligation to purchase Eligible Bonds.

(iv) Upon the occurrence of an Event of Default described in paragraph 8(d) or 8(e), Wells Fargo's obligation to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended unless and until a court with jurisdiction to rule on such an Event of Default shall enter a final and nonappealable judgment that any of the material provisions of the Act or any other document described in paragraph 8(d) are not valid or not binding on, or enforceable against, the Corporation or that a claim or contest described in paragraph 8(e) shall have been upheld in favor of the State or the Corporation in accordance with a final and nonappealable judgment, then, in each such case, the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall immediately terminate without notice or demand and, thereafter, Wells Fargo shall be under no obligation to purchase Eligible Bonds. If a court with jurisdiction to rule on such an Event of Default shall find or rule by entry of a final and nonappealable judgment that the material provision of the Act or any other document described in paragraph 8(d) is valid and binding on, or enforceable against, the Corporation or that the claim or contest described in paragraph 8(e) shall have been dismissed pursuant to a final and nonappealable judgment, then the Available Commitment and the obligations of Wells Fargo under the Wells Fargo Bank Initial Liquidity Facility shall, in each such case, thereupon be reinstated (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the Wells Fargo Bank Initial Liquidity Facility). Notwithstanding the foregoing, if suspension of the obligations of Wells Fargo pursuant to any Event of Default described in paragraph 8(d) or 8(e) remains in effect and litigation is still pending and a determination regarding same shall not have been dismissed or otherwise made pursuant to a final and nonappealable judgment, as the case may be, when the Termination Date occurs, then the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, Wells Fargo shall be under no obligation to purchase Eligible Bonds.

In the case of any Suspension Event, the Tender Agent shall subsequently notify all 2014 Series C-2 Bond owners of the suspension and/or termination of both the Available Commitment and the obligation of Wells Fargo to purchase Eligible Bonds.

(c) Upon the occurrence of any Event of Default, Wells Fargo shall have all remedies provided at law or equity, including, without limitation, specific performance; and in addition, Wells Fargo, in its sole discretion, may do one or more of the following: (i) declare all obligations of the Corporation to Wells Fargo under the Wells Fargo Bank Initial Liquidity Facility (other than payments of principal and redemption price of and interest on the Bank Bonds, unless said Bank Bonds have otherwise become subject to acceleration pursuant to the General Resolution) to be immediately due and payable, and the same shall thereupon become due and payable without demand, presentment, protest, notice of intent to accelerate, notice of acceleration or further notice of any kind, all of which are expressly waived; (ii) Wells Fargo may give written notice of such Event of Default and termination of the Wells Fargo Bank Initial Liquidity Facility ("Notice of Termination Date") to the Trustee, the Tender Agent, the Corporation and the Remarketing Agent requesting a mandatory tender; *provided*, that the obligation of Wells Fargo to purchase 2014 Series C-2 Bonds shall terminate on the thirtieth (30th) day (or if such day is not a Business Day, the next following Business Day) after such Notice of Termination Date is received by the Trustee and, on and after such date, the Available Commitment shall terminate and Wells Fargo shall be under no obligation under the Wells Fargo Bank Initial Liquidity Facility to purchase 2014 Series C-2 Bonds; (iii) exercise any right or remedy available to it under any other provision of the Wells Fargo Bank Initial Liquidity Facility; or (iv) exercise any other rights or remedies available under the General Resolution, the 2014 Series C-2 Supplemental Resolution, the applicable Bonds Series Certificate or any other Related Document, any other agreement or at law or in equity; *provided*, *further*; *however*, Wells Fargo shall not have the right to terminate its obligation to purchase the 2014 Series C-2 Bonds except as provided above.

Wells Fargo Bank, National Association

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with $1.5 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 locations, 12,000 ATMs, and the Internet (wellsfargo.com), and has offices in 36 countries to support customers who conduct business in the global economy. With more than 265,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 25 on Fortune's 2013 rankings of America's largest corporations. Wells Fargo's vision is to satisfy all our customers' financial needs and help them succeed financially.

Wells Fargo has senior unsecured debt ratings of "AA-"/"Aa3" and short-term deposit ratings of "A-1+"/"P-1" from Standard & Poor's Ratings Services and Moody's Investors Service, Inc., respectively. The principal executive offices of Wells Fargo are located at 420 Montgomery Street, San Francisco, California 94104 (telephone number 1-866-878-5865).

Wells Fargo is responsible for only the information contained in this part of the Official Statement and did not participate in the preparation of or in any way verify the information contained in any other part of the Official Statement. Accordingly, Wells Fargo assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Official Statement.

Delivery of this Official Statement shall not create any implication that there has been no change in the affairs of Wells Fargo since the date hereof or that the information contained or referenced to under this heading is correct as of the time subsequent to the date of such information.

THE TD BANK INITIAL LIQUIDITY FACILITY

The Corporation expects to execute an Initial Liquidity Facility for the 2014 Series C-3 Bonds (the "TD Bank Initial Liquidity Facility") with TD Bank, N.A. ("TD Bank") on the date of delivery of the 2014 Series C-3 Bonds. The TD Bank Initial Liquidity Facility contains various provisions, covenants and conditions, certain of which are summarized below. Certain words or terms used in the following summary are defined hereinbelow and other words or terms not defined hereinbelow are defined elsewhere in this Official Statement, in the TD Bank Initial Liquidity Facility, the General Resolution or the 2014 Series C-3 Supplemental Resolution, and reference thereto is made for such definitions. The TD Bank Initial Liquidity Facility requires TD Bank to provide funds for the purchase of the 2014 Series C-3 Bonds that have been tendered and not remarketed subject to certain conditions described below. In addition, the TD Bank Initial Liquidity Facility does not guarantee the payment of principal of or interest or redemption premium, if any, of the 2014 Series C-3 Bonds in the event of non-payment of such interest, principal or redemption premium, if any, by the Corporation and is subject to termination or suspension based on certain defaults set forth below.

The obligation of TD Bank pursuant to the TD Bank Initial Liquidity Facility to provide funds for the purchase of the 2014 Series C-3 Bonds that have been tendered and not remarketed shall end on the later of (a) the last day of the Commitment Period (as hereinafter defined) and (b) the payment in full of the principal of and interest on all Bank Bonds and all Obligations due under the TD Bank Initial Liquidity Facility. The "Commitment Period" means the period from the Effective Date to and including the earliest to occur of: (i) June 25, 2019, as such date may be extended from time to time in accordance with the TD Bank Initial Liquidity Facility, (ii) the date on which no 2014 Series C-3 Bonds are Outstanding, (iii) the close of business on the Business Day immediately following the Conversion Date, (iv) the close of business on the thirtieth (30th) day following the date on which a Notice of Termination Date is received by the Corporation and the Trustee pursuant to specified sections of the TD Bank Initial Liquidity Facility, or if such thirtieth (30th) day is not a Business Day, the next succeeding Business Day and (v) the date on which the Available Commitment (as defined in the TD Bank Initial Liquidity Facility) has been reduced to zero or terminated in its entirety pursuant to the specified sections of the TD Bank Initial Liquidity Facility under the circumstances described below under "Events of Default and Remedies."

Subject to the terms and conditions of the TD Bank Initial Liquidity Facility, TD Bank agrees from time to time during the Commitment Period to purchase, with its own funds, 2014 Series C-3 Bonds at the Purchase Price on a purchase date. TD Bank's obligation is limited to an amount equal to the aggregate principal amount of the 2014 Series C-3 Bonds then Outstanding plus an amount equal to at least 34 days of interest at 10% computed on the basis of a 365-day year.

The obligation of TD Bank to purchase 2014 Series C-3 Bonds on any date is subject to the satisfaction of the following conditions, unless waived in writing by TD Bank: (i) no Special Event of Default or Suspension Event described in paragraph (a) or (b) below shall have occurred and be continuing; and (ii) TD Bank shall have timely received a notice of purchase.

<u>Events of Default and Remedies</u>. The following events constitute Events of Default under the TD Bank Initial Liquidity Facility:

(1) The Corporation shall fail to pay when due (i) any principal or sinking fund requirement due on any 2014 Series C-3 Bond (including any Bank Bond) in accordance with the terms of the Resolutions or the terms of the TD Bank Initial Liquidity Facility or (ii) any interest on any 2014 Series C-3 Bond (including any Bank Bond) in accordance with the terms of the Resolutions; or

(2) [Reserved]

(3) Any representation or warranty made by or on behalf of the Corporation in such Initial Liquidity Facility, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or in any other Related Document or in any certificate or statement delivered under said documents shall be incorrect or untrue in any material respect when made or deemed to have been made; or

(4) The Corporation shall default in the due performance or observance of any of the covenants set forth in specified sections of such Initial Liquidity Facility; or

(5) The Corporation shall materially default in the due performance or observance of any other term, covenant or agreement contained in such Initial Liquidity Facility, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or in any other Related Document and such default shall remain unremedied for a period of thirty (30) days after the Corporation shall have received notice thereof; or

(6) One or more final, unappealable judgments against the Corporation for the payment of money, which judgments are not covered by insurance, and which judgments are to be enforced pursuant to a lien upon, or an attachment against, any or all of the Trust Estate, the operation or result of which

judgments, individually or in the aggregate, equal or exceed $10,000,000 and which judgments shall remain unpaid, undischarged, unbonded or undismissed for a period of thirty (30) days; or

(7) (a) The Corporation shall commence any case, proceeding or other action (i) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it, or seeking to declare a moratorium with respect to the 2014 Series C-3 Bonds or any Parity Debt, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets or for all or any portion of the Trust Estate; or the Corporation shall make a general assignment for the benefit of its creditors; or (b) there shall be commenced against the Corporation any case, proceeding or other action of a nature referred to in clause (a) above which (i) results in an order for such relief or in the appointment of a receiver or similar official or (ii) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (c) there shall be commenced against the Corporation, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets or for all or any portion of the Trust Estate, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (d) the Corporation shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (a), (b) or (c) above; or (e) the Corporation shall admit in writing, its inability to, pay its debts; or

(8) (a) Any provision of the Act, the TD Bank Initial Liquidity Facility, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or the 2014 Series C-3 Bonds relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt, shall at any time, and for any reason, cease to be valid and binding on the Corporation, or shall be declared to be null and void, invalid or unenforceable as the result of a final nonappealable judgment by any federal or state court or as a result of any legislative or administrative action by any governmental authority having jurisdiction over the Corporation; or (b) the Corporation repudiates or otherwise denies that it has any further liability or obligation under or with respect to any provision of the Act, the TD Bank Initial Liquidity Facility, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate, the 2014 Series C-3 Bonds or any Parity Debt relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt; or (c) the State or the Corporation shall have taken or permitted to be taken any official action, or has duly enacted any statute, which would materially adversely affect the enforceability of any provision of the TD Bank Initial Liquidity Facility, the 2014 Series C-3 Bonds, the Act, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt; or (d) any Governmental Authority with jurisdiction to rule on the validity or enforceability of the TD Bank Initial Liquidity Facility, the 2014 Series C-3 Bonds, the Act, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt shall find or rule, in a judicial or administrative proceeding, that any provision of the TD Bank Initial Liquidity Facility, the 2014 Series C-3 Bonds, the Act, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt, as the case may be, relating to (i) the ability or the obligation of the Corporation to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (ii) the Trust Estate securing said Bonds and Parity Debt, is not valid or not binding on, or enforceable against, the Corporation; or (e) the State or the

Corporation (i) makes a claim in a judicial or administrative proceeding that the Corporation has no further liability or obligation under the TD Bank Initial Liquidity Facility, the 2014 Series C-3 Bonds, the Act, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (ii) contests in a judicial or administrative proceeding the validity or enforceability of any provision of the TD Bank Initial Liquidity Facility, the 2014 Series C-3 Bonds, the Act, the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bond Series Certificate or any Parity Debt relating to or otherwise affecting (A) the Corporation's ability or obligation to pay, when due, the principal of or interest on the 2014 Series C-3 Bonds (including any Bank Bonds) or any Parity Debt or (B) the Trust Estate securing said Bonds and Parity Debt; or (f) a debt moratorium or comparable extraordinary restriction on repayment of debt shall have been declared or imposed (whether or not in writing) with respect to the 2014 Series C-3 Bonds (including any Bank Bond) or any Parity Debt; or

(9) Moody's Investors Service and Standard & Poor's Ratings Services and any other rating agency then rating the 2014 Series C-3 Bonds and any Parity Debt shall have (a) assigned the 2014 Series C-3 Bonds or any Parity Debt, a long-term rating below "Baa3" and "BBB-," respectively (or comparable rating, in the case of another rating agency), (b) withdrawn their long-term ratings of the 2014 Series C-3 Bonds or any Parity Debt for any credit-related reasons or (c) suspended their long-term ratings of the 2014 Series C-3 Bonds or any Parity Debt for any credit-related reasons; *provided, however*, that any downgrade, withdrawal or suspension described in any of the foregoing provisions shall not be deemed an Event of Default under the TD Bank Initial Liquidity Facility if said downgrade, withdrawal or suspension, as the case may be, shall be attributable to the downgrade, withdrawal or suspension of the long-term ratings assigned to any bond insurance or other credit enhancement provided by a Person other than the Corporation; or

(10) (a) Except as otherwise provided in clause (b) below, any "Event of Default" as defined in Section 10.1 of the General Resolution which is not cured within any applicable cure period shall occur which, if not cured, would give rise to remedies available thereunder; or any "Event of Default" which is not cured within any applicable grace period shall occur which, if not cured, would give rise to remedies available under any other agreement between the Corporation and TD Bank regarding Parity Debt; or (b) the Corporation shall fail to make any payment in respect of principal or interest on any Parity Debt, issued and outstanding or to be issued, when due (i.e., whether upon said Parity Debt's scheduled maturity, required prepayment, acceleration, upon demand or otherwise, except as such payments may be accelerated, demanded or required to be prepaid under the TD Bank Initial Liquidity Facility), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Parity Debt.

Following the occurrence of certain of the above referenced Events of Default, TD Bank may take any one or more of the following actions, among others. Reference is made to the TD Bank Initial Liquidity Facility for a complete listing of all consequences of Events of Default.

(a) In the case of any Event of Default specified in paragraph 1, 7(a), 7(d), 7(e), 8(a), 8(b), 8(c), 8(f), 9 or 10(b) above (each, a "Special Event of Default"), the Available Commitment shall immediately be reduced to zero, in which case the obligations of TD Bank under Article II of the TD Bank Initial Liquidity Facility shall immediately terminate and expire without requirement of notice by TD Bank; provided, that the Suspension Events described in paragraph (b) below will not qualify as "Special Events of Default" unless and until the conditions described in said paragraph (b) below for such qualification have been satisfied. After such termination or expiration, TD Bank shall deliver promptly to the Corporation, the Trustee, the Tender Agent and the Remarketing Agent written notice of such termination or expiration; provided, however, that failure to provide such written notice shall have no effect on the validity or enforceability of such termination or expiration.

(b) In the case of any Event of Default or Default specified in paragraph 7(b), 7(c), 8(d) or 8(e) above (each, a "Suspension Event"), the obligation of TD Bank to purchase Eligible Bonds under the TD Bank Initial Liquidity Facility shall be immediately suspended without notice or demand and, thereafter, TD Bank shall be under no obligation to purchase Eligible Bonds until the Available Commitment is reinstated as described below. Promptly upon the occurrence of any such Suspension Event, TD Bank shall notify the Corporation, the Trustee, the Tender Agent and the Remarketing Agent of such suspension and the effective date of such suspension in writing by facsimile, promptly confirmed by regular mail; *provided*, that TD Bank shall incur no liability of any kind by reason of its failure to give such notice and such failure shall in no way affect the suspension of the Available Commitment to purchase Eligible Bonds pursuant to the TD Bank Initial Liquidity Facility.

(i) Upon the occurrence of an Event of Default described in paragraph 7(b)(i), TD Bank's obligations to purchase Eligible Bonds shall be suspended immediately and automatically and remain suspended until said case, proceeding or other action referred to therein is either dismissed, discharged or bonded or the Termination Date occurs, whichever is first. In the event that said Event of Default shall have been dismissed, discharged or bonded prior to the Termination Date, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall be reinstated and the terms of the TD Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the TD Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been dismissed, discharged or bonded prior to the Termination Date, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, TD Bank shall be under no obligation to purchase Eligible Bonds.

(ii) Upon the occurrence of a Default described in paragraph 7(b)(ii), TD Bank's obligations to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended until the case, proceeding or other action referred to therein is either dismissed, discharged or bonded within sixty (60) days from the commencement of such case, proceeding or action, or the Termination Date occurs, whichever is first. In the event that said Suspension Event shall have been dismissed, discharged or bonded within the sixty (60) day period described therein and prior to the Termination Date, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall be reinstated and the terms of the TD Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the TD Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been dismissed, discharged or bonded within said sixty (60) day period when the Termination Date occurs, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, TD Bank shall be under no obligation to purchase Eligible Bonds.

(iii) Upon the occurrence of a Default described in paragraph 7(c), TD Bank's obligations to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended until the case, proceeding or other action referred to therein is either vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the commencement of such case, proceeding or action, or the Termination Date occurs, whichever is first. In the event that said Suspension Event shall have been vacated, discharged, or stayed or bonded pending appeal within the sixty (60) day period described therein and prior to the Termination Date, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall be reinstated and the terms of the TD Bank Initial Liquidity Facility shall continue in full force and effect as if there had been no such suspension (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the TD Bank Initial Liquidity Facility). In the event that said Suspension Event shall not have been vacated, discharged, or stayed or bonded pending appeal within the sixty (60) day period when the Termination Date occurs, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, the Bank shall be under no obligation to purchase Eligible Bonds.

(iv) Upon the occurrence of an Event of Default described in paragraph 8(d) or 8(e), TD Bank's obligation to purchase Eligible Bonds shall be immediately and automatically suspended and remain suspended unless and until a court with jurisdiction to rule on such an Event of Default shall enter a final and nonappealable judgment that any of the material provisions of the Act or any other document described in paragraph 8(d) are not valid or not binding on, or enforceable against, the Corporation or that a claim or contest described in paragraph 8(e) shall have been upheld in favor of the State or the Corporation in accordance with a final and nonappealable judgment, then, in each such case, the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall immediately terminate without notice or demand and, thereafter, TD Bank shall be under no obligation to purchase Eligible Bonds. If a court with jurisdiction to rule on such an Event of Default shall find or rule by entry of a final and nonappealable judgment that the material provision of the Act or any other document described in paragraph 8(d) is valid and binding on, or enforceable against, the Corporation or that the claim or contest described in paragraph 8(e) shall have been dismissed pursuant to a final and nonappealable judgment, then the Available Commitment and the obligations of TD Bank under the TD Bank Initial Liquidity Facility shall, in each such case, thereupon be reinstated (unless the Commitment Period shall otherwise have been terminated, suspended or expired as provided in the TD Bank Initial Liquidity Facility). Notwithstanding the foregoing, if suspension of the obligations of TD Bank pursuant to any Event of Default described in paragraph 8(d) or 8(e) remains in effect and litigation is still pending and a determination regarding same shall not have been dismissed or otherwise made pursuant to a final and nonappealable judgment, as the case may be, when the Termination Date occurs, then the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds shall terminate on the Termination Date without notice or demand and, thereafter, TD Bank shall be under no obligation to purchase Eligible Bonds.

In the case of any Suspension Event, the Tender Agent shall subsequently notify all 2014 Series C-3 Bond owners of the suspension and/or termination of both the Available Commitment and the obligation of TD Bank to purchase Eligible Bonds.

(c) Upon the occurrence of any Event of Default, TD Bank shall have all remedies provided at law or equity, including, without limitation, specific performance; and in addition, TD Bank, in its sole discretion, may do one or more of the following: (i) declare all obligations of the Corporation to TD Bank under the TD Bank Initial Liquidity Facility (other than payments of principal and redemption price of and interest on the Bank Bonds, unless said Bank Bonds have otherwise become subject to acceleration pursuant to the General Resolution) to be immediately due and payable, and the same shall thereupon become due and payable without demand, presentment, protest, notice of intent to accelerate, notice of acceleration or further notice of any kind, all of which are expressly waived; (ii) TD Bank may give written notice of such Event of Default and termination of the TD Bank Initial Liquidity Facility ("Notice of Termination Date") to the Trustee, the Tender Agent, the Corporation and the Remarketing Agent requesting a mandatory tender; provided, that the obligation of TD Bank to purchase 2014 Series C-3 Bonds shall terminate on the thirtieth (30th) day (or if such day is not a Business Day, the next following Business Day) after such Notice of Termination Date is received by the Trustee and, on and after such date, the Available Commitment shall terminate and TD Bank shall be under no obligation under the TD Bank Initial Liquidity Facility to purchase 2014 Series C-3 Bonds; (iii) exercise any right or remedy available to it under any other provision of the TD Bank Initial Liquidity Facility; or (iv) exercise any other rights or remedies available under the General Resolution, the 2014 Series C-3 Supplemental Resolution, the applicable Bonds Series Certificate or any other Related Document, any other agreement or at law or in equity; provided, further; however, TD Bank shall not have the right to terminate its obligation to purchase the 2014 Series C-3 Bonds except as provided above.

TD Bank, N.A.

TD Bank is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. TD Bank is an indirect, wholly-owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. TD Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of March 31, 2014, TD Bank had consolidated assets of $220.9 billion, consolidated deposits of $187.6 billion and stockholder's equity of $28.2 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and TD Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at http://www.sec.gov, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and TD Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The TD Bank Initial Liquidity Facility has been issued by TD Bank and is the obligation of TD Bank and not TD.

TD Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of TD Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, New Jersey 08034
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of TD Bank delivered to the Comptroller of the Currency and available online at https://cdr.ffiec.gov/public. General information regarding TD Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country. Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The information contained in this section relates to and has been obtained from TD Bank. The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of TD Bank since the date hereof, or that the information contained or referred to under this heading is correct as of any time subsequent to its date.

DESCRIPTION OF THE INDEX FLOATING RATE BONDS

General

The 2014 Series D-2 Bonds will bear interest at a floating rate, initially reset quarterly based on an interest rate index as described herein, are subject to optional and mandatory tender as described herein and are referred to herein as the "Index Floating Rate Bonds." The Index Floating Rate Bonds will mature on the dates and in the amounts set forth on the inside cover pages of this Official Statement. Interest on the Index Floating Rate Bonds is payable quarterly on February 1, May 1, August 1, and November 1, commencing on August 1, 2014, and on any earlier tender or redemption date. The Bank of New York Mellon is the Trustee for the Bonds, including the Index Floating Rate Bonds.

The Index Floating Rate Bonds initially issued will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000.

Interest on the Index Floating Rate Bonds shall be payable on each 2014 Series D-2 Reset Date (as defined below) and shall be computed on the basis of a 360-day year for the actual number of days elapsed. The Index Floating Rate Bonds are being issued as variable rate obligations which will bear interest from their dated date to and including July 31, 2014 at a rate per annum set forth in a Certificate of the Corporation delivered on the date of issue of the Index Floating Rate Bonds.

Thereafter, except as described under "DESCRIPTION OF THE INDEX FLOATING RATE BONDS—Payment of Tendered Index Floating Rate Bonds," the Index Floating Rate Bonds will bear interest at a variable rate equal to Three-Month LIBOR (as defined below) plus forty-nine hundredths percent (.49%). Three-Month LIBOR with respect to a Floating Rate Term beginning on a particular 2014 Series D-2 Reset Date shall be determined on the Determination Date which immediately precedes such 2014 Series D-2 Reset Date. The Index Floating Rate Bonds will be subject to a maximum interest rate of seven and one-half percent (7.5%) per annum (the "Index Floating Rate Maximum Rate"). See Part II – "SECURITY FOR THE BONDS – Interest Rate Caps" for a discussion of certain agreements entered into by the Corporation to manage its exposure to variable interest rates. The variable rate on the Index Floating Rate Bonds shall be established for each Floating Rate Term and shall, with respect to such Floating Rate Term, be in effect from the 2014 Series D-2 Reset Date that is the first day of such Floating Rate Term until (but not including) the next 2014 Series D-2 Reset Date (or earlier redemption date).

No later than the close of business on the second Business Day following each Determination Date, the Trustee shall give notice of the interest rate determined on such Determination Date to the Corporation and to each Bond owner of the Index Floating Rate Bonds who has filed its name and address with the Trustee for such purpose.

For the purposes of this subsection and "Redemption Provisions for the Index Floating Rate Bonds—Optional Redemption" below, the following terms shall have the following meaning:

"Determination Date" means the date which is two (2) London Banking Days prior to the next 2014 Series D-2 Reset Date. A "London Banking Day" is any date on which commercial banks in

London are open for general business (including dealings in foreign exchange and foreign currency deposits).

"Floating Rate Term" means the period commencing on a 2014 Series D-2 Reset Date and ending on the last calendar day prior to the next succeeding 2014 Series D-2 Reset Date.

"Official BBA LIBOR Fixings Page" means the display designated as page "Official BBA LIBOR Fixings" on the Bloomberg Financial Markets Commodities News Service (or such other page as may replace the Official BBA LIBOR Fixings Page on that service for the purpose of displaying London interbank offered rates of major banks).

"Three-Month LIBOR" means the per annum rate for deposits in United States dollars for three (3) months which appears on the Official BBA LIBOR Fixings Page as of 11:00 a.m., London, England time, on a Determination Date. If on a Determination Date such rate does not appear on the Official BBA LIBOR Fixings Page, the Trustee will request the principal London office of each of at least two major banks, determined by the Trustee, that are engaged in transactions in the London interbank market, to provide the Trustee with its offered quotation for United States dollar deposits for three (3) months to prime banks in the London interbank market as of 11:00 a.m., London, England time, on such date. If at least two such major banks provide the Trustee with such offered quotations, "Three-Month LIBOR" on such date will be the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of all such quotations. If on such date fewer than two of the major banks provide the Trustee with such an offered quotation, "Three-Month LIBOR" on such date will be the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of the offered rates which one or more leading banks in the City of New York (other than the Trustee or another bank owned by, or affiliated with, the Trustee) are quoting as of 11:00 a.m., New York City time, on such date to leading European banks for United States dollar deposits for three (3) months; provided, however, that if such banks are not quoting as described above, "Three-Month LIBOR" will be the "Three-Month LIBOR" applicable to the most recent Floating Rate Term for which "Three-Month LIBOR" was available.

"2014 Series D-2 Reset Date" means February 1, May 1, August 1 and November 1 of each year, commencing August 1, 2014.

Interest Rate Change

The Index Floating Rate Bonds are subject to conversion to an alternate method of determining the interest rate thereon from time to time and to conversion to an interest rate fixed to maturity, in either case upon the terms and conditions described herein.

No change in the method of determining the interest rate on the Index Floating Rate Bonds shall be made unless the Trustee has received, at least 30 days prior to the date on which the method of determining the interest rate on the Index Floating Rate Bonds (the "Interest Method Change Date"), among other things, (1) a Certificate of an Authorized Officer of the Corporation specifying (a) the date which is to be the Interest Method Change Date and (b) the method of determining the interest rate which shall take effect on such date, and (2) a Bond Counsel's Opinion to the effect that the proposed change in the method of determining the interest rate on the Index Floating Rate Bonds is consistent with the provisions of the 2014 Series D-2 Supplemental Resolution.

In the event of an Interest Method Change Date, and following the provision of notice of mandatory purchase of the Index Floating Rate Bonds, the Trustee receives notice from the Corporation that a change in the method of determining the interest rate on the Index Floating Rate Bonds cannot be effected, the Interest Method Change Date shall be canceled. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of the Index Floating Rate Bonds stating that such change shall not occur (and the reasons therefor) and that the related mandatory tender shall be canceled.

Optional and Mandatory Purchase of Index Floating Rate Bonds

Purchase of Index Floating Rate Bonds on Demand of Owner

On or after August 1, 2015, all or a portion of the Index Floating Rate Bonds, in any authorized denomination, shall be purchased by the Corporation as described below at a price equal to 100% of the principal amount thereof, plus accrued interest to the purchase date (the "Purchase Price"), upon delivery by the owner of a written, personal, electronic or telephonic notice of tender to the Corporation prior to 5:00 p.m., New York City time, on any 2014 Series D-2 Reset Date, in a form satisfactory to the Corporation (said notice to be irrevocable and effective upon receipt); provided, however, that no Index Floating Rate Bonds shall be purchased unless any remaining Index Floating Rate Bonds shall be in an authorized denomination as provided in the 2014 Series D-2 Supplemental Resolutions. Each such notice shall (i) state the aggregate principal amount of the Index Floating Rate Bonds to be purchased and the numbers of such Index Floating Rate Bonds to be purchased and (ii) state the date on which such Index Floating Rate Bonds are to be purchased, which date shall be the fourth 2014 Series D-2 Reset Date next succeeding the date of delivery of such notice. The first date on which such notice may be delivered is August 1, 2014.

Any Index Floating Rate Bond for which a demand for purchase has been made shall be delivered to the Corporation at or prior to 12:00 noon, New York City time, on the date designated for purchase, with an appropriate endorsement for transfer to the Corporation or accompanied by a bond power endorsed in blank.

Any Index Floating Rate Bonds not so delivered to the Corporation on or prior to the purchase date ("Undelivered Index Floating Rate Bonds") for which there has been irrevocably deposited in trust with the Trustee an amount of moneys sufficient to pay the Purchase Price of such Undelivered Index Floating Rate Bonds shall be deemed to have been purchased at the Purchase Price. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED INDEX FLOATING RATE BONDS TO DELIVER ITS AFFECTED INDEX FLOATING RATE BONDS ON OR PRIOR TO THE PURCHASE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE PURCHASE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED INDEX FLOATING RATE BONDS, AND ANY UNDELIVERED INDEX FLOATING RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Mandatory Purchase of Index Floating Rate Bonds on Interest Method Change Date and Discretionary Tender Date

The Index Floating Rate Bonds shall be subject to mandatory tender for purchase on any Interest Method Change Date or Discretionary Tender Date (in either case, a "Change Date") at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Change Date to the owner of each Index Floating Rate Bond to which such notice relates, at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Change Date and reason therefor, that all owners of affected Index Floating Rate Bonds shall be deemed to have tendered their Index Floating Rate Bonds for purchase on the Change Date, and the Purchase Price for such Index Floating Rate Bonds.

Owners of Index Floating Rate Bonds to which a mandatory tender for purchase relates shall be required to tender their affected Index Floating Rate Bonds to the Tender Agent for purchase at the Purchase Price on the Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered Index Floating Rate Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Index Floating Rate Bonds shall be deemed to have been purchased at the Purchase Price on the Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED INDEX FLOATING RATE BONDS TO DELIVER ITS AFFECTED INDEX FLOATING RATE BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED INDEX FLOATING RATE BONDS, AND ANY UNDELIVERED INDEX FLOATING RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Payment of Tendered Index Floating Rate Bonds Purchased on Demand of Owner

At the option of the Corporation, the Index Floating Rate Bonds tendered for purchase as described under "Purchase of Index Floating Rate Bonds on Demand of Owner" above shall either be (i) purchased in full at the Purchase Price, on the 2014 Series D-2 Reset Date specified in the notice, from moneys held by the Corporation available for such purpose; or (ii) purchased in twenty (20) equal quarterly installments, payable on each 2014 Series D-2 Reset Date and commencing on the 2014 Series D-2 Reset Date specified in such notice, from moneys held by the Corporation and available for such purpose.

If the Corporation purchases Index Floating Rate Bonds as described in clause (ii) in the preceding paragraph, from and after the 2014 Series D-2 Reset Date specified in the notice of the tender, such Index Floating Rate Bonds will bear interest at a rate equal to the greater of, subject to the Index Floating Rate Maximum Rate: (i) five percent (5%), (ii) Federal Funds Rate plus two percent (2%) and (iii) Prime Rate plus one percent (1%), and shall be computed on the basis of a 360-day year for the actual number of days elapsed.

"Federal Funds Rate" means that the rate for a 2014 Series D-2 Reset Date will be the rate set forth on the Bloomberg Screen FEDL Page for that day. If, by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the 2014 Series D-2 Reset Date, such rate for the 2014 Series D-2 Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), the rate for that 2014 Series D-2 Reset Date will be the rate set forth in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, for that day opposite the caption "Federal funds (effective)." If, by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the 2014 Series D-2 Reset Date, such rate for the 2014 Series D-2 Reset Date does not appear on the Bloomberg Screen FEDL Page or is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source, the rate for that 2014 Series D-2 Reset Date will be the rate for the first preceding day for which such rate is set forth in H.15(519) opposite the caption "Federal funds (effective)", as such rate is displayed on the Bloomberg Screen FEDL Page.

"Prime Rate" means the fluctuating rate per annum equal to the "Prime Rate" listed daily in the "Money Rate" section of *The Wall Street Journal* or, if *The Wall Street Journal* is not published on a particular Business Day, then, the "prime rate" published on the display designated as page "PRIMBB" on the Bloomberg Financial Markets Commodities News Service.

Notwithstanding anything to the contrary in the Resolutions, if the Corporation purchases Index Floating Rate Bonds as described in clause (ii) in the fourth preceding paragraph, (i) the payment of the portion of the Purchase Price constituting interest on such Index Floating Rate Bonds shall be treated for all purposes in the same manner (and with the same priority of payment) as interest on any other Bond (other than Subordinate Bonds) under the General Resolution, (ii) the payment of the portion of the Purchase Price constituting principal equal to the amount of the scheduled Sinking Fund Payments payable on such date shall be treated for all purposes in the same manner (and with the same priority of payment) as principal on any other Bond (other than Subordinate Bonds) under the General Resolution, and (iii) the payment of the portion of the Purchase Price constituting regularly scheduled payments of principal of such Index Floating Rate Bonds in excess of the amount described in clause (ii) shall be subject and subordinate to payment of principal of all other Bonds under the General Resolution, provided that payments of principal of such Index Floating Rate Bonds shall only be made if such payment is consistent with the most recent Cash Flow Statement on file with the Trustee (or a new or amended Cash Flow Statement that shall have been filed with the Trustee in connection with such payment). Failure to make the payments of principal of such Index Floating Rate Bonds described in clause (iii) above shall not constitute an Event of Default under the Resolutions.

Redemption Provisions for Index Floating Rate Bonds

The Index Floating Rate Bonds are subject to optional redemption and sinking fund redemption prior to maturity, all as described below.

Optional Redemption

The Index Floating Rate Bonds are subject to redemption, at the option of the Corporation, in whole or in part, at any time prior to maturity on any 2014 Series D-2 Reset Date, including any 2014 Series D-2 Reset Date after delivery of a notice of mandatory purchase to the Corporation, beginning August 1, 2014, at a Redemption Price equal to 100% of the principal amount of the Index Floating Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Sinking Fund Redemption – The Index Floating Rate Bonds

The Index Floating Rate 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 Index Floating Rate Bonds specified for each of the Redemption Dates shown below:

2014 SERIES D-2 BONDS
MATURING ON MAY 1, 2037

Redemption Date	Principal Amount	Redemption Date	Principal Amount
May 1, 2028	$1,275,000	May 1, 2033	$1,035,000
Nov. 1, 2028	1,400,000	Nov. 1, 2033	475,000
May 1, 2029	8,840,000	May 1, 2034	885,000
Nov. 1, 2029	10,200,000	Nov. 1, 2034	905,000
May 1, 2030	1,920,000	May 1, 2035	920,000
Nov. 1, 2030	1,960,000	Nov. 1, 2035	525,000
May 1, 2031	1,815,000	May 1, 2036	955,000
Nov. 1, 2031	1,550,000	Nov. 1, 2036	435,000
May 1, 2032	1,290,000	May 1, 2037†	405,000
Nov. 1, 2032	1,210,000		

† 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 Index Floating Rate 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 Index Floating Rate 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 Index Floating Rate 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 Index Floating Rate Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Index Floating Rate 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.

Selection of Bonds to be Redeemed

The maturities of Index Floating Rate 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 Index Floating Rate Bonds of the same maturity, the Trustee shall select the Index Floating Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the 2014 Series D-2 Supplemental Resolution, no Index Floating Rate Bond shall be selected for redemption if the portion of such Index Floating Rate Bond remaining after such redemption would not be in a denomination authorized by the 2014 Series D-2 Supplemental Resolution.

Corporation's Right to Purchase Bonds

The Corporation retains the right to purchase any Index Floating Rate 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 Index Floating Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Index Floating Rate Bonds, or is otherwise required to redeem all or a portion of Index Floating Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Index Floating Rate Bonds or portions thereof. Such notice will specify the maturities of the Index Floating Rate 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 fifteen (15) days before the Redemption Date for the Index Floating Rate Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any Index Floating Rate Bonds, or portions thereof, which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Index Floating Rate Bonds or portions thereof 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 Index Floating Rate Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

DESCRIPTION OF THE TERM RATE BONDS

General

The Term Rate Bonds will mature on the date and in the amount set forth on the inside cover pages of this Official Statement. The Bank of New York Mellon is the Trustee for the Bonds, including the Term Rate Bonds, and is the Tender Agent for the Term Rate Bonds.

The Term Rate Bonds are being remarketed as variable rate obligations in a Term Rate Period. The Term Rate Bonds will bear interest from the date of remarketing thereof to but excluding October 26, 2017 at the fixed rate set forth on the inside cover pages of this Official Statement. The Term Rate Bonds will be dated the date of remarketing thereof and will be remarketed as fully registered bonds in denominations of $5,000 or in denominations of any whole multiple thereof. While in the Term Rate Term, interest on the Term Rate Bonds will accrue from the date of remarketing thereof and be payable on May 1 and November 1 in each year or on any earlier mandatory tender or redemption date. In addition, interest on any Term Rate Bonds subject to mandatory tender or redemption will be payable on the applicable mandatory tender or redemption date. Interest on the Term Rate Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Corporation may direct that all or a portion of the Term Rate Bonds in the Term Rate Term be converted from time to time on any Business Day to another interest rate mode (including to a fixed rate to maturity or a new Term Rate Term) at any time from and after February 26, 2016 to and including October 26, 2017. The Term Rate Bonds are also subject to redemption at par as described below. See

"Redemption Provisions for the Term Rate Bonds." *This Official Statement in general describes the Term Rate Bonds only while the Term Rate Bonds are in the Term Rate Term.*

The Record Date with respect to the Term Rate Bonds is the fifteenth (15th) day next preceding an Interest Payment Date.

Tender of Term Rate Bonds

The Term Rate Bonds or an applicable portion thereof shall be subject to mandatory tender for purchase on and after February 26, 2016 on any date on which the Term Rate Bonds or such portion are to be converted to a different interest rate mode (including to a fixed rate to maturity or a new Term Rate Term) and, if not converted, the Term Rate Bonds shall be subject to mandatory tender on October 26, 2017, in each case at a purchase price equal to one hundred percent (100%) of the principal amount thereof (the "Purchase Price"). If only a portion of the Term Rate Bonds are to be subject to mandatory tender for purchase, the particular Term Rate Bonds to be tendered (which shall be in authorized denominations) shall be selected by the Trustee by lot, using such method as it shall determine in its sole discretion except that the Trustee shall not select any Term Rate Bond for tender which would result in any remaining Term Rate Bond not being in an authorized denomination as provided in the Resolutions. No liquidity facility has been obtained to pay the Purchase Price of any Term Rate Bonds that are tendered and not remarketed or redeemed, and the Corporation will be obligated to pay the Purchase Price of those Term Rate Bonds only from monies available from and held under the General Resolution and the 2013 Series F Supplemental Resolution. Failure to pay such Purchase Price of the Term Rate Bonds constitutes a 2013 Series F Event of Default under the 2013 Series F Supplemental Resolution. The 2013 Series F Supplemental Resolution provides that upon such 2013 Series F Event of Default, the Trustee shall proceed to bring suit on behalf of the owners of the Term Rate Bonds for such Purchase Price, with recovery limited to moneys available under the Resolutions.

The Trustee is required to deliver, or mail by first class mail, postage prepaid, to the owner of each Term Rate Bond subject to mandatory tender for purchase, at its address shown on the registration books of the Corporation held by the Trustee, a notice not later than fifteen (15) days prior to the mandatory tender date. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, that such owners shall be deemed to have tendered their affected Term Rate Bonds for purchase on such mandatory tender date, and the Purchase Price for such Term Rate Bonds.

Owners of affected Term Rate Bonds shall be required to tender their affected Term Rate Bonds to the Tender Agent for purchase at the Purchase Price on the mandatory tender date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power of attorney endorsed in blank. Any Term Rate Bonds not so delivered to the Tender Agent on or prior to the purchase date (the "Undelivered Term Rate Bonds") for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered Term Rate Bonds shall be deemed to have been purchased at the Purchase Price on the mandatory tender date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED TERM RATE BONDS TO DELIVER ITS AFFECTED TERM RATE BONDS ON OR PRIOR TO THE MANDATORY TENDER DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE MANDATORY TENDER DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED TERM RATE BONDS, AND ANY UNDELIVERED TERM RATE BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE RESOLUTIONS, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Redemption Provisions for the Term Rate Bonds

The Term Rate Bonds are subject to optional redemption and special optional redemption prior to maturity, as described below.

Optional Redemption

The Term Rate Bonds are subject to redemption, at the option of the Corporation, from any source of funds, in whole or in part, on and after February 26, 2016, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Term Rate Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date.

Special Optional Redemption

The Term Rate 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 Term Rate Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from any source other than: (i) Voluntary Sale Proceeds*; (ii) proceeds of bonds issued, or caused to be issued, by the Corporation for the purpose of refunding of all or a portion of the Term Rate Bonds or refinancing all or a portion of any Mortgage Loan; or (iii) any other unencumbered funds of the Corporation not subject to the lien of the Resolutions.

Amounts that may be applied to the foregoing redemption include, but are not limited to: any prepayment of the 2014 Series C/2013 Series F Mortgage Loan by the Mortgagor thereof or, upon the filing of a Cash Flow Statement, any other Mortgage Loans (except any Mortgage Loan financed under a Supplemental Resolution that prohibits such use); unexpended proceeds of the Term Rate Bonds; and, upon the filing of a Cash Flow Statement, amounts held in the Revenue Account that are not required to be used for other purposes. The Corporation does not expect to redeem 2013 Series F-3 Bonds pursuant to the provisions described under "Special Optional Redemption."

Selection of Bonds to be Redeemed

Subject to the redemption requirements set forth in the 2013 Series F Supplemental Resolution, in connection with a redemption of Term Rate Bonds relating to Recoveries of Principal, 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 a direction from the Corporation, the Trustee shall redeem all or a portion of the Term Rate Bonds in connection with Recoveries of Principal derived from or with respect to the Mortgage Loan financed from or allocated to the Term Rate Bonds. In the event of an optional redemption or a special optional redemption of less than all of the Term Rate Bonds, the Trustee shall select the Term Rate Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the General Resolution or the 2013 Series F Supplemental Resolution, no Term Rate Bond shall be selected for redemption if the portion of such Term Rate Bond remaining after such redemption would not be in a denomination authorized by the General Resolution or the 2013 Series F Supplemental Resolution.

Corporation's Right to Purchase Bonds

The Corporation retains the right to purchase any Term Rate 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, if any, for such Term

* "Voluntary Sale Proceeds" means the proceeds of the sale, assignment, endorsement or other disposition of any Mortgage Loan (including the 2014 Series C/2013 Series F Mortgage Loan) (except 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 Mortgage Loan is in default).

Rate Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem Term Rate Bonds, or is otherwise required to redeem Term Rate Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such Term Rate Bonds or portions thereof. Such notice will specify the Term Rate 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 fifteen (15) days before the Redemption Date for such Term Rate Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any Term Rate Bonds or portion thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Term Rate Bonds or portions thereof 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 Term Rate 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 2013/2014 Bonds. The 2013/2014 Bonds will be issued, or were 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 2013/2014 Bond certificate will be issued for each Series and maturity of the 2013/2014 Bonds, totaling in the aggregate the principal amount of the 2013/2014 Bonds of each Series, 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 and provides asset servicing for over 3.5 million U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC's 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, thereby eliminating 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 is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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," and together with Direct Participants, "Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of the 2013/2014 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2013/2014 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2013/2014 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; 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 2013/2014 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 2013/2014 Bonds, except in the event that use of the book-entry system for the 2013/2014 Bonds is discontinued.

To facilitate subsequent transfers, all 2013/2014 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 the 2013/2014 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 2013/2014 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2013/2014 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.

Redemption notices shall be sent to DTC. If less than all of a Series, maturity and CUSIP number of the 2013/2014 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series, maturity and CUSIP number of the 2013/2014 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2013/2014 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI 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 2013/2014 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2013/2014 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 the 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 Underwriters, the Remarketing Agents, the Trustee, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal 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.

A Beneficial Owner shall give notice to elect to have its Variable Rate Bonds purchased or tendered, through its Participant, to the Tender Agent and shall effect delivery of such Variable Rate Bonds by causing the Direct Participant to transfer the Participant's interest in the Variable Rate Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of the Variable Rate

Bonds, the Index Floating Rate Bonds and the Term Rate Bonds in connection with a mandatory purchase will be deemed satisfied when the ownership rights in the Variable Rate Bonds, the Index Floating Rate Bonds or the Term Rate Bonds, as applicable, are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Variable Rate Bonds, Index Floating Rate Bonds or Term Rate Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to a Series of the 2013/2014 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, 2013/2014 Bond certificates of such Series 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, the applicable 2013/2014 Bond certificates will be printed and delivered to DTC.

The information herein concerning DTC and DTC's book-entry system has been obtained from sources that the Corporation, the Underwriters and the Remarketing Agents believe to be reliable, but the Corporation, the Underwriters and the Remarketing Agents take no responsibility for the accuracy thereof.

Each person for whom a Participant acquires an interest in the 2013/2014 Bonds of a Series, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. NEITHER THE CORPORATION, THE UNDERWRITERS, THE REMARKETING AGENTS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE 2013/2014 BONDS OF SUCH SERIES.

So long as Cede & Co. is the registered owner of the 2013/2014 Bonds of a Series, as nominee for DTC, references herein to Bondholders or registered owners of the 2013/2014 Bonds of such Series (other than under the heading "TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the 2013/2014 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.

For every transfer and exchange of 2013/2014 Bonds of a Series, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Corporation, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the 2013/2014 Bonds of a Series if the Corporation determines that (i) DTC is unable to discharge its responsibilities with respect to the 2013/2014 Bonds of such Series, or (ii) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by the Corporation or restricted registration is no longer in effect, the applicable 2013/2014 Bond certificates will be delivered as described in the Resolutions.

NONE OF THE CORPORATION, THE UNDERWRITERS, THE REMARKETING AGENTS 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 2013/2014 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 2013/2014 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 2013/2014 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE 2013/2014 BONDS; OR (VI) ANY OTHER MATTER.

UNDERWRITING AND REMARKETING

J.P. Morgan Securities LLC, RBC Capital Markets, LLC, Academy Securities, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Blaylock Beal Van, LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., Raymond James & Associates, Inc., Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities have jointly and severally agreed, subject to certain conditions, to purchase the 2014 Series C-1 Bonds from the Corporation at a purchase price of $225,050,000.00 and to make a public offering of such 2014 Series C-1 Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriters will be obligated to purchase all such 2014 Series C-1 Bonds if any are purchased. Such 2014 Series C-1 Bonds may be offered and sold to certain dealers (including J.P. Morgan Securities LLC, RBC Capital Markets, LLC, Academy Securities, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Blaylock Beal Van, LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., Raymond James & Associates, Inc., Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by such Underwriters. Such Underwriters will receive an underwriting fee in the amount of $1,512,368.22, which includes expenses for such underwriting.

Merrill Lynch, Pierce, Fenner & Smith Incorporated has agreed, subject to certain conditions, to purchase the 2014 Series C-2 Bonds from the Corporation at a purchase price of $35,840,000.00 and to make a public offering of the 2014 Series C-2 Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriter will be obligated to purchase all of the 2014 Series C-2 Bonds if any are purchased. The 2014 Series C-2 Bonds may be offered and sold to certain dealers (including Merrill Lynch, Pierce, Fenner & Smith Incorporated) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by such Underwriter. Such Underwriter will receive an underwriting fee in the amount of $78,825.00, which amount includes expenses for such underwriting. Merrill Lynch, Pierce, Fenner & Smith Incorporated will also receive compensation as the initial Remarketing Agent of the 2014 Series C-2 Bonds.

RBC Capital Markets, LLC has agreed, subject to certain conditions, to purchase the 2014 Series C-3 Bonds from the Corporation at a purchase price of $13,000,000.00 and to make a public offering of the 2014 Series C-3 Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriter will be obligated to purchase all of the 2014 Series C-3 Bonds if any are purchased. The 2014 Series C-3 Bonds may be offered and sold to certain dealers (including RBC Capital Markets, LLC) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by such Underwriter. Such Underwriter will receive an underwriting fee in the amount of $28,680.00, which amount includes expenses for such underwriting. RBC Capital Markets, LLC will also receive compensation as the initial Remarketing Agent of the 2014 Series C-3 Bonds.

Raymond James & Associates, Inc., Blaylock Beal Van, LLC, Academy Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., J. P. Morgan Securities LLC, Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., RBC Capital Markets, LLC, Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities have jointly and severally agreed, subject to certain conditions, to purchase the 2014 Series D-1 Bonds from the Corporation at a purchase price of $38,000,000.00 and to make a public offering of such 2014 Series D-1 Bonds at prices that are not in excess of the public offering prices stated on the inside cover pages of this Official Statement. Such Underwriters will be obligated to purchase all such 2014 Series D-1 Bonds if any are purchased. Such 2014 Series D-1 Bonds may be offered and sold to certain dealers (including Raymond James & Associates, Inc., Blaylock Beal Van, LLC, Academy Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., J. P. Morgan Securities LLC, Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., RBC Capital Markets, LLC, Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by such Underwriters. Such Underwriters will receive an underwriting fee in the amount of $244,377.67, which includes expenses for such underwriting.

J.P. Morgan Securities LLC and Blaylock Beal Van, LLC have agreed, subject to certain conditions, to purchase the 2014 Series D-2 Bonds from the Corporation at a purchase price of $38,000,000.00 and to make a public offering of such 2014 Series D-2 Bonds at prices that are not in excess of the public offering price stated on the inside cover pages of this Official Statement. Such Underwriter will be obligated to purchase all such 2014 Series D-2 Bonds if any are purchased. Such 2014 Series D-2 Bonds may be offered and sold to certain dealers (including J.P. Morgan Securities LLC and Blaylock Beal Van, LLC) at prices lower than such public offering price, and such public offering prices may be changed, from time to time, by such Underwriter. Such Underwriter will receive an underwriting fee in the amount of $93,427.84, which includes expenses for such underwriting.

J.P. Morgan Securities LLC, RBC Capital Markets, LLC, Academy Securities, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Blaylock Beal Van, LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. LLC, Samuel A. Ramirez & Co., Inc., Raymond James & Associates, Inc., Roosevelt and Cross, Incorporated, Stern Brothers & Co. and Wells Fargo Securities have jointly and severally agreed, subject to certain conditions, has agreed, subject to certain conditions, to purchase the 2013 Series F-3 Bonds that are tendered for remarketing on June 26, 2014 at a purchase price of par and to remarket such 2013 Series F-3 Bonds at par. Such Remarketing Agents will receive a remarketing agents' fee for their services in the amount of $53,296.06.

This paragraph has been supplied by Morgan Stanley & Co. LLC: Morgan Stanley, parent company of Morgan Stanley & Co. LLC, one of the Underwriters of the 2014 Bonds and the Remarketing Agent of the 2013 Series F-3 Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds."

This paragraph has been supplied by J.P. Morgan Securities LLC: J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the 2014 Series C-1 Bonds and 2014 Series D Bonds, and one of the Remarketing Agents of the 2013 Series F-3 Bonds, has entered into a negotiated dealer agreement (the "Dealer Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings, including the 2014 Series C-1-A Bonds, at the original issue prices. Pursuant to the Dealer Agreement, CS&Co. will purchase 2014 Series C-1-A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2014 Series C-1-A Bonds that CS&Co. sells.

This paragraph has been supplied by Citigroup Global Markets Inc.: Citigroup, one of the Underwriters of the 2014 Bonds has entered into a retail distribution agreement with each of TMC Bonds L.L.C. ("TMC") and UBS Financial Services Inc. ("UBSFS"). Under these distribution agreements, Citigroup may distribute municipal securities to retail investors through the financial advisor network of UBSFS and the electronic primary offering platform of TMC. As part of this arrangement, Citigroup may compensate TMC (and TMC may compensate its electronic platform member firms) and UBSFS for their selling efforts with respect to the Bonds.

This paragraph has been supplied by Academy Securities, Inc.: Academy Securities, Inc. ("Academy"), one of the Underwriters of the 2014 Series C-1 Bonds and 2014 Series D-1 Bonds, intends to enter into distribution agreements (the, "Distribution Agreements") with each of E*Trade Financial, IFS Financial Services, COR Capital Corporation (formerly Legent Clearing LLC), Wedbush Securities, Sutter Securities, Puplava Securities, TD Ameritrade (Distribution Agreement is on a Deal by Deal basis), Higgins Capital Management, R. Seelaus & Company, Inc., UBS Securities (Distribution Agreement is on a Deal by Deal basis.), Ladenburg Thalmann & Co., Newbridge Securities Corporation, Maxim Group LLC, Ridgeway & Conger, World Equity Group, National Alliance Securities, JHS Capital Advisors (each, a "Dealer") for the retail distribution of certain municipal securities offerings, including the 2014 Series C-1 Bonds and 2014 Series D-1 Bonds, at the original issue prices. Pursuant to these Distribution Agreements (if applicable to this transaction), Academy Securities, Inc. may share a portion of its underwriting compensation with these firms.

This paragraph has been supplied by Wells Fargo Bank, National Association: Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association. Wells Fargo Bank, National Association ("WFBNA"), one of the Underwriters of the 2014 Series C-1 Bonds and the 2014 Series D-1 Bonds, has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the 2014 Series C-1 Bonds and 2014 Series D-1 Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2014 Series C-1 Bonds and 2014 Series D-1 Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliates, Wells Fargo Securities, LLC ("WFSLLC") and Wells Fargo Institutional Securities, LLC ("WFIS"), for the distribution of municipal securities offerings, including the 2014 Series C-1 Bonds and 2014 Series D-1 Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, WFIS, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

This paragraph has been provided by Blaylock Beal Van: Blaylock Beal Van, LLC ("Blaylock Beal Van" or "BBV") is one of the Underwriters of the 2014 Series C-1 Bonds and the 2014 Series D Bonds, and is one of the Remarketing Agents of the 2013 Series F-3 Bonds. BBV has entered into a distribution agreement (the "BBV Agreement") with TD Ameritrade, Inc. ("TD") for the retail distribution of certain municipal securities offerings underwritten by or allocated to Blaylock Beal Van, which may include this transaction. Under the BBV Agreement, Blaylock Beal Van will share with TD a portion of the underwriting compensation paid to BBV.

From time to time, affiliates of the underwriters or the remarketing agents of Bonds provide Long-term LOCs or Construction LOCs for Mortgage Loans. See “Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Long-term LOCs” and “—Construction LOCs.” From time to time, affiliates of the underwriters and remarketing agents may be investors in the Mortgagors.

The following three paragraphs have been provided by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial services and investment banking services for the Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Corporation.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

Standard & Poor’s Ratings Services and Moody’s Investors Service, Inc. have assigned the Fixed Rate Bonds a rating of “AA” and “Aa2,” respectively. Standard & Poor’s Ratings Services and Moody’s Investors Service, Inc. have assigned the Variable Rate Bonds a rating of “AA/A-1+” and “Aa2/VMIG1,” respectively. Standard & Poor’s Ratings Services and Moody’s Investors Service, Inc. have assigned the Term Rate Bonds a rating of “AA” and “Aa2/VMIG1,” respectively. Standard & Poor’s Ratings Services and Moody’s Investors Service, Inc. have assigned the Index Floating Rate Bonds a rating of “AA/NR” 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 2013/2014 Bonds.

TAX MATTERS

Opinion of Bond Counsel to the Corporation

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 2014 Series C 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 2014 Series C Bond for any period during which such 2014 Series C 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 2014 Series C-1-A Bonds, the 2014 Series C-1-B Bonds, the 2014 Series C-2 Bonds or the 2014 Series C-3 Bonds, respectively, or a "related person," and (ii) interest on the 2014 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. 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 (as defined in the General Resolution) of the 2014 Series C Mortgage Loans, the Mortgagor of the 2014 Series C/2013 Series F Mortgage Loan and others in connection with the issuance of the 2014 Series C Bonds, and Bond Counsel to the Corporation has assumed compliance by the Corporation and such Mortgagors with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2014 Series C Bonds from gross income under Section 103 of the Code.

In the opinion of Bond Counsel to the Corporation, interest on the 2014 Series D Bonds is included in gross income for Federal income tax purposes pursuant to the Code.

In addition, in the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the 2014 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).

On December 19, 2013, Bond Counsel to the Corporation rendered its opinion that, under existing statutes and court decisions, (i) interest on the 2013 Series F-3 Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code, except that no opinion is expressed as to such exclusion of interest on any 2013 Series F-3 Bond for any period during which such 2013 Series F-3 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 2013 Series F-3 Bonds or a "related person," and (ii) interest on the 2013 Series F-3 Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering such opinion, Bond Counsel to the Corporation relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation and others in connection with the issuance of the 2013 Series F-3 Bonds, and Bond Counsel to the Corporation assumed compliance by the Corporation and the Mortgagor of the 2014 Series C/2013 Series F Mortgage Loan with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2013 Series F-3 Bonds from gross income under Section 103 of the Code.

On December 19, 2013, Bond Counsel to the Corporation rendered its opinion that, under existing statutes, interest on the 2013 Series F-3 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).

In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions, the change in the method of determining the interest rate on the 2013 Series F-3 Bonds, in and of itself, will not adversely affect the exclusion of interest from gross income for Federal income tax purposes under Section 103 of the Code on any 2013 Series F-3 Bonds, the interest on which is otherwise excluded from gross income for Federal income tax purposes under Section 103 of the Code.

Bond Counsel to the Corporation expresses no opinion regarding any other Federal or state tax consequences with respect to the 2013/2014 Bonds. Bond Counsel to the Corporation renders its opinion with respect to the 2014 Series C Bonds under existing statutes and court decisions as of the issue date of the 2014 Series C Bonds and its opinion referred to in the immediately preceding paragraph with respect to the Remarketed Bonds under existing statutes and court decisions as of the date of remarketing of the Remarketed Bonds, and assumes no obligation to update its opinion after the issue date of the 2014 Series C Bonds or after the date of remarketing of the Remarketed Bonds, as the case may be, to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. The opinion of Bond Counsel to the Corporation referred to in the immediately preceding paragraph with respect to the Remarketed Bonds is limited to the change in the method of determining the interest rate on the Remarketed Bonds and does not extend to any event or matter occurring subsequent to the delivery of its opinion on December 19, 2013. In addition, 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 2014 Series C Bonds or the exemption from personal income taxes of interest on the 2013/2014 Bonds under state and local tax law.

Summary of Certain Federal Tax Requirements

Under applicable provisions of the Code, the exclusion from gross income of interest on the 2014 Series C Bonds and the Remarketed Bonds (collectively, the "Tax-Exempt Bonds") for purposes of Federal income taxation requires that either (i) at least 20% of the units in a Project financed by the Tax-Exempt Bonds, be occupied during the "Qualified Project Period" (defined below) 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 50% of the median income for the area, as adjusted for family size, or (ii) at least 25% of the units in a Project financed by the Tax-Exempt Bonds be occupied during the "Qualified Project Period" 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 (iii) all of the units of each Project be rented or available for rental on a continuous basis during the Qualified Project Period. "Qualified Project Period" for each such Project means a period commencing upon the later of (a) occupancy of 10% of the units in each such Project or (b) the date of issue of the Tax-Exempt Bonds, and running until the later of (i) the date which is 15 years after occupancy of 50% of the units in each such Project, (ii) the first date on which no tax-exempt private activity bonds issued with respect to each such Project are outstanding or (iii) the date on which any assistance provided with respect to such Project under Section 8 of the 1937 Housing Act terminates. Such Project will meet the continuing low income requirement as long as the income of the individuals occupying a low income unit 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 the Project must be rented to an individual having an income that does not exceed the applicable income limitation. An election may be made to treat a Project as a deep rent skewed project which requires that (i) at least 15% of the low income units in the Project be occupied during the Qualified Project Period by individuals whose income is 40% or less of the median income for the area, (ii) the gross rent of each low income unit in the Project not exceed 30% of the applicable income limit which applies to the individuals occupying the unit and (iii) the gross rent with respect to each low income unit in the Project not exceed one-half of the average gross rent with respect to units of comparable size which are not occupied by individuals who meet the applicable income limit. Under the deep rent skewing election, the Project will meet the continuing low income requirement as long as the income of the individuals occupying the unit does not increase to more than 170% of the applicable limit. Upon an increase over 170% of the applicable limit, the next available low income unit must be rented to an individual having an income of 40% or less of the area median income.

In the event of noncompliance with the requirements described in the preceding paragraph arising from events occurring after the issuance of the Tax-Exempt Bonds, the Treasury Regulations provide that the exclusion of interest on the Tax-Exempt Bonds, 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.

Compliance and Additional Requirements

The Code establishes certain additional requirements which must be met subsequent to the issuance and delivery of the Tax-Exempt 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 Tax-Exempt Bonds, yield and other limits regarding investments of the proceeds of the Tax-Exempt 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 Tax-Exempt Bonds shall be excluded from gross income for Federal income tax purposes. The Corporation has included provisions in its 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 Tax-Exempt Bonds. In connection with the issuance of the Tax-Exempt Bonds, the Corporation has entered or will enter into Regulatory Agreements with the Mortgagors of the 2014 Series C Mortgage Loans and the 2014 Series C/2013 Series F Mortgage Loan 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 Tax-Exempt 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 Tax-Exempt Bonds is payable.

Certain Collateral Federal Tax Consequences

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

Prospective owners of the Tax-Exempt 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 and casualty and life insurance companies, individual recipients of Social Security or railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and to 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 Tax-Exempt 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.

Information Reporting and Backup Withholding

Information reporting requirements will apply to interest paid on tax-exempt obligations, including the Tax-Exempt Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9 "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Tax-Exempt Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Tax-Exempt Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Tax-Exempt Bonds under Federal or state law or otherwise prevent beneficial owners of the Tax-Exempt Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Tax-Exempt Bonds. For example, the Fiscal Year 2015 Budget proposed on March 4, 2014, by the Obama Administration recommends a 28% limitation on "all itemized deductions, as well as other tax benefits" including "tax-exempt interest." The net effect of such a proposal, if enacted into law, would be that an owner of a tax-exempt bond with a marginal tax rate in excess of 28% would pay some amount of Federal income tax with respect to the interest on such tax-exempt bond. Similarly, on February 26, 2014, Dave Camp, Chairman of the United States House Ways and Means Committee, released a discussion draft of a proposed bill which would significantly overhaul the Code, including the repeal of many deductions; changes to the marginal tax rates; elimination of tax-exempt treatment of interest for certain bonds issued after 2014; and a provision similar to the 28% limitation on tax-benefit items described above (at 25%) which, as to certain high income taxpayers, effectively would impose a 10% surcharge on their "modified adjusted gross income," defined to include tax-exempt interest received or accrued on all bonds, regardless of issue date.

Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the foregoing matters.

Taxable Bonds

The following discussion is a brief summary of certain United States Federal income tax consequences of the acquisition, ownership and disposition of the 2014 Series D Bonds (the "Taxable Bonds") by original purchasers of the Taxable Bonds who are "U.S. Holders", as defined herein. This summary does not discuss all of the United States Federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules.

Holders of the Taxable Bonds should consult with their own tax advisors concerning the United States Federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Taxable Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption or other disposition (which would include a legal defeasance) of a Taxable Bond, a holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such holder's adjusted tax basis in the Taxable Bond. The Corporation may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Taxable Bonds to be deemed to be no longer outstanding under the Resolutions (a "defeasance"). (See "Appendix B—Summary of Certain Provisions of the General Resolution" in Part II of this Official Statement). For Federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Taxable Bonds subsequent to any such defeasance could also be affected.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest and the proceeds of the sale of a Taxable Bond before maturity within the United States. Backup withholding may apply to holders of Taxable Bonds under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States Federal income tax provided the required information is furnished to the Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Taxable Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States Federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Taxable Bonds under state law and could affect the market price or marketability of the Taxable Bonds.

Prospective purchasers of the Taxable Bonds should consult their own tax advisors regarding the foregoing matters.

NO LITIGATION

At the time of delivery and payment for the 2013/2014 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 2014 Bonds or the remarketing of the Remarketed Bonds, or in any way contesting or affecting the validity of the 2013/2014 Bonds, the Resolutions, the Disclosure Agreements (as defined below), any investment agreement related to the 2013/2014 Bonds or any proceedings of the Corporation taken with respect to the issuance or sale of the 2014 Bonds or the remarketing of the Remarketed Bonds, or the financing of the 2014 Series C Mortgage Loans, the 2014 Series C/2013 Series F Mortgage Loan, the 2014 Series D Mortgage Loans, or the redemption of any outstanding bonds resulting directly or indirectly from the issuance of the 2014 Bonds, or the pledge, collection or application of any monies or security provided for the payment of the Bonds (including the 2013/2014 Bonds), or the existence, powers or operations of the Corporation, or contesting in any material respect 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 2013 Series F-3 Bonds by the Corporation were subject to the approval of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Corporation, which delivered its approving opinion, dated the date of the issuance of the 2013 Series F-3 Bonds, on December 19, 2013 (a copy of which is attached hereto as Appendix 1-3). The remarketing of the 2013 Series F-3 Bonds is subject to the delivery by Bond Counsel to the Corporation of its opinion substantially in the form attached as Appendix 1-4. All legal matters incident to the authorization, issuance, sale and delivery of the 2014 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 Underwriters and the Remarketing Agent by their 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 $5,000,000 that was financed with the proceeds of the 2004 Series C Bonds. Certain legal matters will be passed upon for the providers of the Wells Fargo Bank Initial Liquidity Facility by Jones Day LLP. Certain legal matters will be passed upon for the provider of the TD Bank Initial Liquidity Facility by Schiff Hardin LLP.

FINANCIAL STATEMENTS

The financial statements of the Corporation for the year ended October 31, 2013, which are included as Appendix C to Part II of this Official Statement, have been audited by Ernst & Young LLP, independent auditors, as stated in their report appearing therein. Ernst & Young LLP, the Corporation's independent auditor, has not reviewed, commented on or approved, and is not associated with, this Official Statement. The report of Ernst & Young LLP relating to the Corporation's financial statements for the fiscal years ended October 31, 2013 and 2012, which is a matter of public record, is included in this Official Statement. However, Ernst & Young LLP has not performed any procedures on any financial statements or other financial information of the Corporation, including without limitation any of the information contained in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report in this Official Statement.

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 Underwriters 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 2014 Bonds (the "2014 Disclosure Agreement") to provide continuing disclosure. With respect to the 2013 Series F-3 Bonds, the Corporation and the Trustee entered into a written agreement for the benefit of the holders of the 2013 Series F-3 Bonds upon the initial issuance of the 2013 Series F-3 Bonds (the "2013 Disclosure Agreement" and, together with the 2014 Disclosure Agreement, each a "Disclosure Agreement" or together, the "Disclosure Agreements"). The Corporation has undertaken, in the case of the 2013 Disclosure Agreement, and will undertake, in the case of the 2014 Disclosure Agreement, to provide to the Municipal Securities Rulemaking Board ("MSRB"), 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, 2014, in the case of the 2014 Disclosure Agreement, and October 31, 2013, in the case of the 2013 Disclosure Agreement certain financial information 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 or has undertaken, as applicable, in the Disclosure Agreements, for the benefit of the holders of the applicable Series of 2013/2014 Bonds, to provide to the MSRB, in a timely manner (not in excess of ten (10) Business Days after the occurrence of the event), the notices required to be provided by Rule 15c2-12 and described below.

The Corporation Annual Information shall consist of the following: (a) financial information and operating data 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 audited 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 the MSRB 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; (d) financial information and operating data of the type set forth in Part II of this Official Statement under the headings or subheadings "BONDS OUTSTANDING UNDER THE PROGRAM," "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates," "SECURITY FOR THE BONDS—Summary of Program Assets and Revenues," "SECURITY FOR THE BONDS—Liquidity Facilities for Bonds Bearing Variable Rates of Interest" (chart only), "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 F-1—Certain Investments under the General Resolution," "Appendix F-2—Interest Rate Cap Agreements," "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Long-term LOCs" (chart only) and "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Construction LOCs" (chart only); and (e) the information regarding amendments to a Disclosure Agreement required pursuant thereto, together with (f) such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning the Corporation and in judging the financial information about the Corporation.

Pursuant to the Disclosure Agreements, the Corporation has undertaken or will further undertake, as applicable, to use its best efforts to provide to the MSRB, on an annual basis on or before 150 days after the end of each fiscal year of any Mortgagor whose payment obligations due under its Mortgage Note equals or exceeds twenty percent (20%) of the aggregate payment obligations due under all outstanding Mortgage Notes (a "Major Obligated Mortgagor"), certain financial information and operating data, referred to herein as "Mortgagor Annual Information," including, but not limited to, annual financial statements of such Major Obligated 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 the MSRB when they become available. Currently, there are no Major Obligated Mortgagors.

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: (1) principal and interest payment delinquencies; (2) nonpayment related defaults, if material; (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2013/2014 Bonds or other material events affecting the tax status of the 2013/2014 Bonds; (7) modification to the rights of holders of 2013/2014 Bonds, if material; (8) 2013/2014 Bond calls, if material, and tender offers; (9) defeasances of all or a portion of the 2013/2014 Bonds; (10) the release, substitution or sale of property securing repayment of the 2013/2014 Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar events of the Corporation or a Major Obligated Mortgagor; (13) the consummation of a merger, consolidation or acquisition involving the Corporation or a Major Obligated Mortgagor or the sale of all or substantially all of the assets of the Corporation or a Major Obligation Mortgagor, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; and to the MSRB, in a timely manner, notice of a failure by the Corporation to provide the Corporation Annual Information or the Mortgagor Annual Information required by the Disclosure Agreement.

In addition to the notices described above, the Corporation in the 2014 Disclosure Agreement has agreed to provide a notice to the MSRB regarding the making of a Mortgage Loan with the proceeds of the 2014 Series C Bonds or the proceeds of the 2013 Series F-3 Bonds in substitution for one or more of the Developments described under "PLAN OF FINANCING –2014 Series C Mortgage Loans and 2014 Series C/2013 Series F Mortgage Loan–2014 Series C Developments and 2014 Series C/2013 Series F Development". The Corporation has agreed in the 2014 Disclosure Agreement to provide such notice to the MSRB on or before the date of the making of such substitute Mortgage Loan and to include in such notice information regarding such substitute Development and Mortgage Loan substantially similar to the information regarding other Developments contained under such heading. The Corporation in the 2014 Disclosure Agreement has also agreed to provide a notice to the MSRB of any increase or decrease in the Anticipated Construction Loan Amount or Anticipated Permanent Mortgage Loan Amount for any 2014 Series C Mortgage Loan or 2014 Series C/2013 Series F Mortgage Loan described under such heading. The Corporation has agreed in the 2014 Disclosure Agreement to provide such notice to the MSRB on or before the date of increasing or decreasing such loan amounts and to include in such notice information regarding the increase or decrease and the resulting loan amounts. Because such notices are not required to be provided under Rule 15c2-12, failure to comply with this provision of the 2014 Disclosure Agreement will not constitute a failure to comply with an undertaking in a written agreement specified in paragraph (b)(5)(i) of Rule 15c2-12.

If any party to a Disclosure Agreement fails to comply with any provisions thereof, then each of the other parties to such Disclosure Agreement and, as a direct or third party beneficiary, as the case may be, any holder of the applicable Series of 2013/2014 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, such 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 such 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 2013/2014 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 applicable Series of 2013/2014 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 2013/2014 Bonds are third-party beneficiaries of the applicable Disclosure Agreement and, as such, are deemed to be holders of the applicable Series of 2013/2014 Bonds for 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. Each Disclosure Agreement, however, may be amended or modified without the consent of the holders of the applicable Series of 2013/2014 Bonds under certain circumstances set forth in the Disclosure Agreement.

Copies of the Disclosure Agreements are, or in the case of the 2013 Disclosure Agreement, when executed and delivered by the parties thereto on the date of the initial delivery of the 2014 Bonds, will be, on file at the office of the Corporation.

With regard to each Series of Bonds issued under the General Resolution for which an underwriter has an obligation under Rule 15c2-12, the Corporation has entered into agreements substantially identical to the Disclosure Agreements and has complied with the provisions of such agreements.

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 during the previous five years.

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 or remarketing of the 2013/2014 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 Bonds then Outstanding 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 2013/2014 Bonds.

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

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, 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 2013/2014 Bonds.

This Official Statement is submitted in connection with the sale and remarketed, as applicable, of the 2013/2014 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/ Gary D. Rodney
Gary D. Rodney
President

Dated: June 18, 2014

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APPENDIX 1-1

PROPOSED FORM OF OPINION OF BOND COUNSEL TO THE CORPORATION RELATING TO THE 2014 SERIES C BONDS

Upon delivery of the 2014 Series C Bonds Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, proposes to deliver its approving opinion in substantially the following form:

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION
110 William Street
New York, New York 10038

Ladies and Gentlemen:

We, as bond counsel to the New York City Housing Development Corporation (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, organized and existing under and pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended (the "Act"), have examined a record of proceedings relating to the issuance by the Corporation of $162,345,000 Multi-Family Housing Revenue Bonds, 2014 Series C-1-A (the "2014 Series C-1-A Bonds"), $62,705,000 Multi-Family Housing Revenue Bonds, 2014 Series C-1-B (the "2014 Series C-1-B Bonds"; the 2014 Series C-1-A Bonds and the 2014 Series C-1-B Bonds being collectively referred to as the "2014 Series C Bonds"); $35,840,000 Multi-Family Housing Revenue Bonds, 2014 Series C-2 (the "2014 Series C-2 Bonds") and $13,000,000 Multi-Family Housing Revenue Bonds, 2014 Series C-3 (the "2014 Series C-3 Bonds"; the 2014 Series C-1 Bonds, the 2014 Series C-2 Bonds and the 2014 Series C-3 Bonds being collectively referred to as the "2014 Series C Bonds").

The 2014 Series C Bonds are authorized to be issued pursuant to the Act, the Multi-Family Housing Revenue Bonds Bond Resolution of the Corporation, adopted July 27, 1993, as amended (the "General Resolution"), and, with respect to the 2014 Series C-1 Bonds, the One Hundred Ninety-Second Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-1 of the Corporation, adopted June 10, 2014, with respect to the 2014 Series C-2 Bonds, the One Hundred Ninety-Third Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-2 of the Corporation, adopted June 10, 2014, and with respect to the 2014 Series C-3 Bonds, the One Hundred Ninety-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series C-3 of the Corporation, adopted June 10, 2014 (collectively, the "Supplemental Resolutions"; the General Resolution and the Supplemental Resolutions being collectively referred to as the "Resolutions"). The 2014 Series C Bonds are being issued for the purpose of financing the 2014 Series C Mortgage Loans (as defined in the Resolutions).

The 2014 Series C Bonds are dated, mature, are payable, bear interest and are subject to redemption as provided in the Resolutions.

We have not examined nor are we passing upon matters relating to the real and personal property referred to in the mortgages which are to secure the 2014 Series C Bonds.

Upon the basis of the foregoing, we are of the opinion that:

1. The Corporation has been duly created and validly exists as a corporate governmental agency, constituting a public benefit corporation, under and pursuant to the laws of the State of New York

(including the Act), and has good right and lawful authority, among other things, to finance the 2014 Series C Mortgage Loans, to provide sufficient funds therefor by the adoption of the Resolutions and the issuance and sale of the 2014 Series C Bonds, and to perform its obligations under the terms and conditions of the Resolutions, as covenanted in the Resolutions.

2. The Resolutions have been duly adopted by the Corporation, are in full force and effect, and are valid and binding upon the Corporation and enforceable in accordance with their terms.

3. The 2014 Series C Bonds have been duly authorized, sold and issued by the Corporation in accordance with the Resolutions and the laws of the State of New York (the "State"), including the Act.

4. The 2014 Series C Bonds are valid and legally binding special revenue obligations of the Corporation payable solely from the revenues, funds or monies pledged for the payment thereof pursuant to the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions, and are entitled to the benefit, protection and security of the provisions, covenants and agreements of the Resolutions.

5. The 2014 Series C Bonds are secured by a pledge in the manner and to the extent set forth in the Resolutions. The Resolutions create the valid pledge of and lien on the Revenues (as defined in the Resolutions) and all the Accounts established by the Resolutions and monies and securities therein, which the Resolutions purport to create, subject only to the provisions of the Resolutions permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Resolutions.

6. The 2014 Series C Bonds are not a debt of the State or The City of New York and neither is liable thereon, nor shall the 2014 Series C Bonds be payable out of any funds other than those of the Corporation pledged for the payment thereof.

7. Under existing statutes and court decisions, (i) interest on the 2014 Series C 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 2014 Series C Bond for any period during which such 2014 Series C 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 2014 Series C-1 Bonds, the 2014 Series C-2 Bonds or the 2014 Series C-3 Bonds, respectively, or a "related person," and (ii) interest on the 2014 Series C Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering this opinion, we have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation, the Mortgagors (as defined in the General Resolution) of the 2014 Series C Mortgage Loans and others in connection with the issuance of the 2014 Series C Bonds, and we have assumed compliance by the Corporation and such Mortgagors with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2014 Series C Bonds from gross income under Section 103 of the Code. In addition, under existing statutes, interest on the 2014 Series C Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other Federal or state tax consequences with respect to the 2014 Series C Bonds. We render this opinion under existing statutes and court decisions as of the issue date, and assume no obligation to update this opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express 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 2014 Series C Bonds, or the exemption from personal income taxes of interest on the 2014 Series C Bonds under state and local tax law.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the 2014 Series C Bonds and the Resolutions may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to the general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed 2014 Series C-1-A Bond, an executed 2014 Series C-1-B Bond, an executed 2014 Series C-2 Bond and an executed 2014 Series C-3 Bond and in our opinion the forms of said Bonds and their execution are regular and proper.

Very truly yours,

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APPENDIX 1-2

PROPOSED FORM OF OPINION OF BOND COUNSEL TO THE CORPORATION RELATING TO THE 2014 SERIES D BONDS

Upon delivery of the 2014 Series D Bonds Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, proposes to deliver its approving opinion in substantially the following form:

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION
110 William Street
New York, New York 10038

Ladies and Gentlemen:

We, as bond counsel to the New York City Housing Development Corporation (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, organized and existing under and pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended (the "Act"), have examined a record of proceedings relating to the issuance by the Corporation of $38,000,000 Multi-Family Housing Revenue Bonds, 2014 Series D-1 (the "2014 Series D-1 Bonds") and $38,000,000 Multi-Family Housing Revenue Bonds, 2014 Series D-2 (the "2014 Series D-2 Bonds"; the 2014 Series D-1 Bonds and the 2014 Series D-2 Bonds being collectively referred to as the "2014 Series D Bonds").

The 2014 Series D Bonds are authorized to be issued pursuant to the Act, the Multi-Family Housing Revenue Bonds Bond Resolution of the Corporation, adopted July 27, 1993, as amended (the "General Resolution"), and, with respect to the 2014 Series D-1 Bonds, the One Hundred Ninety-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series D-1 of the Corporation, adopted June 10, 2014, and with respect to the 2014 Series D-2 Bonds, the One Hundred Ninety-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2014 Series D-2 of the Corporation, adopted June 10, 2014 (collectively, the "Supplemental Resolutions"; the General Resolution and the Supplemental Resolutions being collectively referred to as the "Resolutions"). The 2014 Series D Bonds are being issued for the purpose of financing the 2014 Series D Mortgage Loans (as defined in the Resolutions) and financing certain other Corporation Corporate Purposes (as defined in the Resolutions).

The 2014 Series D Bonds are dated, mature, are payable, bear interest and are subject to redemption as provided in the Resolutions.

We have not examined nor are we passing upon matters relating to the real and personal property referred to in the mortgages which are to secure the 2014 Series D Bonds.

Upon the basis of the foregoing, we are of the opinion that:

1. The Corporation has been duly created and validly exists as a corporate governmental agency, constituting a public benefit corporation, under and pursuant to the laws of the State of New York (including the Act), and has good right and lawful authority, among other things, to finance the 2014 Series D Mortgage Loans, to provide funds to finance said Corporation Corporate Purposes, to provide sufficient funds therefor by the adoption of the Resolutions and the issuance and sale of the 2014 Series D

Bonds, and to perform its obligations under the terms and conditions of the Resolutions, as covenanted in the Resolutions.

2. The Resolutions have been duly adopted by the Corporation, are in full force and effect, and are valid and binding upon the Corporation and enforceable in accordance with their terms.

3. The 2014 Series D Bonds have been duly authorized, sold and issued by the Corporation in accordance with the Resolutions and the laws of the State of New York (the "State"), including the Act.

4. The 2014 Series D Bonds are valid and legally binding special revenue obligations of the Corporation payable solely from the revenues, funds or monies pledged for the payment thereof pursuant to the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions, and are entitled to the benefit, protection and security of the provisions, covenants and agreements of the Resolutions.

5. The 2014 Series D Bonds are secured by a pledge in the manner and to the extent set forth in the Resolutions. The Resolutions create the valid pledge of and lien on the Revenues (as defined in the Resolutions) and all the Accounts established by the Resolutions and monies and securities therein, which the Resolutions purport to create, subject only to the provisions of the Resolutions permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Resolutions.

6. The 2014 Series D Bonds are not a debt of the State or The City of New York and neither is liable thereon, nor shall the 2014 Series D Bonds be payable out of any funds other than those of the Corporation pledged for the payment thereof.

7. Interest on the 2014 Series D Bonds is included in gross income for Federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

8. Under existing statutes, interest on the 2014 Series D Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other Federal or state tax consequences with respect to the 2014 Series D Bonds. We render this opinion under existing statutes and court decisions as of the issue date, and assume no obligation to update this opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exemption from personal income taxes of interest on the 2014 Series D Bonds under state and local tax law.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the 2014 Series D Bonds and the Resolutions may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to the general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed 2014 Series D-1 Bond and an executed 2014 Series D-2 Bond and in our opinion the forms of said Bonds and their execution are regular and proper.

Very truly yours,

APPENDIX 1-3

FORM OF OPINION OF BOND COUNSEL TO THE CORPORATION DELIVERED UPON THE ISSUANCE OF THE 2013 SERIES F-3 BONDS

Upon delivery of the 2013 Series F-3 Bonds, Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, delivered its approving opinion in substantially the following form:

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION
110 William Street
New York, New York 10038

Ladies and Gentlemen:

We, as bond counsel to the New York City Housing Development Corporation (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, organized and existing under and pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended (the "Act"), have examined a record of proceedings relating to the issuance of $118,660,000 Multi-Family Housing Revenue Bonds, 2013 Series E-1-A (the "2013 Series E-1-A Bonds"), $57,060,000 Multi-Family Housing Revenue Bonds, 2013 Series E-1-B (the "2013 Series E-1-B Bonds"), $78,025,000 Multi-Family Housing Revenue Bonds, 2013 Series E-1-C (the "2013 Series E-1-C Bonds"; the 2013 Series E-1-A Bonds, the 2013 Series E-1-B Bonds and the 2013 Series E-1-C Bonds being collectively referred to as the "2013 Series E-1 Bonds"), $32,670,000 Multi-Family Housing Revenue Bonds, 2013 Series E-2 (the "2013 Series E-2 Bonds"), $19,520,000 Multi-Family Housing Revenue Bonds, 2013 Series E-3 (the "2013 Series E-3 Bonds"; the 2013 Series E-1 Bonds, the 2013 Series E-2 Bonds and the 2013 Series E-3 Bonds being collectively referred to as the "2013 Series E Bonds"), and $42,495,000 Multi-Family Housing Revenue Bonds, 2013 Series F (the "2013 Series F Bonds"; the 2013 Series E Bonds and the 2013 Series F Bonds being collectively referred to as the "2013 Bonds").

The 2013 Bonds are authorized to be issued pursuant to the Act, the Multi-Family Housing Revenue Bonds Bond Resolution of the Corporation, adopted July 27, 1993, as amended (the "General Resolution"), and, with respect to the 2013 Series E-1 Bonds, the One Hundred Eighty-Fifth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series E-1 of the Corporation, adopted November 25, 2013, with respect to the 2013 Series E-2 Bonds, the One Hundred Eighty-Sixth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series E-2 of the Corporation, adopted November 25, 2013, with respect to the 2013 Series E-3 Bonds, the One Hundred Eighty-Seventh Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series E-3 of the Corporation, adopted November 25, 2013, and with respect to the 2013 Series F Bonds, the One Hundred Eighty-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series F of the Corporation, adopted November 25, 2013 (collectively, the "Supplemental Resolutions"; the General Resolution and the Supplemental Resolutions being collectively referred to as the "Resolutions"). The 2013 Series E Bonds are being issued for the purpose of financing the 2013 Series E Mortgage Loans (as defined in the Resolutions), retiring a certain obligation of the Corporation and refunding certain of the Corporation's outstanding bonds (the "Prior Bonds"). The 2013 Series F Bonds are being issued for the purpose of financing the 2013 Series F Mortgage Loans (as defined in the Resolutions).

The 2013 Bonds are dated, mature, are payable, bear interest and are subject to redemption as provided in the Resolutions.

We have not examined nor are we passing upon matters relating to the real and personal property referred to in the mortgages which are to secure the 2013 Bonds.

Upon the basis of the foregoing, we are of the opinion that:

1. The Corporation has been duly created and validly exists as a corporate governmental agency, constituting a public benefit corporation, under and pursuant to the laws of the State of New York (including the Act), and has good right and lawful authority, among other things, to finance the 2013 Series E Mortgage Loans and the 2013 Series F Mortgage Loans, to retire said obligation of the Corporation, to refund the Prior Bonds, to provide sufficient funds therefor by the adoption of the Resolutions and the issuance and sale of the 2013 Bonds, and to perform its obligations under the terms and conditions of the Resolutions, as covenanted in the Resolutions.

2. The Resolutions have been duly adopted by the Corporation, are in full force and effect, and are valid and binding upon the Corporation and enforceable in accordance with their terms.

3. The 2013 Bonds have been duly authorized, sold and issued by the Corporation in accordance with the Resolutions and the laws of the State of New York (the "State"), including the Act.

4. The 2013 Bonds are valid and legally binding special revenue obligations of the Corporation payable solely from the revenues, funds or monies pledged for the payment thereof pursuant to the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions, and are entitled to the benefit, protection and security of the provisions, covenants and agreements of the Resolutions.

5. The 2013 Bonds are secured by a pledge in the manner and to the extent set forth in the Resolutions. The Resolutions create the valid pledge of and lien on the Revenues and, with respect to the 2013 Series F Bonds, the 2013 Series F Revenues (as such terms are defined in the Resolutions) and all the Accounts and, with respect to the 2013 Series F Bonds, the 2013 Series F Accounts, established by the Resolutions and monies and securities therein, which the Resolutions purport to create, subject only to the provisions of the Resolutions permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Resolutions.

6. The 2013 Bonds are not a debt of the State or The City of New York and neither is liable thereon, nor shall the 2013 Bonds be payable out of any funds other than those of the Corporation pledged for the payment thereof.

7. Under existing statutes and court decisions, (i) interest on the 2013 Series E Bonds and the 2013 Series F 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 2013 Series E Bond or 2013 Series F Bond for any period during which such 2013 Series E Bond or 2013 Series F 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 2013 Series E-1 Bonds, the 2013 Series E-2 Bonds, the 2013 Series E-3 Bonds or the 2013 Series F Bonds, respectively, or a "related person" and (ii) interest on the 2013 Series E Bonds and the 2013 Series F Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering this opinion, we have

relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Corporation, the Mortgagors (as defined in the General Resolution) of the 2013 Series E Mortgage Loans and others in connection with the issuance of the 2013 Bonds, and we have assumed compliance by the Corporation, such Mortgagors and the Mortgagors of the 2013 Series F Mortgage Loans with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2013 Bonds from gross income under Section 103 of the Code. In addition, under existing statutes, interest on the 2013 Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other Federal or state tax consequences with respect to the 2013 Bonds. We render this opinion under existing statutes and court decisions as of the issue date, and assume no obligation to update this opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express 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 2013 Bonds, or the exemption from personal income taxes of interest on the 2013 Bonds under state and local tax law.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the 2013 Bonds and the Resolutions may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to the general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed 2013 Series E-1-A Bond, an executed 2013 Series E-1-B Bond, an executed 2013 Series E-1-C Bond, an executed 2013 Series E-2 Bond, an executed 2013 Series E-3 Bond and an executed 2013 Series F Bond and in our opinion the forms of said Bonds and their execution are regular and proper.

Very truly yours,

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APPENDIX 1-4

PROPOSED FORM OF OPINION OF BOND COUNSEL TO THE CORPORATION RELATING TO THE 2013 SERIES F-3 BONDS

Upon the remarketing of the 2013 Series F-3 Bonds, Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, proposes to deliver its opinion in substantially the following form:

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION
110 William Street
New York, New York 10038

THE BANK OF NEW YORK MELLON
as Trustee
101 Barclay Street
New York, New York 10286

Ladies and Gentlemen:

We are bond counsel to the New York City Housing Development Corporation (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation, created and existing under and pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended (the "Act"). On December 19, 2013, we rendered our approving opinion (the "Approving Opinion") with respect to the issuance by the Corporation of its Multi-Family Housing Revenue Bonds, 2013 Series F, in the original aggregate principal amount of $42,495,000 (the "Bonds"). The Bonds were issued under and pursuant to the Act, the Multi-Family Housing Revenue Bonds Bond Resolution of the Corporation, adopted July 27, 1993, as amended (the "General Resolution"), and the One Hundred Eighty-Eighth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2013 Series F of the Corporation, adopted November 25, 2013 (the "Supplemental Resolution"; the General Resolution and the Supplemental Resolution being collectively referred to as the "Resolutions"). Unless otherwise defined in this opinion, all capitalized terms used herein shall have the meanings ascribed thereto in the Resolutions.

The Resolutions provide that the method of determining the interest rate on the Bonds may be changed on an Interest Method Change Date, subject to the terms and provisions of the Resolutions. Today, pursuant to the provisions of the Resolutions, is an Interest Method Change Date with respect to $9,205,000 aggregate principal amount of the Bonds maturing on November 1, 2018, the method of determining the interest rate on such portion of the Bonds is being changed and such portion of the Bonds is being remarketed (such portion of the Bonds, as so remarketed, being referred to as the "Reoffered Bonds"). On and after the date hereof, the Reoffered Bonds will bear interest at a Term Rate pursuant to the terms and provisions of the Resolutions. This opinion is being delivered in connection with the change in the method of determining the interest rate on the Reoffered Bonds.

We are of the opinion that the change in the method of determining the interest rate on the Reoffered Bonds is consistent with the provisions of the Resolutions.

We express no opinion as to whether, as of the date hereof, the interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of

1986, as amended (the “Code”). We are of the opinion, however, that, under existing statutes and court decisions, the change in the method of determining the interest rate on the Reoffered Bonds, in and of itself, will not adversely affect the exclusion of interest from gross income for Federal income tax purposes under Section 103 of the Code on any Reoffered Bonds, the interest on which is otherwise excluded from gross income for Federal income tax purposes under Section 103 of the Code.

We express no opinion regarding any other Federal or state tax consequences with respect to the Reoffered Bonds. We render this opinion under existing statutes and court decisions as of the date hereof, and we assume no obligation to update this opinion after the date hereof to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We wish to advise you that our opinion is limited to the change in the method of determining the interest rate on the Reoffered Bonds on the date hereof and does not extend to any event or matter occurring subsequent to the delivery of our Approving Opinion on December 19, 2013.

Very truly yours,

OFFICIAL STATEMENT PART II

relating to

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

MULTI-FAMILY HOUSING REVENUE BONDS

Part II of this Official Statement provides certain information concerning Bonds previously issued under the General Resolution, certain sources of payment and security for the Bonds, the Corporation, and the mortgage loan program financed with the proceeds of Bonds. It contains only a part of the information to be provided by the Corporation in connection with the issuance of its Bonds. The terms of the Series of Bonds being issued, including designation, principal amount, authorized denominations, price, maturity, interest rate and time of payment of interest, redemption provisions, and any other terms or information relating thereto are set forth in Part I of this Official Statement with respect to such Series. Additional information concerning certain sources of payment and security for the Bonds, the Corporation, and the mortgage loans program financed with the proceeds of Bonds is contained in Part I of this Official Statement. The information contained herein may be supplemented or otherwise modified by Part I of this Official Statement and is subject in all respects to the information contained therein.

PART II

relating to

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Multi-Family Housing Revenue Bonds

INTRODUCTION

The purpose of this Part II of this Official Statement is to set forth certain information concerning the Corporation, the Program and the Bonds in connection with the issuance of certain Series of Bonds by the Corporation. Each Series of Bonds is issued pursuant to the Act, the General Resolution, and a related Supplemental Resolution. Certain defined terms used herein are set forth in Part I of this Official Statement or in "Appendix A—Definition of Certain Terms."

THE CORPORATION

Purposes and Powers

The Corporation, which commenced operations in 1972, is a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State, created for the purposes of providing, and encouraging the investment of private capital in, safe and sanitary dwelling accommodations in the City of New York (the "City") for families and persons of low income, which include families and persons whose need for housing accommodations cannot be provided by the ordinary operations of private enterprise, or in areas designated as blighted through the provision of low interest mortgage loans. Powers granted the Corporation under the Act include the power to issue bonds, notes and other obligations to obtain funds to carry out its corporate purposes, and to refund the same; to acquire, hold and dispose of real and personal property; to make mortgage loans to specified private entities; to purchase loans from lending institutions; to make loans insured or co-insured by the Federal government for new construction and rehabilitation of multiple dwellings; to make and to contract for the making of loans for the purpose of financing the acquisition, construction or rehabilitation of multi-family housing accommodations; to acquire and to contract to acquire any Federally-guaranteed security evidencing indebtedness on a mortgage securing a loan; to acquire mortgages from the City, obtain Federal insurance thereon and either sell such insured mortgages or issue its obligations secured by said insured mortgages and to pay the net proceeds of such sale of mortgages or issuance of obligations to the City; and to do any and all things necessary or convenient to carry out its purposes. The Act further provides that the Corporation and its corporate existence shall continue at least so long as its bonds, including the Bonds, notes, or other obligations are outstanding.

The sale of the Bonds and the terms of such sale are subject to the approval of the Comptroller of the City. The Corporation is a "covered organization" as such term is defined in the New York State Financial Emergency Act for The City of New York, as amended, and the issuance of the Bonds is subject to the review of the New York State Financial Control Board for The City of New York.

The Corporation's audited financial statements for the fiscal year ended October 31, 2013, including as Schedule 2 supplemental information related to the Program, are contained in Appendix C hereto. In addition, a summary of assets and revenues related to the Program are described, in part, under "SECURITY FOR THE BONDS—Summary of Program Assets and Revenues." For a description of the bond, mortgage loan, loan and servicing activities of the Corporation, see "Appendix D—Activities of the Corporation."

Organization and Membership

The Corporation, pursuant to the Act, consists of the Commissioner of The City of New York Department of Housing Preservation and Development ("HPD") (who is designated as Chairperson of the Corporation pursuant to the Act), the Commissioner of Finance of the City and the Director of Management and Budget of the City (such officials to serve ex-officio), and four (4) public members, two (2) appointed by the Mayor of the City (the "Mayor") and two (2) appointed by the Governor of the State. The Act provides that the powers of the Corporation shall be vested in and exercised by not less than four (4) members. The Corporation may delegate to one or more of its members, officers, agents or employees such powers and duties as it deems proper.

Members

VICKI BEEN, Chairperson and Member ex-officio. Ms. Been was appointed Commissioner of HPD by Mayor Bill de Blasio, effective February 18, 2014. Prior to joining HPD, she was the Boxer Family Professor of Law at New York University School of Law and Director of NYU's Furman Center for Real Estate and Urban Policy. Ms. Been earned a J.D. from NYU School of Law, and clerked for Judge Edward Weinfeld on the Southern District of New York and for Justice Harry Blackmun on the United States Supreme Court.

HARRY E. GOULD, JR., Vice Chairperson and Member, serving pursuant to law. Mr. Gould is Chairman, President and Chief Executive Officer of Gould Paper Corporation, which was, until April 30, 2010, the largest privately owned independent distributor of printing paper in the United States. As of that date, Gould became a 51% owned subsidiary of Japan Pulp & Paper, the largest paper distributor in Japan. He was Chairman and President of Cinema Group, Inc., a major independent film financing and production company, from 1982 to May 1986, and is currently Chairman and President of Signature Communications Ltd., a new company that is active in the same field. He is a Life Member of the Executive Branch of the Academy of Motion Picture Arts and Sciences. He is a member of the Board of Directors of the Roundabout Theatre Organization and a member of the Board of Overseers at the Columbia Business School. He was a member of the Board of Directors of Domtar, Inc., North America's largest and second largest global manufacturer of uncoated free sheet papers from 1995 to 2004. He was a member of the Board of Directors of the USO of Metropolitan New York from 1973 to 2004. He was a member of the Board of Trustees of the American Management Association from 1996 to 1999. He was a member of Colgate University's Board of Trustees from 1976 to 1982. He was appointed Trustee Emeritus of Colgate University in 2012. He was appointed the U.S. representative to the U.N. East-West Trade Development Commission by President Johnson from 1967 to 1968. He was Vice Chairman of the U.S. President's Export Council, was a member of the Executive Committee and was Chairman of the Export Expansion Subcommittee from 1977 to 1980. He was a National Trustee of the National Symphony Orchestra, Washington, D.C., also serving as a member of its Executive Committee from 1977 to 1999. He was a member of the Board of United Cerebral Palsy Research and Educational Foundation, and the National Multiple Sclerosis Society of New York from 1972 to 1999. He was a Trustee of the Riverdale Country School from 1990 to 1999. Mr. Gould received his Bachelor of Arts degree from Colgate University magna cum laude. He began his M.B.A. studies at Harvard University and received his degree from Columbia Business School.

DEAN FULEIHAN, Member ex-officio. Mr. Fuleihan was appointed New York City Budget Director in January 2014. Previously, Mr. Fuleihan joined the SUNY College of Nanoscale Science and Engineering as Executive Vice President for Strategic Partnerships. Prior to that, he served in the New York State Assembly for over 30 years, serving as the principal fiscal and policy advisor to the Speaker of the New York State Assembly, Assembly leadership and the Majority Conference. He was also the Assembly's principal staff negotiator on the state budget. Mr. Fuleihan received a B.A. degree in Economics from Alfred University and studied public finance at the Maxwell School of Citizenship and Public Affairs at Syracuse University.

JACQUES JIHA, Member ex-officio. Mr. Jacques Jiha Ph.D. was appointed Commissioner of New York City's Department of Finance by Mayor Bill de Blasio on April 8, 2014. Prior to becoming Commissioner, Mr. Jiha was the Executive Vice President / Chief Operating Officer & Chief Financial Officer of Earl G. Graves, Ltd., a multi-media company with properties in print, digital media, television, events and the Internet. He has also served on a number of government and not-for-profit boards including the Ronald McDonald House of New York, Public Health Solutions, the Investment Advisory Committee of the New York Common Retirement Fund and as Secretary of the board of the New York State Dormitory Authority. Previous positions include Deputy Comptroller for Pension Investment and Public Finance in the Office of the New York State Comptroller, where he managed the assets of the New York State Common Retirement Fund – then the nation's second-largest pension fund valued at $120 billion. Prior to his appointment, he worked for the New York City Office of the Comptroller first as Chief Economist and later as Deputy Comptroller for Budget, with oversight responsibilities over the city's operating budget and four-year capital plan. Mr. Jiha also served as Executive Director of the Legislative Tax Study Commission of New York State and as Principal Economist for the New York State Assembly Committee on Ways and Means. He holds a Ph.D. and a Master's degree in Economics from the New School for Social Research and a Bachelor's degree in Economics from Fordham University.

COLVIN W. GRANNUM, Member, term expires December 31, 2014. Mr. Grannum is the president of Bedford Stuyvesant Restoration Corporation. Prior to joining Bedford Stuyvesant Restoration Corporation, Mr. Grannum served as a founding director and the chief executive officer of Bridge Street Development Corporation. He has also been employed by the United States Department of Justice, the New York State Attorney General, the NYNEX Corporation, and the New York City Corporation Counsel, respectively, where he held a variety of senior level positions. He serves as a member of the board of directors of the New York City Workforce Investment Board, Center for New York City Neighborhood, Local Initiatives Support Corporation, Brooklyn Chamber of Commerce and Bedford Stuyvesant Early Childhood Development Center, Inc. Mr. Grannum is a graduate of the University of Pennsylvania and Georgetown University Law Center and has completed education programs at Columbia Business School; Harvard University, John F. Kennedy School of Government; Harvard University, School of Divinity; and University of Pennsylvania, Wharton School of Business.

CHARLES G. MOERDLER, Member, serving pursuant to law. Mr. Moerdler is a partner in the law firm of Stroock & Stroock & Lavan LLP. Prior to joining his law firm in 1967, Mr. Moerdler was Commissioner of Buildings for The City of New York from 1966 to 1967, and previously worked with the law firm of Cravath, Swaine & Moore. Mr. Moerdler has served as a member of the Committee on Character and Fitness of Applicants to the Bar of the State of New York, Appellate Division, First Department since 1977 and as a member of the Mayor's Committee on Judiciary since 1994. He has also served on the Editorial Board of the New York Law Journal since 1986. Mr. Moerdler held a number of public service positions, including Chairman of The New York State Insurance Fund from 1995 to March 1997, Commissioner and Vice Chairman of The New York State Insurance Fund from 1978 to 1994, Consultant to the Mayor of The City of New York on Housing, Urban Development and Real Estate from 1967 to 1973, Member of the Advisory Board on Fair Campaign Practices, New York State Board of Elections in 1974, Member of the New York City Air Pollution Control Board from 1966 to 1967 and Special Counsel to the New York State Assembly, Committee on Judiciary in 1961 and Committee on The City of New York in 1960. Mr. Moerdler also serves as a Trustee of St. Barnabas Hospital and served on the Board of Overseers of the Jewish Theological Seminary of America. He served as a Trustee of Long Island University from 1985 to 1991 and on the Advisory Board of the School of International Affairs, Columbia University from 1976 to 1979. Mr. Moerdler is a graduate of Long Island University and Fordham Law School, where he was an Associate Editor of the Fordham Law Review.

DENISE SCOTT, Member, serving pursuant to law. Ms. Scott is Managing Director of the Local Initiatives Support Corporation's New York City program (LISC NYC) since 2001. During her tenure, LISC NYC has invested in the development of over 10,000 units of affordable housing. Ms. Scott served as a White House appointee to the United States Department of Housing and Urban Development (HUD) from 1998 to January 2001 responsible for daily operations of HUD's six New York/New Jersey regional offices. She was the Managing Director/Coordinator responsible for launching the Upper Manhattan Empowerment Zone Development Corporation. Ms. Scott served as the Assistant Vice President of the New York City Urban Coalition after serving as Deputy Director of the New York City Mayor's Office of Housing Coordination from 1990-1992. She held several positions at HPD ultimately serving as the Director of its Harlem preservation office. Ms. Scott serves on the U.S. Department of Treasury's Office of Thrift Supervision Minority Depository Institutions Advisory Committee and also serves on several boards including the National Equity Fund, Supportive Housing Network of New York, Citizens Housing and Planning Council, Neighborhood Restore / Restored Homes and the New York Housing Conference. Ms. Scott has a MS in Urban Planning from Columbia University and has taught at its Graduate School of Architecture, Planning and Preservation as a Visiting Assistant Professor

Principal Officers

VICKI BEEN, Chairperson.

HARRY E. GOULD, JR., Vice Chairperson.

GARY D. RODNEY, President. Mr. Rodney was appointed President of the Corporation on March 3, 2014. Prior to joining the Corporation, Mr. Rodney was the Executive Vice President for Development at Omni New York LLC ("OMNI"), a real estate development company focusing on affordable housing. Prior to joining OMNI, Mr. Rodney was Director of Development at BFC Partners, a New York City based real estate development company. Mr. Rodney also spent five years at the Corporation and held several positions structuring financing programs and underwriting transactions before being promoted to Vice President in 2005. Mr. Rodney holds a Masters of Urban

Planning from New York University's Robert F. Wagner Graduate School of Public Service and Bachelor of Arts from the University of Rochester.

RICHARD M. FROEHLICH, Chief Operating Officer, Executive Vice President and General Counsel. Mr. Froehlich, an attorney and member of the New York State Bar, was appointed Chief Operating Officer of the Corporation on June 9, 2011, and Executive Vice President for Capital Markets of the Corporation on February 27, 2008. Mr. Froehlich is also the General Counsel of the Corporation. He was originally appointed Senior Vice President and General Counsel of the Corporation effective November 17, 2003. Prior to joining the Corporation, he was Counsel at the law firm of O'Melveny & Myers LLP in its New York City office, where Mr. Froehlich's practice focused on real estate, public finance and affordable housing. From 1993 to 1998, Mr. Froehlich was an Assistant Counsel at the New York State Housing Finance Agency. Upon graduation from law school, he was an associate at Skadden, Arps, Slate, Meagher & Flom. Mr. Froehlich received his B.A. degree from Columbia College and his J.D. from Columbia University School of Law. He is an Adjunct Assistant Professor of Urban Planning at Columbia University.

CATHLEEN A. BAUMANN, Senior Vice President and Treasurer. Ms. Baumann was appointed Senior Vice President of the Corporation on August 8, 2012 and Treasurer of the Corporation by the President on July 20, 2009. Prior to such appointments, she held the position of Deputy CFO since September 2004. Ms. Baumann joined the Corporation in 1988 as an Accountant. She has also held the positions of Senior Accountant and Internal Auditor and Vice President of Internal Audit. Ms. Baumann received her bachelor's degree with majors in Accounting and Economics from Queens College of the City University of New York and her MBA in Finance from Baruch College's Zicklin School of Business of the City University of New York.

ELLEN K. DUFFY, Senior Vice President for Debt Issuance and Finance. Ms. Duffy was appointed Senior Vice President of the Corporation on September 15, 2009, effective September 21, 2009. Prior to joining the Corporation, Ms. Duffy was a principal of the housing finance group at Bank of America Securities ("BAS"). At BAS, Ms. Duffy focused on quantitative structuring of transactions and cash flow analysis for state and local housing issuers. Ms. Duffy previously held positions in the housing areas of the public finance groups at CS First Boston, First Union Securities and Citicorp Investment Bank. Ms. Duffy holds a B.A. in Economics from Providence College.

TERESA GIGLIELLO, Senior Vice President—Portfolio Management. Ms. Gigliello was appointed a Senior Vice President of the Corporation on August 3, 1998. Prior to such appointment, Ms. Gigliello held the position of Director of Audit. She began her career with the Corporation in 1985 as an accountant and served as the Corporation's Internal Auditor from 1986 until her appointment as Director of Audit in 1995. Ms. Gigliello received a Bachelor of Science degree from St. John's University.

JIM QUINLIVAN, Senior Vice President for Policy Analysis & Compliance. Mr. Quinlivan was appointed Senior Vice President for Policy Analysis & Compliance of the Corporation on April 10, 2013, effective April 15, 2013. Prior to such appointment, Mr. Quinlivan held the position of Vice President and Deputy Director of Asset Management. Mr. Quinlivan began his career with the Corporation in 1996 and held several positions before being promoted to Vice President in 2002. Prior to joining the Corporation, Mr.

Quinlivan worked at the U.S. Department of Housing & Urban Development. Mr. Quinlivan received a B.A. from New York University.

JONATHAN SPRINGER, Senior Vice President for Development. Mr. Springer was appointed Senior Vice President for Development on July 25, 2013. Prior to joining the Corporation, Mr. Springer was a Senior Vice President at Bank of America and a Vice President at Citibank, where he originated affordable housing financing. He also served as Vice President for Real Estate & Project Finance at the Empire State Development Corporation. Mr. Springer syndicated tax credits as Special Funds Manager at the Enterprise Social Investment Corporation and co-founded the Workforce Investment Company, Inc. to syndicate various workforce development tax credits. He began his career in affordable housing with the Northern Manhattan Improvement Corporation. Mr. Springer holds an A.B. from Harvard College, an M.B.A. from New York University's Leonard N. Stern School of Business and a J.D. from New York University's School of Law.

MELISSA BARKAN, Deputy General Counsel and Secretary. Ms. Barkan was appointed Secretary of the Corporation on May 2, 2007. She was appointed Deputy General Counsel on March 1, 2007. Prior to her appointments she held the position of Associate General Counsel and Assistant Secretary. In 1999, Ms. Barkan joined the Corporation as an Assistant General Counsel. Before joining the Corporation, Ms. Barkan was associated with a New York law firm where her practice focused on real estate acquisitions and financing. Ms. Barkan received her B.S. degree from the School of Business at the State University of New York at Albany and her J.D. from Brooklyn Law School. Ms. Barkan is a member of the New York State Bar.

Potential Legislative and Regulatory Actions

From time to time, legislation is introduced on the Federal and State levels which, if enacted into law, could affect the Corporation, its operations or its bonds. The Corporation is not able to represent whether such bills will be introduced in the future or become law. In addition, the State undertakes periodic studies of public authorities in the State (including the Corporation) and their financing programs. Any of such periodic studies could result in proposed legislation which, if adopted, could affect the Corporation, its operations and its bonds.

BONDS OUTSTANDING UNDER THE PROGRAM

The first Series of Bonds were issued in 1993 and approximately $8,505,075,000 principal amount of Bonds has been issued under the Resolution. As of May 31, 2014, the following Series of Bonds were Outstanding under the Program.

Series Designation	Original Par Amount	Outstanding Par Amount	Date of Issue/Remarketing
1998 Series A	$ 57,800,000	$ 100,000	May 21, 1998
1998 Series B	21,380,000	100,000	September 24, 1998
1999 Series A-1	49,100,000	9,185,000	March 3, 1999
1999 Series B-2	30,200,000	15,800,000	August 19, 1999
1999 Series C	9,800,000	115,000	September 16, 1999
1999 Series E	10,715,000	100,000	January 13, 2000
2002 Series A	36,370,000	150,000	June 20, 2002
2002 Series B	7,150,000	150,000	June 20, 2002
2002 Series C	49,500,000	42,830,000	June 20, 2002
2003 Series B-2	33,175,000	100,000	July 16, 2003
2003 Series E-2	28,690,000	100,000	December 22, 2003
2004 Series A	147,150,000	112,940,000	June 18, 2004
2004 Series E-1	39,595,000	39,595,000	December 29, 2004
2004 Series E-2	28,700,000	8,980,000	December 29, 2004
2004 Series F	33,970,000	17,350,000	December 29, 2004
2004 Series G	10,680,000	9,995,000	December 29, 2004
2004 Series H	9,395,000	8,605,000	December 29, 2004
2004 Series I-2	26,320,000	22,760,000	December 29, 2004
2004 Series J	27,900,000	18,280,000	December 29, 2004
2005 Series A-1	9,735,000	9,735,000	May 25, 2005
2005 Series C	17,015,000	3,845,000	June 30, 2005
2005 Series D	13,145,000	5,380,000	June 30, 2005
2005 Series E	3,900,000	2,380,000	September 23, 2005
2005 Series F-1	65,410,000	65,410,000	September 23, 2005
2005 Series F-2	80,935,000	28,175,000	September 23, 2005
2005 Series G	4,840,000	2,070,000	December 28, 2005
2005 Series J-1	20,495,000	20,495,000	December 28, 2005
2005 Series K	12,730,000	11,535,000	December 28, 2005
2005 Series L	37,145,000	11,865,000	December 28, 2005
2006 Series B	31,900,000	29,385,000	June 28, 2007
2006 Series C	81,635,000	36,375,000	June 29, 2006
2006 Series D-1	2,510,000	2,510,000	June 29, 2006
2006 Series G-1	25,665,000	23,640,000	November 1, 2006
2006 Series H-1	25,005,000	23,735,000	December 21, 2006
2006 Series I	6,700,000	6,375,000	December 21, 2006
2006 Series J-2-A	10,900,000	10,360,000	April 26, 2007[(1)]
2006 Series J-2-C	17,925,000	17,035,000	April 26, 2007[(1)]
2007 Series A	25,690,000	24,695,000	March 22, 2007
2007 Series B-1	34,610,000	33,040,000	June 27, 2007
2007 Series C	5,370,000	5,135,000	June 27, 2007
2007 Series D	28,265,000	26,335,000	September 28, 2007
2007 Series E-1	24,035,000	22,935,000	December 20, 2007
2008 Series A-1-A	46,610,000	15,665,000	October 26, 2010[(2)]
2008 Series A-2	3,405,000	3,135,000	April 24, 2008
2008 Series C-2	14,760,000	4,040,000	April 24, 2008
2008 Series E	100,000,000	93,315,000	April 24, 2008
2008 Series F	86,825,000	76,085,000	June 26, 2008
2008 Series H-1	8,060,000	7,730,000	June 26, 2008
2008 Series H-2-A	14,540,000	14,540,000	October 26, 2010[(3)]
2008 Series J	34,590,000	34,035,000	December 23, 2008
2008 Series K	106,945,000	94,405,000	December 23, 2008
2008 Series L	10,515,000	4,160,000	December 23, 2008
2008 Series M	30,730,000	28,710,000	December 23, 2008
2009 Series A	17,450,000	2,940,000	April 30, 2009
2009 Series C-1	118,200,000	111,775,000	June 25, 2009
2009 Series F	9,000,000	5,720,000	October 1, 2009
2009 Series I-1	50,000,000	50,000,000	October 1, 2009
2009 Series I-2	25,000,000	25,000,000	October 1, 2009

Series Designation	Original Par Amount	Outstanding Par Amount	Date of Issue/Remarketing
2009 Series J	$ 25,975,000	$ 22,365,000	October 1, 2009
2009 Series K	108,785,000	73,030,000	December 17, 2009
2009 Series L-1	23,590,000	23,415,000	March 16, 2010[5]
2009 Series M	30,945,000	30,705,000	December 17, 2009
2010 Series A-1	25,325,000	25,325,000	March 16, 2010
2010 Series A-2	3,000,000	2,760,000	March 16, 2010
2010 Series C	14,815,000	14,515,000	May 12, 2010
2010 Series D-1-A	43,475,000	31,960,000	June 29, 2010
2010 Series E	10,570,000	4,445,000	June 29, 2010
2010 Series F	4,130,000	3,930,000	June 29, 2010
2010 Series G	50,765,000	43,135,000	October 26, 2010
2010 Series H	74,575,000	64,150,000	October 26, 2010
2010 Series J-1	21,560,000	17,865,000	December 22, 2010
2010 Series J-2	25,510,000	22,790,000	December 22, 2010
2010 Series K-1	5,165,000	5,105,000	December 22, 2010
2010 Series K-2	23,175,000	15,575,000	December 22, 2010
2010 Series L-1	12,620,000	12,620,000	April 28, 2011[6]
2010 Series L-2-A	12,400,000	12,400,000	April 28, 2011[7]
2010 Series L-2-B	37,600,000	37,600,000	June 29, 2011[7]
2010 Series N	5,675,000	3,930,000	December 22, 2010
2011 Series B-1	21,240,000	3,310,000	April 28, 2011
2011 Series C	1,980,000	1,980,000	April 28, 2011
2011 Series D	23,645,000	3,830,000	June 29, 2011
2011 Series E	72,030,000	20,600,000	June 29, 2011
2011 Series F-1	31,000,000	19,695,000	June 29, 2011
2011 Series F-2	56,460,000	56,460,000	June 29, 2011
2011 Series F-3	12,540,000	12,540,000	June 29, 2011
2011 Series G-1	63,630,000	63,630,000	December 22, 2011
2011 Series G-2-A	38,925,000	26,540,000	December 22, 2011
2011 Series G-2-B	7,235,000	4,530,000	December 22, 2011
2011 Series G-3	22,180,000	17,110,000	December 22, 2011
2011 Series H-1	6,035,000	6,035,000	December 22, 2011
2011 Series H-2-A	22,890,000	22,890,000	December 22, 2011
2011 Series H-2-B	15,970,000	15,970,000	December 22, 2011
2011 Series H-3-A	8,620,000	8,620,000	December 22, 2011
2011 Series H-3-B	11,685,000	11,305,000	December 22, 2011
2011 Series J-1	38,345,000	38,345,000	December 22, 2011
2011 Series J-2	25,550,000	25,205,000	December 22, 2011
2011 Series J-3	16,940,000	16,940,000	December 22, 2011
2011 Series J-4	21,580,000	18,500,000	December 22, 2011
2012 Series B	42,650,000	37,315,000	April 24, 2012
2012 Series D-1-A	48,725,000	48,725,000	June 28, 2012
2012 Series D-1-B	85,450,000	84,585,000	June 28, 2012
2012 Series D-2-A	71,855,000	71,855,000	June 28, 2012
2012 Series D-2-B	17,780,000	15,000,000	June 28, 2012
2012 Series D-2-C	25,000,000	18,000,000	June 28, 2012
2012 Series E	72,000,000	67,955,000	August 3, 2012
2012 Series F	80,330,000	80,330,000	October 11, 2012
2012 Series G	31,960,000	31,960,000	October 11, 2012
2012 Series H	21,995,000	16,780,000	October 11, 2012
2012 Series I	89,175,000	80,745,000	October 25, 2012
2012 Series K-1-A	155,750,000	155,550,000	December 19, 2013
2012 Series K-1-B	12,855,000	12,855,000	December 19, 2013
2012 Series K-2	20,765,000	20,765,000	December 19, 2013
2012 Series L-1	12,390,000	12,390,000	December 19, 2013

Series Designation	Original Par Amount	Outstanding Par Amount	Date of Issue/Remarketing
2012 Series L-2-A	$102,825,000	$102,190,000	March 8, 2013
2012 Series L-2-B	2,060,000	2,060,000	March 8, 2013
2012 Series M-1-A	19,830,000	19,830,000	May 3, 2013(8)
2012 Series M-1-B	4,000,000	4,000,000	May 3, 2013(8)
2012 Series M-2	9,745,000	9,745,000	May 3, 2013(8)
2012 Series M-3	10,525,000	10,525,000	June 27, 2013(8)
2013 Series A-1	55,855,000	55,855,000	October 10,2013
2013 Series A-2	16,165,000	16,165,000	October 10,2013
2013 Series B-1-A	131,880,000	131,880,000	June 27, 2013
2013 Series B-1-B	74,700,000	74,400,000	June 27, 2013
2013 Series B-1-C	1,125,000	1,125,000	June 27, 2013
2013 Series B-2	7,500,000	7,500,000	June 27, 2013
2013 Series B-3	24,000,000	24,000,000	June 27, 2013
2013 Series B-4	17,610,000	17,610,000	June 27, 2013
2013 Series D-1	40,135,000	40,135,000	July 31, 2013
2013 Series D-2	55,000,000	55,000,000	June 27, 2013
2013 Series E-1-A	118,660,000	118,660,000	December 19, 2013
2013 Series E-1-B	57,060,000	57,060,000	December 19, 2013
2013 Series E-1-C	78,025,000	78,025,000	December 19, 2013
2013 Series E-2	32,670,000	32,670,000	December 19, 2013
2013 Series E-3	19,520,000	19,520,000	December 19, 2013
2013 Series F	9,205,000	9,205,000	December 19, 2013
2013 Series F-1	29,080,000	29,080,000	May 1, 2014(9)
2013 Series F-2	4,210,000	4,210,000	May 1, 2014(9)
2014 Series A	8,170,000	8,170,000	May 1, 2014
2014 Series B-1	100,000,000	100,000,000	May 1, 2014
2014 Series B-2	50,000,000	50,000,000	May 1, 2014
TOTAL	$4,835,420	$3,996,020,000	

(1) Date of remarketing; Bonds originally issued as 2006 Series J-2 Bonds on December 21, 2006.
(2) Date of remarketing; Bonds originally issued as 2008 Series A-1-A Bonds on April 24, 2008.
(3) Date of remarketing; Bonds originally issued as 2008 Series H-2-A Bonds on June 26, 2008.
(4) Date of remarketing; Bonds originally issued as 2009 Series H Bonds on October 1, 2009.
(5) Date of remarketing; Bonds originally issued as 2009 Series L Bonds on December 17, 2009.
(6) Date of remarketing; Bonds originally issued as 2010 Series L-1 Bonds on December 22, 2010.
(7) Date of remarketing; Bonds originally issued as 2010 Series L-2 Bonds on December 22, 2010.
(8) Date of remarketing; Bonds originally issued as 2012 Series M Bonds on December 20, 2012.
(9) Date of remarketing; Bonds originally issued as 2013 Series F Bonds on December 19, 2013.

None of the Bonds Outstanding are Subordinate Bonds. As of May 31, 2014, approximately $3,270,135,000 or eighty percent (80%), of the Bonds Outstanding bear interest at a fixed rate (including bonds bearing interest in a term rate term) and approximately $825,885,000 or twenty percent (20%) of the Bonds Outstanding bear interest at a variable rate. The Corporation has entered into interest rate caps to hedge a portion of the variable interest rate exposure associated with its variable interest rate bond program. See "SECURITY FOR THE BONDS – Interest Rate Caps" and "Appendix F-2 —Interest Rate Cap Agreements" herein. See "Appendix E-4—Cross Call Provisions and Related Information" for more information regarding the interest rates and final maturities of the Outstanding Bonds. The total principal amount of Bonds Outstanding described above does not include $100,000,000 principal amount of the Corporation's Multi-Family Housing Revenue Bonds, 2006 Series J-1 (the "2006 Series J-1 Bonds") (all of which are Outstanding as of May 31, 2014) issued under the General Resolution because the 2006 Series J-1 Bonds are separately secured from all other Bonds issued and to be issued under the General Resolution. See "SECURITY FOR THE BONDS—Additional Obligations Issued Under the Resolution But Not Secured By the Resolution."

The Corporation has issued $415,000,000 principal amount of NIBP Series 1 Bonds ($322,560,000 principal amount of which is Outstanding as of May 31, 2014) under the NIBP Series 1

Resolution and $85,000,000 principal amount of NIBP Series 2 Bonds ($41,820,000 principal amount of which is Outstanding as of May 31, 2014) under the NIBP Series 2 Resolution. Additional bonds may also be issued under each NIBP Resolution secured on a parity with the NIBP Series 1 Bonds or NIBP Series 2 Bonds, as applicable (the NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the "NIBP Bonds"). Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure regularly scheduled debt service on the NIBP Bonds on a parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds). See "SECURITY FOR THE BONDS—Additional Obligations Secured by the Resolution."

SECURITY FOR THE BONDS

Pledge of the General Resolution

The General Resolution constitutes a contract among the Corporation, the Trustee and the owners of the Bonds issued thereunder and, except as otherwise provided under the General Resolution or in a Supplemental Resolution authorizing a Series of Bonds, its provisions are for the equal benefit, protection and security of the owners of all such Bonds, each of which, regardless of maturity, is to be of equal rank without preference, priority or distinction. The General Resolution authorizes the issuance of Bonds having a charge and lien on the Revenues and other assets pledged under the General Resolution subordinate to the charge and lien of the Bonds (the "Subordinate Bonds"). Prior to the issuance of any Bonds (other than the Subordinate Bonds), the General Resolution requires that the Trustee be provided with confirmation of the then existing ratings on the Bonds (other than the Subordinate Bonds) by each of the Rating Agencies then rating such Bonds. See "Additional Bonds" below.

The Bonds are special revenue obligations of the Corporation payable solely from the Revenues and Accounts described below.

Payment of the principal or Redemption Price of and interest on all Bonds is secured by a pledge of Revenues, which consist of, among other things, unless otherwise provided in a Supplemental Resolution authorizing a Series of Bonds, all payments received by the Corporation from or on account of the Mortgage Loans, including scheduled, delinquent and advance payments of principal of and interest on the Mortgage Loans, proceeds from the sale, assignment, endorsement or other disposition of the Mortgage Loans, amounts received on account of the acceleration of payments due under the Mortgage Loans or other remedial proceedings taken in the event of a default thereon, proceeds of any mortgage insurance or credit enhancement with respect to defaulted Mortgage Loans, proceeds of any hazard insurance or condemnation award, and income derived from the investment of funds held by the Trustee in Accounts established under or pursuant to the General Resolution. Revenues do not, however, include amounts required to be deposited in the Rebate Fund, Escrow Payments, late charges or administrative, financing, extension, servicing or settlement fees on account of any Mortgage Loan. Payment of the Bonds is also secured by a pledge by the Corporation of its right, title and interest in and to the Mortgage Loans and, except as otherwise provided in any Supplemental Resolution authorizing a particular Series of Bonds, of all Accounts established pursuant to the General Resolution (including the investments thereof, if any). Under the General Resolution, the Corporation is not required to subject to the pledge and lien of the General Resolution assets, including mortgage loans, financed by Bonds issued thereunder. In addition, under the General Resolution the Corporation may pledge Accounts created pursuant to a Supplemental Resolution authorizing a particular Series of Bonds solely to the Bonds of such Series or exclude such Accounts from the pledge of the General Resolution. See "Appendix B—Summary of Certain Provisions of the General Resolution."

The foregoing pledges are also subject to the terms and provisions of the General Resolution requiring transfers of amounts to the Rebate Fund and permitting the application of the Revenues and amounts in such Accounts for certain purposes, including financing Mortgage Loans, funding the Debt Service Reserve Account in order to maintain such Account at its required level, paying certain amounts to the Trustee, the Corporation and Credit Facility Providers, if any, and paying certain investment fees, if any. The Corporation is also authorized under the General Resolution to withdraw surplus revenues and any Mortgage Loans, free and clear of the pledge and lien of the General Resolution upon filing a Cash Flow Statement with the Trustee. See "Cash Flow Statements and Cash Flow Certificates" below and "Appendix B—Summary of Certain Provisions of the General Resolution—Revenue Account."

Mortgage Loans

Under the General Resolution, the Corporation is authorized to issue Bonds to finance any of its corporate purposes for which the Corporation may issue bonds under the Act, or any other applicable law now or hereafter enacted. Such corporate purposes include, but are not limited to, financing one or more Mortgage Loans. The term Mortgage Loan is defined under the General Resolution as a loan for a Project, evidenced by a note, secured by a Mortgage (but such Mortgage need not create a first mortgage lien on such Project) and specified in a Supplemental Resolution as being subject to the lien of the General Resolution. The term Mortgage Loan also includes a participation by the Corporation with another party or parties, public or private, in a loan made to a Mortgagor with respect to a Project, or pool of such loans, and any instrument evidencing an ownership in any such loan or the cash flow therefrom, including, but not limited to, guaranteed mortgage-backed securities. In addition to Mortgage Loans, the Corporation may finance mortgage loans and other assets that are not subject to the pledge of the General Resolution. See "THE PROGRAM—General" and "Appendix E-1—Developments and Mortgage Loans Outstanding Under the Program" for a description of the Mortgage Loans financed under the Program to date.

If Mortgage Loans are financed under the General Resolution, such Mortgage Loans may, but are not required to, be subject to Supplemental Security insuring or securing against Mortgage Loan default losses. Such Supplemental Security, if any, is required to be specified in the Supplemental Resolution authorizing the related Series of Bonds and may be in the form of, among other things, a policy of mortgage insurance, 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.

In the case of most of its programs, the Corporation has not assumed sole responsibility for the underwriting of mortgage loans financed thereunder. For certain Mortgage Loans in the Program, the Corporation relies on the underwriting criteria and expertise of other parties, including HUD, FHA, Fannie Mae, REMIC, SONYMA, credit facility providers and/or HPD. For certain other Mortgage Loans in the Program, the Corporation, in conjunction with conventional lenders, credit facility providers and/or HPD, has underwritten such Mortgage Loans. In the future, the Corporation may determine to undertake such underwriting responsibility by itself. In the General Resolution, the Corporation has covenanted to retain and employ competent personnel for the purposes of carrying out its powers thereunder.

Except as otherwise provided in a Supplemental Resolution authorizing Bonds, the Corporation shall do all acts and things necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Mortgage Loans) and shall diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Corporation to protect its rights with respect to or to maintain any Supplemental Security on Mortgage Loans or any Subsidy Programs in connection with the Projects securing the Mortgage Loans or the occupancy thereof and to enforce all terms, covenants and conditions of the Mortgage Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made. See "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans."

Pursuant to the respective Supplemental Resolutions, the Mortgage Loans have been assigned certain valuations. See "Cash Flow Statements and Cash Flow Certificates" below.

Cash Flow Statements and Cash Flow Certificates

The General Resolution provides that the Corporation shall file with the Trustee a current Cash Flow Statement: (i) whenever any Series of Bonds is issued; (ii) upon purchase or redemption of Bonds of a Series in a manner other than (a) as contemplated in the last Cash Flow Statement filed by the Corporation with the Trustee or (b) on a basis whereby the Bonds of each maturity of such Series are purchased or redeemed in the proportion that the amount Outstanding of such maturity bears to the total amount of all Outstanding Bonds of such Series, when such purchases or redemptions are to be made in connection with Recoveries of Principal; (iii) prior to withdrawing monies for payment to the Corporation, pursuant to the General Resolution, free and clear of the pledge and lien of the General Resolution, in an amount in excess of the amounts determined to be available for such purpose in the last Cash Flow Statement filed with the Trustee; (iv) prior to selling Mortgage Loans not in default; (v) prior to the financing of or amending Mortgage Loans to contain terms that would adversely affect the cash flow projections contained in the last Cash Flow Statement filed with the Trustee; (vi) prior to the releasing of any Mortgage Loan from the pledge and lien of the General Resolution; (vii) prior to the application of Recoveries of Principal to any use other than the purchase or redemption of Bonds; (viii) prior to the purchase of Bonds pursuant to certain provisions of the General Resolution at prices in excess of those specified in the General Resolution; or (ix) prior to the application of monies in the Redemption Account resulting from Recoveries of Principal derived from or with respect to any Mortgage Loans to the purchase or redemption of Bonds of a Series other than the Series issued to finance such Mortgage Loans. A Cash Flow Statement is not required in connection with the release of the 2014 Series B Mortgage Loan at such time as the 2014 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2014 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2014 Series B Participant Interest available for the redemption of 2014 Series B Bonds been applied to redeem the 2014 Series B Bonds. A Cash Flow Statement is also not required for the release of funds in payment of the fee payable to the Corporation pursuant to the Participation Agreements with respect to the 2014 Series B Participant Interest (equal to 1.25% of the outstanding principal amount of the 2014 Series B Bonds). In addition, a Cash Flow Statement is not required in connection with the release of the 2005 Series F Participant Interest, the 2005 Series J Participant Interest, the 2011 Participant Interest and certain of the subordinate Mortgage Loans originated pursuant to the ML Restructuring Program when the Mitchell-Lama Restructuring Bonds are no longer outstanding.

In addition, the Corporation shall not take any of the actions described in clauses (ii) through (ix) of the preceding paragraph unless subsequent to such action the amount of monies and Investment Securities held in the Bond Proceeds Account, the Redemption Account, the Revenue Account and the Debt Service Reserve Account (valued at their cost to the Corporation, as adjusted by amortization of the discount or premium paid upon purchase of such obligations ratably to their respective maturities), together with accrued but unpaid interest thereon, and the outstanding principal balance of Mortgage Loans, together with accrued but unpaid interest thereon, and any other assets, valued at their realizable value, pledged for the payment of the Bonds will exceed the aggregate principal amount of and accrued but unpaid interest on Outstanding Bonds; provided, however, that in the event that a Supplemental Resolution authorizing the issuance of a Series of Bonds specifies that, for purposes of the requirements of this paragraph, the Mortgage Loans financed by such Series of Bonds shall be valued at other than their outstanding principal balance, then, with respect to such Mortgage Loans, such other value shall be used in the calculations required by this paragraph. Each Supplemental Resolution assigns or provides for the assignment of a valuation to the Mortgage Loans financed thereunder; each such valuation had been established by the Corporation as a result of discussions with the Rating Agencies during the ratings process for each particular Series of Bonds. Pursuant to the respective Supplemental Resolutions, and for purposes of the requirements of this paragraph, the value of the Mortgage Loans with respect to each Series of Bonds is set forth in "Appendix E-1—Developments and Mortgage Loans Outstanding Under the Program." However, with respect to certain Mortgage Loans financed and expected to be financed by a Series of Bonds, the Corporation may increase or decrease the foregoing percentage with respect to any such Mortgage Loan by furnishing to the Trustee (i) a Certificate of an Authorized Officer specifying such higher or lower percentage and (ii) evidence satisfactory to the Trustee that each Rating Agency shall have approved the use of such higher or lower percentage without such use having an adverse effect on its rating on the Bonds.

A Cash Flow Statement consists of a statement of an Authorized Officer giving effect to actions proposed to be taken and demonstrating in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding that amounts then expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the General Resolution to be on deposit in the Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement. However, a Supplemental Resolution may provide that an Account established in such Supplemental Resolution not be taken into account when preparing the Cash Flow Statement. The Cash Flow Statement shall set forth the assumptions upon which the estimates therein are based, which assumptions are to be based upon the Corporation's reasonable expectations and must not adversely affect any of the Rating Agencies' ratings on the Bonds. In calculating the amount of interest due in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding on Bonds bearing interest at a variable rate, the interest rate used shall be assumed to be the fixed rate, which in the judgment of the remarketing agents for such Bonds, or such other financial consultant selected by the Corporation and experienced in the sale of municipal securities (having due regard to the prevailing market conditions), would be necessary to enable such Bonds to be sold at par in the secondary market on the date of such calculation or such higher or lower rate which does not adversely affect any of the Rating Agencies' ratings on the Bonds. Upon filing a Cash Flow Statement with the Trustee, the Corporation is to perform its obligations under the General Resolution in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to a date not more than 180 days prior to the date of delivery of such statement. See "Appendix B—Summary of Certain Provisions of the General Resolution."

In lieu of filing a Cash Flow Statement, a Cash Flow Certificate may be filed in order to take the actions described in (1) clause (iii) of the first paragraph of this subsection or (2) clause (v) of the first paragraph of this subsection relating to amending Mortgage Loans but only if, in the judgment of the Corporation, such amendments do not materially adversely affect the cash flow projections contained in the last Cash Flow Statement. A Cash Flow Certificate shall consist of a statement of an Authorized Officer to the effect of one of the following:

(a) The proposed action is consistent with the assumptions set forth in the latest Cash Flow Statement; or

(b) After giving effect to the proposed action, in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, amounts expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the General Resolution to be on deposit in such Accounts for the payment of the principal and Redemption Price of and interest on the Bonds, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement, except that to the extent specified in a Supplemental Resolution an Account established in said Supplemental Resolution shall not be taken into account in connection with such Cash Flow Certificate; or

(c) The proposed action will not in and of itself adversely affect the amounts expected to be on deposit in the Accounts in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, except that the Cash Flow Certificate shall not consider any Accounts which a Supplemental Resolution specifies shall not be taken into account in connection with the delivery of a Cash Flow Certificate.

Debt Service Reserve Account

The Corporation is required to establish a Debt Service Reserve Account for the Bonds pursuant to the General Resolution. If on any Interest Payment Date or Redemption Date the amount available in the Revenue Account and Redemption Account, as applicable, is insufficient to pay Principal Installments and interest due on any Bonds, the Trustee must apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency.

Under the General Resolution, the Debt Service Reserve Account Requirement is the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in a Supplemental Resolution authorizing the issuance of such Series of Bonds. There is no minimum Debt Service Reserve Account Requirement under the General Resolution. The General Resolution further provides that the Debt Service Reserve Account Requirement for any Series of Bonds may be funded, in whole or in part, through Cash Equivalents if so provided in a Supplemental Resolution authorizing such Series. See "Appendix B—Summary of Certain Provisions of the General Resolution—Debt Service Reserve Account." As of January 31, 2014, the Debt Service Reserve Account had a balance of $89,813,381 including a payment obligation of $498,750 by the Corporation which constitutes a general obligation of the Corporation; the aggregate Debt Service Reserve Account Requirement for all of the Bonds Outstanding was met as of such date. See "Appendix F-1—Certain Investments under the General Resolution—Debt Service Reserve Account."

Mortgage Loan Reserve Account

In 2005, the Corporation established a Mortgage Loan Reserve Account for a specified pool of Mortgage Loans that receive credit enhancement from Fannie Mae (the "Fannie Mae Credit Enhanced Mortgage Loans"). Funds in the Mortgage Loan Reserve Account may be used by the Trustee at the direction and discretion of the Corporation to pay a portion of the debt service on the Fannie Mae Credit Enhanced Mortgage Loans. As of January 31, 2014, the Mortgage Loan Reserve Account had a balance of $1,480,577. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—Fannie Mae—Fannie Mae Credit Enhancement Instrument."

Interest Rate Caps

In connection with its variable interest rate bond program, the Corporation has entered into agreements to manage its exposure to variable interest rate risk (the "Interest Rate Cap Agreements") under which, in exchange for an upfront payment from the Corporation, the counterparties to such Interest Rate Cap Agreements agree to pay an amount equal to interest on specified amortizing notional amounts calculated using the amount by which a specified index (the "Index") exceeds a specified interest rate (the "Strike Rate"). Under certain Interest Rate Cap Agreements, the counterparty is not obligated to pay the Corporation with respect to such notional amounts, the amount by which the rate exceeds a specified ceiling rate (the "Ceiling Rate"). The Corporation has pledged the payments, if any, received from the counterparties pursuant to the Interest Rate Cap Agreements to the General Resolution for the benefit of the Bond owners.

The table in Appendix F-2 hereto sets forth the following information with respect to each Interest Rate Cap Agreement the Corporation has entered: Series of Bonds, counterparty, Index, Strike Rate, Ceiling Rate, effective date and termination date. See "Appendix F-2—Interest Rate Cap Agreements."

Additional Bonds

Additional Bonds, subordinate to or on parity with the Bonds then Outstanding, may be issued by the Corporation pursuant to the General Resolution. Prior to the issuance of any such additional Bonds (other than the Subordinate Bonds), the General Resolution requires that the Trustee be provided with, among other things, confirmation of the then existing rating on the Bonds (other than the Subordinate Bonds) by each of the Rating Agencies then rating such Bonds. See "Appendix B—Summary of Certain Provisions of the General Resolution" for a description of the requirements that must be met under the General Resolution prior to the issuance of additional Bonds.

Bonds Not a Debt of the State or the City

The Bonds are not a debt of the State or 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.

Summary of Program Assets and Revenues

Accompanying the audited financial statements of the Corporation for the fiscal year ended October 31, 2013 is supplemental information related to the Program (referred to therein as the "Housing Revenue Bond Program") which is specifically set forth in Schedule 2, all as set forth in Appendix C hereto. Schedule 2 is supplemental information primarily related to the Program for the Corporation's fiscal years ended October 31, 2013 and 2012. Said schedule includes (i) a balance sheet with assets, liabilities and net assets substantially related to the assets pledged under the General Resolution and (ii) a schedule of revenues, expenses and changes in fund net assets substantially related to the revenues pledged under the General Resolution. Said schedule does not include financial information with respect to activities under the General Resolution subsequent to October 31, 2013, including the issuance of Bonds or the making of Mortgage Loans after such date.

Schedule 2 contains a schedule of balance sheet information which reflects net assets of approximately $791,919,000 for the fiscal year ended October 31, 2013, an increase of 19.45% from the 2012 fiscal year. This schedule also provides information pertaining to revenues, expenses and changes in fund net assets that reflects changes in net assets of approximately $128,929,000 in the fiscal year ended October 31, 2013, an increase from $662,990,000 in the 2012 fiscal year.

The Corporation may withdraw assets and surplus revenues from the pledge and lien of the General Resolution upon the filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate as more fully described in "Cash Flow Statements and Cash Flow Certificates" above. Since the inception of the Program, the Corporation has made withdrawals of surplus revenues. During the fiscal year ended October 31, 2013, the Corporation withdrew $48,000,000 in surplus revenues from the General Resolution. Subsequent to October 31, 2013, the Corporation withdrew approximately $47,000,000 in surplus revenues from the General Resolution, $937,711 of surplus revenues from the NIBP Series 1 Resolution and $62,289 of surplus revenues from the NIBP Series 2 Resolution.

Certain Investments

Notwithstanding anything to the contrary contained in the General Resolution, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to the General Resolution must, as of the date of such purchase, be rated by each of the Rating Agencies in a category at least equal to the rating category of the Bonds (other than Subordinate Bonds) (or "A-1+" or "P-1," as applicable, if the Investment Security has a remaining term at the time it is provided not exceeding one (1) year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds (other than Subordinate Bonds) by any of the Rating Agencies. A change in the rating of any Investment Securities purchased by the Trustee, subsequent to the date of purchase, would not require the Trustee to sell such Investment Securities. If a Rating Agency were to downgrade or withdraw the rating on any Investment Securities previously purchased by the Trustee, the rating on the Bonds could be negatively affected. See "RATINGS." Investment earnings on Accounts are to be transferred to the Revenue Account except as otherwise provided by the General Resolution. See "Appendix B—Summary of Certain Provisions of the General Resolution—Deposits and Investments" and "—Revenue Account."

The tables in Appendix F-1 hereto set forth for each Series of Bonds: the type of investment, the investment agreement, the counterparties to the respective investment agreements with the Corporation and the Trustee, the amount of investment (except with respect to the Revenue Account), and the interest rate and the maturity date for such investments, for the Debt Service Reserve Account, the Bond Proceeds Account and certain of the amounts deposited in the Revenue Account.

Liquidity Facilities for Bonds Bearing Variable Rates of Interest

The Corporation has six outstanding Series of Bonds supported by a liquidity facility, with an outstanding principal balance of $122,065,000 as of May 31, 2014, that currently bear interest at a variable interest rate and that is subject to optional or mandatory tender (the "Variable Rate Bonds"). The banks identified below (each, a "Liquidity Facility Provider") has provided a standby bond purchase agreement (each, a "Liquidity Facility") with respect to the specified Series of Variable Rate Bonds. Each Liquidity Facility requires the Liquidity Facility Provider to provide funds to pay the Purchase Price of any Variable Rate Bonds of the applicable Series that are tendered for purchase and not remarketed.

Outstanding Liquidity Facilities

Bonds	Liquidity Facility Provider	Par Amount of Liquidity Facility	Expiration Date
2012 Series K-2	Wells Fargo Bank, National Association	$20,765,000	July 30, 2015
2013 Series B-2	TD Bank, N.A.	7,500,000	June 27, 2016
2013 Series B-3	JPMorgan Chase Bank, N.A.	24,000,000	September 27, 2015
2013 Series B-4	Wells Fargo Bank, National Association	17,610,000	February 27, 2016
2013 Series E-2	JPMorgan Chase Bank, N.A.	32,670,000	September 30, 2016
2013 Series E-3	Wells Fargo Bank, National Association	19,520,000	June 19, 2016

Any Variable Rate Bond purchased by the Liquidity Facility Provider pursuant to the terms of the Liquidity Facility becomes a "Bank Bond" until such Bank Bond is either remarketed to a purchaser (other than the Liquidity Facility Provider) or retired. Interest on any Bank Bond will be due and payable at the rate provided for the Variable Rate Bonds of the applicable Series set forth in the applicable Supplemental Resolution and the principal of any Bank Bond will be payable at the times and amounts set forth for the Variable Rate Bonds of the applicable Series in the applicable Supplemental Resolution.

Each Liquidity Facility expires prior to the maturity date of the related Variable Rate Bonds. In connection with any scheduled expiration as stated in the above table, the Corporation may extend the scheduled expiration, provide an alternate liquidity facility to replace the expiring standby bond purchase agreement, or convert the interest rates on the applicable Series of Variable Rate Bonds to fixed interest rates or to an interest rate mode that does not require a liquidity facility. Each Series of Variable Rate Bonds is subject to mandatory tender for purchase prior to the expiration of the applicable Liquidity Facility. There can be no assurance that the Corporation will be able to extend any expiration date or to obtain an alternate liquidity facility on terms substantially similar to the terms of the expiring standby bond purchase agreement. Under certain circumstances, the Liquidity Provider may terminate a standby bond purchase agreement without affording the applicable Variable Rate Bond owners a right to tender their Bonds.

Additional Obligations Secured by the Resolution

The Corporation has issued $415,000,000 principal amount of NIBP Series 1 Bonds ($322,560,000 principal amount of which is Outstanding as of May 31, 2014) under the NIBP Series 1 Resolution and $85,000,000 principal amount of NIBP Series 2 Bonds ($41,820,000 principal amount of which is Outstanding as of May 31, 2014) under the NIBP Series 2 Resolution. Additional bonds may also be issued under each NIBP Resolution secured on a parity with the NIBP Series 1 Bonds or NIBP Series 2 Bonds, as applicable (the NIBP Series 1 Bonds, any additional bonds issued under the NIBP Series 1 Resolution, the NIBP Series 2 Bonds and any additional bonds issued under the NIBP Series 2 Resolution are referred to collectively, as the "NIBP Bonds"). Amounts on deposit in the Revenue Account under the General Resolution are pledged to secure regularly scheduled payments of principal of and interest on the NIBP Bonds, including the sinking fund payments thereon, on a parity with all Bonds issued and to be issued under the General Resolution (other than Subordinate Bonds). No other funds and Accounts under the General Resolution other than the Revenue Account are pledged to secure the NIBP Bonds. Payment of the principal or Redemption Price of and interest on the NIBP Bonds is also secured by the funds and accounts established under and the revenues and assets pledged under the applicable NIBP Resolution. However, the funds, accounts, revenues and assets pledged under the NIBP Resolutions are not security for the Bonds.

The Second Supplement to each NIBP Resolution provides that (i) until a date specified by the Corporation (the "Cross-over Date," which date may be changed by the Corporation without notice to or consent of the holders of the Bonds or the NIBP Bonds), the regularly scheduled principal of and interest on the applicable NIBP Bonds, including sinking fund payments thereon, shall be paid first with revenues available under such NIBP Resolution, second with Revenues available under the General Resolution and third with amounts withdrawn from the debt service reserve fund held under such NIBP Resolution and (ii) from and after the Cross-over Date, the regularly scheduled principal of and interest on the applicable NIBP Bonds, including sinking fund payments thereon, shall be paid first with revenues available under such NIBP Resolution, second with amounts withdrawn from the debt service reserve fund held under such NIBP Resolution and third and only if such sources are not sufficient, with Revenues available under the General Resolution. Amounts held in the Debt Service Reserve Account and other funds and Accounts under the General Resolution (other than the Revenue Account) are not available to pay for the NIBP Bonds. Any projected transfers from the Revenue Account for the payment of NIBP Bonds, as described above, will be taken into account in all Cash Flow Statements.

Each NIBP Resolution contains its own events of default and does not provide that an event of default under the General Resolution is an event of default under the NIBP Resolution. If an event of default under a NIBP Resolution occurs but no event of default has occurred under the General Resolution, then the holders of the applicable NIBP Bonds will be entitled to pursue remedies under the related NIBP Resolution (but not under the General Resolution). Such remedies may include acceleration of the applicable NIBP Bonds but the Revenues and amounts held in the funds and Accounts under the General Resolution shall not be available to pay any accelerated amounts. If an event of default under the

General Resolution occurs but no event of default has occurred under a NIBP Resolution, then the holders of Bonds (excluding the NIBP Bonds) may direct remedies under the General Resolution including the acceleration of Bonds other than the NIBP Bonds. However, so long as there is no event of default under a NIBP Resolution, the NIBP Bonds issued thereunder shall not be accelerated and no remedies may be pursued by the holders of such NIBP Bonds. If an event of default occurs under the General Resolution and an event of default also occurs under a NIBP Resolution, the holders of Bonds may pursue remedies under the General Resolution, the holders of applicable NIBP Bonds may pursue remedies under the related NIBP Resolution and such remedies are not required to be coordinated. Under no event may holders of NIBP Bonds direct remedies under the General Resolution. However, since certain mortgage loans and the payments thereunder are allocated between the General Resolution and the NIBP Series 1 Resolution and under certain circumstances the trustee under the NIBP Series 1 Resolution may direct remedies with respect to such mortgage loans, the exercise of remedies under the NIBP Series 1 Resolution by the trustee thereunder or by the holders of the applicable NIBP Bonds may impact the security and Revenues under the General Resolution.

The NIBP Bonds were issued as part of the New Issue Bond Program of the United States Department of the Treasury and the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation purchased the NIBP Bonds. The proceeds of each Series of the NIBP Bonds are being applied to fund advances of mortgage loans and for certain other purposes.

Additional Obligations Issued Under the Resolution But Not Secured By the Resolution

On December 21, 2006, the Corporation issued $100,000,000 principal amount of the 2006 Series J-1 Bonds (all of which is Outstanding as of May 31, 2014) pursuant to the General Resolution and a supplemental resolution entitled "Eighty-First Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds, 2006 Series J-1" (the "2006 Series J-1 Supplemental Resolution") adopted by the Members on December 8, 2006. Pursuant to an amendment and restatement of the 2006 Series J-1 Supplemental Resolution (the "Amended and Restated 2006 Series J-1 Supplemental Resolution"), on July 13, 2012, the 2006 Series J-1 Bonds became a Series of Bonds that is separately secured from all other Bonds issued and to be issued under the General Resolution such that no revenues or assets pledged under the General Resolution are available for the payment of the principal or Redemption Price of or interest on the 2006 Series J-1 Bonds and no revenues or assets pledged under the Amended and Restated 2006 Series J-1 Supplemental Resolution shall under any circumstances (including, but not limited to, the occurrence of an Event of Default under the General Resolution) be available for the payment of the principal or Redemption Price of or Sinking Fund Payments or interest on any Bonds (other than the 2006 Series J-1 Bonds) issued or to be issued under the General Resolution. The Amended and Restated 2006 Series J-1 Supplemental Resolution contains its own events of default and provides that an event of default under the General Resolution is not an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution and that an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution is not an event of default under the General Resolution. If an event of default under the Amended and Restated 2006 Series J-1 Supplemental Resolution occurs, the holders of the 2006 Series J-1 Bonds will be entitled to pursue remedies only under the Amended and Restated 2006 Series J-1 Supplemental Resolution (but not under the General Resolution). If an event of default under the General Resolution occurs, the holders of Bonds (excluding the 2006 Series J-1 Bonds) will be entitled to pursue remedies under the General Resolution (but not under the Amended and Restated 2006 Series J-1 Supplemental Resolution).

THE PROGRAM

General

Under the Program, the Corporation may issue Bonds to finance any corporate purpose for which bonds may be issued under the Act or any other applicable law now or hereafter enacted. The Bonds have been issued to, among other things, finance construction Mortgage Loans (the "Construction Mortgage Loans"), finance permanent Mortgage Loans and/or finance the acquisition of permanent Mortgage Loans (collectively, the "Permanent Mortgage Loans"), for certain newly constructed or rehabilitated Developments. Construction Mortgage Loans and Permanent Mortgage Loans are referred to herein, collectively, as the "Mortgage Loans."

The General Resolution provides for the issuance of additional Bonds to be used for financing any corporate purpose including the financing of Mortgage Loans and Developments which are neither secured by Supplemental Security nor subsidized pursuant to a Subsidy Program. The General Resolution does not require Mortgage Loans to be secured by first mortgage liens on their respective Developments. A Mortgage Loan also may represent the Corporation's participation interest in a mortgage loan or the cash flow therefrom (see "PLAN OF FINANCING—2014 Participant Interest" in Part I of this Official Statement and "2005 Series F Participant Interest and 2005 Series J Participant Interest," "2011 Participant Interest" and "2014 Participant Interest" below). 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 or Cash Flow Certificate or, with respect to certain fees and Mortgage Loans, without the filing of a Cash Flow Statement or a Cash Flow Certificate. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates". The information below is as of January 31, 2014. Subsequent to January 31, 2014, the Corporation (i) issued $8,170,000 principal amount of the 2014 Series A Bonds to finance a portion of one (1) Mortgage Loan (the "2014 Series A/2013 Series F Mortgage Loan") and (ii) remarketed $29,080,000 principal amount of the 2013 Series F-1 Bonds and $4,210,000 principal amount of the 2013 Series F-2 Bonds to finance one (1) Mortgage Loan (the "2013 Series F Mortgage Loan") and a portion of the 2014 Series A/2013 Series F Mortgage Loan.

Mortgage Loans

General

The Mortgage Loans financed Developments located throughout the City. Approximately 200 Developments have more than one Mortgage Loan. The following table summarizes all of the Mortgage Loans outstanding under the Program as of January 31, 2014 other than the 2004 Series E Second Mortgage Loans, the 2005 Series A Second Mortgage Loans, the 2005 Series E Second Mortgage Loan, the 2005 Series F Second Mortgage Loans, the 2005 Series J Second Mortgage Loans, the 2006 Series D Second Mortgage Loans, the 2008 Series C Third Mortgage Loan, the 2008 Series J Third Mortgage Loan, the 2008 Series L Second Mortgage Loan, the 2010 Series G Third Mortgage Loan, the 2008 Series F/2011 Series F Second Mortgage Loan, the 2011 Series H-2-B/2011 Series H-3-B Second Mortgage Loan and the 2012 Series G/2012 Series I Second Mortgage Loan (such second Mortgage Loans and third Mortgage Loans are collectively referred to as the "ML Restructuring Subordinate Mortgage Loans" which are described under "ML Restructuring Mortgage Loans" below). Since January 31, 2014, the Corporation has made or acquired $41,200,000 principal amount of Mortgage Loans. See "Appendix E-1-Table 8: Developments and Mortgage Loans Outstanding Under the Program – Developments and Mortgage Loans Financed Under the Program Subsequent to January 31, 2014." In addition, certain Construction Loans have converted to Permanent Mortgage Loans. See "Appendix E-1-Table 3: Developments and Construction Mortgage Loans Outstanding Under the Program as of January 31, 2014." Furthermore, since January 31, 2014, the Corporation has received principal prepayments as well as scheduled repayments. See "Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments" and "—Prepayment Notifications."

Summary of All Mortgage Loans

	Number of Mortgage Loans	**Outstanding Principal Balance of Mortgage Loans**	**Percentage of Total Outstanding Principal Balance of Mortgage Loans**
Permanent Mortgage Loans	887	$3,111,922,703	78.43%
Construction Mortgage Loans	78	855,781,575	21.57%
TOTAL†	955	3,967,704,277	100.00%

† May not add due to rounding.

See "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program."

Approximately 307 of the Permanent Mortgage Loans relate to the 2014 Series B Participant Interest and are subject to a participation interest (see "PLAN OF FINANCING—2014 Series B Participant Interest" in Part I of this Official Statement).

There have been no material monetary defaults on any of the Mortgage Loans (generally loans that are sixty (60) to ninety (90) days delinquent in payment of debt service) other than temporary financial difficulties with respect to certain Developments, which have since been cured or are in the process of being cured. There are two (2) Developments with an aggregate outstanding senior Mortgage Loan balance of $10,318,517 and aggregate outstanding subordinate loan balance of $5,400,000 as of January 31, 2014 that have debt service payment delinquencies of over ninety (90) days. The Mortgagors of these Developments have entered into compliance and repayment agreements with the Corporation to cure these delinquencies. See "Appendix E-1– Table 2: Developments and Permanent Mortgage Loans Outstanding Under the Program as of January 31, 2014." In addition, the Corporation is currently aware that two (2) Developments with Section 236 Subsidy Contracts, with an aggregate outstanding senior mortgage loan balance of $46,591,183 and an aggregate outstanding subordinate Mortgage Loan balance of $6,215,519 as of January 31, 2014, have each received a Notice of Default of the Agreement for Interest Reduction Payments from HUD because of their low inspection ratings.

The mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, the 2011 Participant Interest, the ML Restructuring Subordinate Mortgage Loans and certain of the mortgage loans underlying the 2014 Series B Participant Interest are secured by second or third mortgage liens on their respective Developments. The majority of the other outstanding Mortgage Loans under the Program are secured by first mortgage liens on their respective Developments. For a description of the valuations assigned to the Mortgage Loans pursuant to the respective Supplemental Resolutions, see "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates." As further security, as of January 31, 2014, approximately two hundred sixty-seven (267) Permanent Mortgage Loans, with an aggregate outstanding principal balance of approximately $1,754,506,855, and seventy (70) Construction Mortgage Loans, with an aggregate outstanding principal balance of $771,452,526, were subject to Supplemental Security. The balance of the Mortgage Loans are not secured by Supplemental Security. In the event of a default on the Mortgage Loans that are not secured by Supplemental Security, the related mortgage liens would likely be the sole security for repayment (see "Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures" below). The information in this paragraph with respect to

Supplemental Security excludes information relating to the mortgage loans underlying the ML Restructuring Subordinate Mortgage Loans.

In addition, Developments related to most of the Mortgage Loans outstanding under the Program are beneficiaries of one or more Subsidy Programs. However, Developments relating to approximately thirty-three (33) Permanent Mortgage Loans, with an aggregate outstanding principal balance of approximately \$49,962,619 as of January 31, 2014, fourteen (14) of which, with an aggregate outstanding principal balance of approximately \$6,864,961, are regulated by HPD under the Mitchell-Lama Law), are neither secured by Supplemental Security nor subsidized through Subsidy Programs. Each Supplemental Security program and Subsidy Program is implemented under different Federal, State or local statutes, and is subject to its own rules and guidelines. See Appendix E-1 hereto and "Appendix G—Description of Supplemental Security and Subsidy Programs."

Permanent Mortgage Loans

A majority of the Developments with Permanent Mortgage Loans, as measured by outstanding principal balance, have been in operation since at least 2007. As of January 31, 2014, three hundred fifty-two (352) of the Developments (which Developments represent approximately ninety-one percent (91%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with four hundred eighty-eight (488) Mortgage Loans were at least ninety-five percent (95%) occupied. Thirty-three (33) of the Developments (which Developments represent approximately seven percent (7%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with fifty-two (52) Mortgage Loans were at least ninety percent (90%) and less than ninety-five percent (95%) occupied. Eight (8) of the Developments (which Developments represent approximately two percent (2%) of the aggregate outstanding principal balance of Permanent Mortgage Loans) with fourteen (14) Mortgage Loans were less than ninety percent (90%) occupied. The information contained in this paragraph excludes information relating to the mortgage loans underlying the 2011 Participant Interest, the ML Restructuring Subordinate Mortgage Loans, the 2014 Series B Participant Interest and the related Developments, which are generally seasoned Mortgage Loans with Developments that have been in operation on average for more than 18 years.

The following table summarizes the Supplemental Security and Subsidy Programs, if any, relating to the completed Developments and Permanent Mortgage Loans (excluding the ML Restructuring Subordinate Mortgage Loans) outstanding under the Program as of January 31, 2014. Since January 31, 2014, certain Construction Mortgage Loans have converted to Permanent Mortgage Loans. See "Appendix E-1—Table 3: Developments and Construction Mortgage Loans Outstanding Under the Program as of January 31, 2014." In addition, since January 31, 2014, the Corporation has received principal prepayments of Permanent Mortgage Loans as well as scheduled repayments of Permanent Mortgage Loans. See "Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments" and "—Prepayment Notifications."

Summary of Permanent Mortgage Loans

Supplemental Security	Subsidy Program	Number of Permanent Mortgage Loans	Outstanding Principal Balance of Permanent Mortgage Loans	Percentage of Total Outstanding Principal Balance of Permanent Mortgage Loans
FHA	Section 8	5	$21,481,041	0.69%
FHA	HAC	1	447,108	0.01%
FHA	Section 236†	2	2,964,720	0.10%
FHA	ML Restructuring, Section 236	6	11,317,373	0.36%
FHA	ML Restructuring	6	10,174,862	0.33%
FHA	LAMP	1	970,906	0.03%
GNMA	Section 8, Section 8/LAMP	3	131,123,015	4.21%
SONYMA	New HOP	3	48,787,144	1.57%
SONYMA	None	2	34,308,575	1.10%
SONYMA	LAMP	5	36,241,133	1.16%
SONYMA	LAMP Preservation	3	42,339,156	1.36%
SONYMA	LAMP Preservation/ Section 8	5	33,680,909	1.08%
SONYMA	Section 8/LAMP	9	80,181,636	2.58%
REMIC	LAMP*	64	301,235,935	9.68%
REMIC	LAMP Preservation	3	6,984,992	0.22%
REMIC	None	9	48,294,929	1.55%
REMIC	ML Restructuring and Repair Loan	2	42,084,360	1.35%
REMIC	ML Restructuring, Section 236†	2	13,278,302	0.43%
REMIC	New HOP	84	545,760,492	17.54%
REMIC	PLP	14	4,186,980	0.13%
REMIC	Section 8/LAMP	2	14,728,822	0.47%
REMIC	Section 8	4	14,150,982	0.45%
Fannie Mae	LAMP Preservation	4	94,938,355	3.05%
Fannie Mae	ML Restructuring, Section 236†	9	96,061,518	3.09%
Freddie Mac	LAMP	2	33,804,524	1.09%
Freddie Mac	LAMP Preservation	1	4,250,006	0.14%
Freddie Mac	LAMP Preservation/ Section 8	3	6,480,389	0.21%
Freddie Mac	Section 8/LAMP	2	13,002,722	0.42%
LOC	LAMP	2	9,017,900	0.29%
LOC	Section 8/LAMP	9	52,228,071	1.68%
None	ML Restructuring, Section 236†	14	143,922,515	4.62%
None	Article 8-A	88	18,384,686	0.59%
None	Certificate Program	7	18,925,173	0.61%
None	Section 236†	10	62,166,425	2.00%
None	HODAG/PLP	3	11,930,017	0.38%
None	HTF	6	18,342,021	0.59%
None	LAMP*	76	358,627,379	11.52%
None	LAMP Preservation/ Section 8	1	12,872,710	0.41%
None	Section 8/LAMP	2	1,016,493	0.03%

None	Mitchell Lama Repair Loan	23	77,779,154	2.50%
None	Mitchell Lama Restructuring	23	73,915,011	2.38%
None	Mitchell Lama Restructuring and Repair Loan	1	1,301,509	0.04%
None	PLP	237	234,669,337	7.54%
None	Section 8	5	484,938	0.02%
None	New HOP	80	263,498,066	8.47%
None	Mixed Income	1	9,617,795	0.31%
None	None†	33	49,962,619	1.61%
TOTAL††		887	$3,111,922,703	100.00%

† The Mortgagors of the majority of these Mortgage Loans are regulated by HPD pursuant to the Mitchell-Lama Law. See Appendix E-1 and Appendix G hereto.

†† May not add due to rounding.

* Includes the following subsidy program types: LAMP/HAC, LAMP/HTF, LAMP/MIRP, LAMP/LIRP and LAMP/Certificate Program.

See "Appendix E-1—Table 2: Developments and Mortgage Loans Outstanding under the Program—Developments and Permanent Mortgage Loans Outstanding under the Program as of January 31, 2014."

Construction Mortgage Loans

The following table summarizes the Supplemental Security and Subsidy Programs, if any, relating to the Developments under construction and Construction Mortgage Loans outstanding under the Program as of January 31, 2014. Since January 31, 2014, the Corporation has made two (2) additional Construction Mortgage Loans and certain Construction Mortgage Loans have converted to Permanent Mortgage Loans. See "Appendix E-1-Table 8: Developments and Mortgage Loans Outstanding Under the Program – Developments and Mortgage Loans Financed Under the Program Subsequent to January 31, 2014" and "Appendix E-1-Table 3: Developments and Construction Mortgage Loans Outstanding Under the Program as of January 31, 2014."

Summary of Construction Mortgage Loans

Anticipated Permanent Mortgage Loan Supplemental Security	Subsidy Program	Number of Construction Mortgage Loans	Anticipated Amount of Permanent Mortgage Loans	Amount of Construction Mortgage Loans	Outstanding Principal Balance of Construction Mortgage Loans Advanced
SONYMA	LAMP	1	$13,950,000	$28,490,000	$12,166,708
SONYMA	LAMP Preservation/ Section 8	12	134,865,000	220,735,000	144,630,825
SONYMA	Section 8/LAMP	5	21,390,000	72,975,000	21,656,720
SONYMA	Section 236	1	5,830,000	5,830,000	5,241,519
SONYMA	ML Restructuring	1	9,205,485	31,732,000	5,009,844
REMIC	LAMP,LAMP Preservation	34	228,730,000	690,040,000	401,244,925
REMIC	Mixed Income	1	9,160,000	16,320,000	8,120,099
REMIC	N/A	1	5,300,000	5,300,000	5,183,324
REMIC	New HOP	5	52,070,000	68,660,000	34,558,854
REMIC	LAMP/Certificate Program	2	8,760,000	33,400,000	12,677,840
REMIC	LAMP Preservation/ Section 8	1	2,570,000	9,300,000	7,785,343
REMIC	Section 8/LAMP	1	4,490,000	13,340,000	8,421,229
FHA Risk Share	ML Restructuring, Section 236	4	112,310,000	112,310,000	98,992,811
FHA Risk Share	Section 8/LAMP	1	9,400,000	22,000,000	5,762,484
None	LAMP/LAMP Preservation	4	0	185,045,000	30,170,040
None	ML Restructuring, Section 236	1	26,705,000	26,705,000	24,496,973
None	ML Restructuring	2	42,890,000	42,890,000	27,506,948
None	None	1	0	7,500,000	2,155,087
TOTAL††		78	$687,625,485	$1,592,572,000	$855,781,575

†† May not add due to rounding.

As of January 31, 2014, seventy-one (71) Construction Mortgage Loans with an aggregate outstanding principal balance of $683,091,340 are secured by standby letters of credit; such letters of credit need not meet the requirements under the General Resolution for Credit Facilities. Such letters of credit may be drawn upon by the Corporation if a Mortgagor fails to make the required payments of interest and principal on the related Construction Mortgage Loan. Such letters of credit are not pledged to the owners of the Bonds; however, any payments relating to the applicable Mortgage Loan 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 Bonds. See "Appendix G–Description of Supplemental Security and Subsidy Programs–Supplemental Security–Construction LOCs." It is anticipated that upon conversion of the Construction Mortgage Loans secured by letters of credit to Permanent Mortgage Loans, the letters of credit will be released and such Permanent Mortgage Loans will be secured by REMIC Insurance, SONYMA Insurance, FHA Risk-Sharing Insurance, GNMA or a Long-term LOC or will not be secured by Supplemental Security, as shown in the table above. See “Appendix E-1– Table 3: Developments and Construction Mortgage Loans Outstanding Under the Program as of January 31, 2014.”

2005 Series F Participant Interest and the 2005 Series J Participant Interest

In connection with the issuance of the 2005 Series F-2 Bonds, the Corporation entered into a Participation Agreement (the “2005 Series F Participation Agreement”) with the City and purchased a 100% participation interest in twelve (12) second mortgage loans. In connection with the issuance of the 2005 Series J-2 Bonds, the Corporation entered into a Participation Agreement (the “2005 Series J Participation Agreement”) with the City and purchased a 100% participation interest in eleven (11) second mortgage loans. The mortgage notes relating to such mortgage loans are held by the City and secured by second mortgage liens on the applicable Developments (the “2005 Series F Participant Interest Developments” and the “2005 Series J Participant Interest Developments,” respectively). Such mortgage loans are not secured by Supplemental Security (see “THE PROGRAM—Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures” and “Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to the Mortgage Loans”). HPD services all of such mortgage loans. All of the 2005 Series F Participant Interest Developments and 2005 Series J Participant Interest Developments have first mortgage loans that are held and serviced by the Corporation.

The aggregate number of dwelling units in the 2005 Series F Participant Interest Developments is approximately 1,547 in five (5) developments. The aggregate outstanding principal balance of the second mortgage loans underlying the 2005 Series F Participant Interest is approximately $26,922,372 as of January 31, 2014. The accrued and unpaid interest on the mortgage loans is approximately $27,162,873 as of January 31, 2014. Approximately $2,822,731 of additional interest is scheduled to accrue to the commencement date of the payment of debt service on the mortgage loans absent any prepayments and without taking into account certain interest earnings for which the mortgagors receive credit. Debt service payments are scheduled to commence approximately ten years prior to the mortgage loan maturity date. The mortgage loans mature between August 1, 2027 and October 1, 2028 and the weighted average interest rate for the mortgage loans is 4.86%. The aggregate number of dwelling units in the 2005 Series J Participant Interest Developments is approximately 380 in two (2) developments. The aggregate outstanding principal balance of the second mortgage loans underlying the 2005 Series J Participant Interest is approximately $4,004,845 as of January 31, 2014. The current accrued and unpaid interest on the mortgage loans is approximately $5,466,020 as of January 31, 2014. Approximately $308,876 of additional interest is scheduled to accrue to the commencement date of the payment of debt service on the mortgage loans absent any prepayments and without taking into account certain interest earnings for which the mortgagors receive credit. Debt service payments are scheduled to commence approximately ten years prior to the mortgage loan maturity date. The mortgage loans mature on October 1, 2028 and the weighted average interest rate for the mortgage loans is 5.88%.

All of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest contain provisions permitting the mortgagors thereof to prepay the applicable mortgage loan, in whole or in part, at any time (see “Appendix E-2—Mortgage Loan Prepayment Provisions—Category 1”). If any of such mortgagors do not participate in the ML Restructuring Program but obtain other sources of prepayment of their mortgage loans, such payments will be paid as a cash distribution under the 2005 Series F Participant Interest or 2005 Series J Participant Interest, as applicable, and will constitute a Recovery of Principal under the General Resolution which the Corporation can determine to apply to the redemption of Mitchell-Lama Restructuring Bonds. The Corporation has offered to each of the mortgagors of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest the opportunity to receive new mortgage financing under the ML Restructuring Program of the Corporation, which new mortgage financing will cause prepayment of the related mortgages and be paid as a cash distribution under the 2005 Series F Participant Interest or the 2005 Series J Participant Interest, as applicable. The 2005 Series F-2 Supplemental Resolution and the 2005 Series J-2 Supplemental Resolution each provides that any such cash distributions under the 2005 Series F Participant Interest or the 2005 Series J Participant Interest, as applicable, will not constitute Recoveries of Principal under the General Resolution and the Corporation expects to cause the release of such amounts from the lien of the General Resolution (in accordance with the requirements of the General Resolution) to reimburse it for funds advanced by the Corporation for the restructuring.

The 2005 Series F Participant Interest and the 2005 Series J Participant Interest shall be automatically released from the lien of the General Resolution when no Mitchell-Lama Restructuring Bonds are Outstanding without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate.

Pursuant to the 2005 Series F Participation Agreement and the 2005 Series J Participation Agreement, notwithstanding the acquisition of a 100% participation interest by the Corporation, legal title to the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest will remain with the City.

For additional information regarding the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, see "Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments" and "—Prepayment Notifications" and "Appendix E-1—Table 5: Developments and Mortgage Loans Outstanding under the Program—Mortgage Loans Underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest Outstanding Under the Program as of January 31, 2014."

<u>2011 Participant Interest</u>

In connection with the issuance of the 2004 Series D Bonds, the Corporation entered into a Participation Agreement (the "2004 Participation Agreement") with the City and purchased a 100% beneficial ownership interest (the "2004 Participant Interest") in all cash flow (with certain exceptions) to be paid to the City as owner of the Multifamily Mortgage Pass-Through Certificates, Series 1996, Class B (the "Class B Certificates") issued pursuant to the REMIC Pooling and Servicing Agreement, dated as of June 1, 1996, among the City, as depositor, the Corporation, as servicer, and State Street Bank and Trust Company, as trustee (collectively, the "Certificates Trust"). The Certificates Trust consisted of a trust fund made up primarily of Section 236 Contracts (the "Section 236 Contracts") related to nine (9) permanent second mortgage loans (the "Participated 2004 Second Lien Loans"). On June 27, 2011, the Certificates Trust was dissolved and the Corporation and the City amended and restated the 2004 Participation Agreement (as amended and restated, the "2011 Participation Agreement") and replaced the 2004 Participant Interest with the 2011 Participant Interest (defined below). A portion of the proceeds of the 2011 Series F-1 Bonds and the 2011 Series F-2 Bonds were used to reimburse the Corporation for amounts paid by the Corporation in connection therewith. The Corporation pledged the 2011 Participant Interest (net of certain amounts to be paid to the Corporation) for the benefit of the Holders of the Bonds, and the 2011 Participant Interest is a "Mortgage Loan" under the General Resolution. However, the 2011 Participant Interest will be automatically released from the lien of the General Resolution on the date that no Mitchell-Lama Restructuring Bonds remain Outstanding under the General Resolution, and such release shall not require a Cash Flow Statement or a Cash Flow Certificate.

Under the 2011 Participation Agreement, the Corporation holds a 100% participation interest (the "2011 Participant Interest") in the 2004 Participated Second Lien Loans and the Section 236 Contracts. As of January 31, 2014, the 2004 Participated Second Lien Loans had an aggregate outstanding principal balance of approximately $38,846,014.93 and accrued interest of $20,527,385.55. Subject to prepayments of the 2004 Participated Second Lien Loans, the monthly payments under the Section 236 Contracts are projected to be made through September 1, 2025. Payments on the 2004 Participated Second Lien Loans are scheduled to be made after the related first mortgage loans are satisfied, commencing April 1, 2017 through September 1, 2029, and are expected to be satisfied in part by payments under the Section 236 Contracts.

The 2004 Participated Second Lien Loans contain terms permitting prepayment thereof at the option of the mortgagors at any time. The Corporation has offered to each of the mortgagors of a 2004 Participated Second Lien Loan the opportunity to receive new mortgage financing under the ML Restructuring Program of the Corporation, which new mortgage financing will cause a prepayment of the related 2004 Participated Second Lien Loan and, to the extent of any such prepayment, be paid to the Corporation pursuant to the 2011 Participation Agreement. Any such amounts paid under the 2011 Participant Interest will not constitute Recoveries of Principal under the General Resolution and the Corporation expects to cause the release of such amounts from the lien of the General Resolution (in accordance with the requirements of the General Resolution) to reimburse it for funds advanced by the Corporation for the restructuring. To the extent that any of such mortgagors with 2004 Participated Second Lien Loans do not participate in the ML Restructuring Program but obtain other sources for prepayment of their 2004 Participated Second Lien Loans, any prepayment of the related 2004 Participated Second Lien Loans by such mortgagors, to the extent of any such prepayment and less any amounts owed to the Corporation, will be paid to the Corporation under the 2011 Participant Agreement and will constitute a Recovery of Principal under the General Resolution and may only be used to redeem Mitchell-Lama Restructuring Bonds. See "Appendix E-4—Cross-Call Provisions and Related Information." The Corporation expects that there will be significant prepayments of the 2004 Participated Second Lien Loans.

The 2004 Participated Second Lien Loans included in the 2011 Participant Interest are not supported by any Supplemental Security. The 2004 Participated Second Lien Loans have a weighted average mortgage interest rate of 8.07% and a weighted average remaining time to maturity of 13.73 years. The weighted average remaining time until the expiration of the Section 236 Contracts of 11.59 years. The Developments financed with the 2004 Participated Second Lien Loans provide an aggregate of 2,503 units.

For additional information regarding the 2004 Participated Second Lien Loans underlying the 2011 Participant Interest, see "Appendix E-1—Table 6: 2004 Participated Second Lien Loans Underlying the 2011 Participant Interest as of January 31, 2014."

2014 Series B Participant Interest

In connection with the issuance of the 2014 Series A Bonds, the Corporation amended and restated a Participation Agreement (the "2002 Participation Agreement") with the New York City Mortgage Sale Facilitation Trust 2002-2, a Delaware statutory trust (the "2002 Facilitation Trust") and a Participation Agreement (the "2003 Participation Agreement") with the New York City Mortgage Sale Facilitation Trust 2003-1, a Delaware statutory trust (the "2003 Facilitation Trust," and together with the 2002 Facilitation Trust, the "Facilitation Trusts") formerly associated with the 2006 Series A Bonds and relating to a certain participation interest referred to as the 2006 Participant Interest. Upon the final redemption of the 2006 Series A Bonds and the issuance of the 2014 Series B Bonds, (i) the 2006 Participant Interest was re-designated as the "2014 Series B Participant Interest" and (ii) the 2002 Participation Agreement and the 2003 Participation Agreement were further amended and restated. The 2002 Participation Agreement and the 2003 Participation Agreement, as so amended and restated, are referred to as the "2014 Participation Agreements." The 2014 Series B Participant Interest constitutes a

"Mortgage Loan" under the General Resolution and is also referred to herein as the "2014 Series B Mortgage Loan."

Such participation interests in the aggregate consist of (i) a 100% participation interest in certain permanent mortgage loans for multi-family housing developments (the "2014 Series B Purchased Mortgage Loans"), (ii) a 100% participation interest in a portion of the cash flow derived from the Class B-1 Sheridan Trust II Multifamily Mortgage Pass-Through Certificate, Series 1996M-1 (the "Class B-1 Sheridan Trust II Certificate"), at a pass-through rate of 1.27% as of January 31, 2014, which certificate evidences a beneficial ownership interest in the Class B Sheridan Trust Multifamily Mortgage Pass-Through Certificate, Series 1995M-1 (the "Class B Sheridan Trust Certificate"), which certificate, in turn, represents a beneficial ownership interest in certain permanent mortgage loans (the "2014 Series B Trust Mortgage Loans") excluding certain voting rights with respect to the Class B-1 Sheridan Trust II Certificate, (iii) all rights, but not the obligations, of the "owner" of the 2014 Series B Purchased Mortgage Loans under the servicing agreements with respect to the 2014 Series B Purchased Mortgage Loans, and (iv) all rights of the Facilitation Trusts under the Purchase and Sale Agreements between the City and each Facilitation Trust (collectively, the "Purchase and Sale Agreements"), pursuant to which the City assigned the 2014 Series B Purchased Mortgage Loans and the Class B-1 Sheridan Trust II Certificate to the applicable Facilitation Trust (such interests, net of certain amounts payable to the Corporation and other servicers for servicing the underlying mortgage loans are referred to collectively as the "2014 Series B Participant Interest").

The Corporation has pledged the 2014 Series B Participant Interest for the benefit of the Holders of the Bonds; provided that such 2014 Series B Participant Interest shall be automatically released from the lien of the General Resolution when no 2014 Series B Bonds are Outstanding and such release shall not require the provision of a Cash Flow Statement or a Cash Flow Certificate. Most of the mortgage loans underlying the 2014 Series B Participant Interest contain provisions permitting the prepayment thereof at the option of the mortgagors at any time. The 2014 Series B Bonds are subject to special mandatory redemption from revenues (including prepayments) relating to the mortgage loans underlying the 2014 Series B Participant Interest in excess of scheduled debt service on the 2014 Series B Bonds and other related fees, expenses and payments.

Approximately 55.52% of the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Mortgage Loan are secured by a first mortgage lien on the applicable Development and approximately 44.48% of the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Mortgage Loan are secured by a second mortgage lien on the applicable Development. The mortgage loans underlying the 2014 Series B Mortgage Loan are generally seasoned mortgage loans with Developments that have been in operation on average for more than 23.7 years.

The mortgage loans underlying the 2014 Series B Mortgage Loan were originated and underwritten by parties other than the Corporation.

Pursuant to the Purchase and Sale Agreements, legal title to the 2014 Series B Purchased Mortgage Loans remained with the City. In addition, with respect to the 2014 Series B Purchased Mortgage Loans that are regulated pursuant to the Mitchell-Lama Law, HPD remained the supervising agency. The Corporation, the Facilitation Trusts and HPD have entered into agreements pursuant to which HPD agreed to pursue certain remedies with respect to any defaulted mortgage loan underlying the 2014 Series B Purchased Mortgage Loans as directed by the Corporation. In the event title to any Development related to the 2014 Series B Purchased Mortgage Loans is acquired as a result of proceedings instituted upon a default on a 2014 Series B Purchased Mortgage Loan, such Development shall constitute an "Acquired Project" for purposes of the General Resolution (see "Certain Factors

Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy—New York Foreclosure Procedures" below). In addition, if a monetary default on such 2014 Series B Purchased Mortgage Loan was caused by a breach of a representation or warranty given by the City, HPD or Community Preservation Corporation ("CPC") with respect to such 2014 Series B Purchased Mortgage Loan, or, if such breach prevents the Corporation from realizing on the security provided by such 2014 Series B Purchased Mortgage Loan, the City has agreed to correct such breach, repurchase such 2014 Series B Purchased Mortgage Loan or substitute mortgages of equal value.

The Corporation's rights as to the 2014 Series B Trust Mortgage Loans are limited by (i) the terms of the trust related to the Class B Sheridan Trust Certificate and (ii) the fact that voting rights with respect to said trust, including the right to amend or terminate said trust, have been retained by the City and not granted to the Corporation. The City has agreed, however, to consult with the Corporation prior to the exercise of such rights and not to exercise any such rights in a manner that shall have a material adverse effect on the rights of the Corporation to receive payments on the Class B-1 Sheridan Trust II Certificate without the prior written consent of the Corporation.

The 2014 Series B Mortgage Loan has been assigned a valuation of 78% of the aggregate principal balance of the mortgage loans underlying the 2014 Series B Mortgage Loan. For a discussion of the valuation process, see "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of this Official Statement.

Revenues from the 2014 Series B Participant Interest remaining after the payment of regularly scheduled debt service on the 2014 Series B Bonds and, if necessary, other Bonds outstanding under the General Resolution may be used to redeem the 2014 Series B Bonds or, with the delivery of a Cash Flow Statement or a Cash Flow Certificate, may be used by the Corporation for any purpose permitted under the General Resolution. The 2014 Series B Participant Interest shall be automatically released from the lien of the General Resolution without the delivery of a Cash Flow Statement or a Cash Flow Certificate at such time as the 2014 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2014 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2014 Series B Participant Interest available for the redemption of 2014 Series B Bonds been applied to redeem the 2014 Series B Bonds.

For additional information regarding the mortgage loans underlying the 2014 Series B Participant Interest, see "Certain Factors Affecting the Mortgage Loans—Subsequent Prepayments" and "—Prepayment Notifications" and "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program—Table 7: 2014 Series B Purchased Mortgage Loans and 2014 Series B Trust Mortgage Loans as of January 31, 2014."

<u>ML Restructuring Mortgage Loans</u>

The proceeds of certain of the Mitchell-Lama Restructuring Bonds were used to finance mortgage loans, each of which was evidenced by a mortgage note payable to the Corporation and secured by a first mortgage lien on the applicable Development (the "ML Restructuring First Mortgage Loans"). The term to maturity for most of the ML Restructuring First Mortgage Loans is 30 years. Most of the ML Restructuring First Mortgage Loans contain provisions prohibiting prepayment by the Mortgagor of the applicable Development for approximately fifteen years following the execution of such ML Restructuring First Mortgage Loans.

The proceeds of certain of the Mitchell-Lama Restructuring Bonds were also used to finance mortgage loans to the Mortgagors of the ML Restructuring First Mortgage Loans each of which was evidenced by a mortgage note payable to the Corporation, secured by a subordinate mortgage lien on the applicable Development and subject to a residual right to ownership held by the City (the "ML Restructuring Subordinate Mortgage Loans"). The Corporation sold to the City a residual right to ownership of the ML Restructuring Subordinate Mortgage Loans, which will be transferred to the City on the date when no Mitchell-Lama Restructuring Bonds remain Outstanding under the General Resolution or other Mitchell-Lama Restructuring Bonds outside of the General Resolution as defined in the Participation Agreement with the City remain outstanding. Such transfer of the ML Restructuring Subordinate Mortgage Loans on such date will be made automatically and without the requirement for a filing of any Cash Flow Statement or Cash Flow Certificate. The interest rate for most ML Restructuring Subordinate Mortgage Loans is 0% and the term to maturity for most of the ML Restructuring Subordinate Mortgage Loans is 30 years. The ML Restructuring Subordinate Mortgage Loans do not amortize and the balloon payment on each of the ML Restructuring Subordinate Mortgage Loans is due within 90 days after maturity of the related ML Restructuring First Mortgage Loan. Most of the ML Restructuring Subordinate Mortgage Loans contain provisions prohibiting prepayment by the Mortgagor of the applicable Development for approximately fifteen years following the execution of such ML Restructuring First Mortgage Loans. The ML Restructuring Subordinate Mortgage Loans have not been assigned a valuation. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates."

Prepayments of the ML Restructuring First Mortgage Loans and ML Restructuring Subordinate Mortgage Loans may be used to redeem only Mitchell-Lama Restructuring Bonds. See "Appendix E-4—Cross-Call Provisions and Related Information." For additional information regarding the ML Restructuring Subordinate Mortgage Loans, see "Appendix E-1—Table 4: Developments and Mortgage Loans Outstanding Under the Program— ML Restructuring Subordinate Mortgage Loans Outstanding under the Program as of January 31, 2014."

Servicing

All of the Mortgage Loans are serviced by the Corporation except for (i) the Mortgage Loans financed through the acquisition of GNMA Securities which are serviced by the applicable Mortgage Banker, (ii) certain mortgage loans underlying the 2014 Series B Participant Interest which are serviced by private third-party servicers as described below, (iii) certain Construction Mortgage Loans which are serviced by the bank issuing the letter of credit during construction and (iv) the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest. Servicing by the Corporation includes the collection of mortgage payments from the Mortgagors of the applicable Developments.

With respect to Mortgage Loans serviced by the Corporation and not regulated by HPD, an escrow account for the payment of taxes, hazard insurance and mortgage insurance, if any, is maintained by the Corporation for each Development and is funded from the monthly revenues of each such Development. FHA and GNMA regulations impose similar obligations on the Mortgage Banker in connection with the Mortgage Loans financed through the acquisition of GNMA Securities. However, with respect to Mortgage Loans regulated by HPD pursuant to the Mitchell-Lama Law and not insured by FHA, there is no such escrow requirement. With respect to Mortgage Loans serviced by the Corporation and not regulated by HPD, each Mortgagor is also required to maintain a reserve fund for replacements with the Corporation. These reserve funds for replacements are funded from the monthly revenues of their respective Development. With respect to Mortgage Loans regulated by HPD pursuant to the Mitchell-Lama Law and not insured by FHA, each Mortgagor is required to maintain a reserve fund for replacements. In general, the applicable escrows and reserves for the Developments serviced by the Corporation were funded at the required levels. The Corporation requires financial statements for each Development serviced by the Corporation to be furnished to the Corporation annually.

The Corporation conducts an annual site review of each Development with a Permanent Mortgage Loan serviced by the Corporation to monitor its physical condition; however, Developments with FHA-insured Mortgage Loans having a superior inspection rating need only be inspected by the Corporation every three (3) years and the Corporation does not inspect Developments for which the Corporation holds only a subordinate lien mortgage, the NYCHA Public Housing Preservation I LLC Development or the NYCHA Public Housing Preservation II LLC Development. During this review, the Corporation undertakes various procedures to monitor the exterior and interior physical condition of the Developments. See "Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings."

The Corporation's inspection ratings for the Developments, which incorporate HUD's inspection ratings for FHA-insured mortgage loans, include five rating levels: superior (HUD score: 90-100), above average (HUD score: 80-89), satisfactory (HUD score: 60-79), below average (HUD score: 46-59) and unsatisfactory (HUD score: 0-45). Developments with FHA-insured mortgage loans with a physical condition that is below average or unsatisfactory may be subject to certain actions by HUD (see "FHA-Insured Mortgage Loans with Low Inspection Ratings" below). As of January 31, 2014, the physical condition of the inspected Developments (other than those related to the 2014 Series B Participant Interest), based upon the aggregate outstanding principal balance of Permanent Mortgage Loans, was approximately 7% superior, 17% above average, 73% satisfactory, 5% below average and 1% unsatisfactory. As of January 31, 2014, the physical condition of the inspected Developments related to the 2014 Series B Participant Interest, based upon the aggregate outstanding principal balance of the mortgage loans underlying the 2014 Series B Participant Interest, was approximately 34% superior, 43% satisfactory, 7% below average and 1% unsatisfactory. Developments subject to approximately 15% in outstanding principal balance of mortgage loans underlying the 2014 Series B Participant Interest have not been inspected recently.

Any Development with an FHA-insured mortgage loan which receives a score under 60 according to HUD's inspection ratings may be subject to foreclosure by HUD. Any Development that receives HUD assistance such as Section 236 or Section 8 which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. See "FHA-Insured Mortgage Loans and HUD Assisted Developments with Low Inspection Ratings" below and "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Section 236 Program" and "—Section 8 Program."

The Corporation's inspection reviews include recommendations for curing deficiencies. The Corporation monitors those Developments which receive below average and unsatisfactory ratings in order to determine whether (i) required reports have been made and/or (ii) curative work has been undertaken and completed within a prescribed time frame. In order to cure deficiencies and thus improve the ratings of such Developments, the Corporation may advise the Mortgagor to request a drawdown on its respective reserve fund for replacements. If the reserves are not sufficient to cover the work required to improve a Development's rating or if the Corporation has determined that the low rating is due to Mortgagor neglect, the Corporation will meet with the Mortgagor to discuss corrective actions in all review reporting areas which include management practices, financial operations and vouchering procedures, as well as physical condition. For additional information concerning the Permanent Mortgage Loans and the related Developments, their respective physical inspection ratings, and the Corporation's inspection procedures and rating categories, see "Appendix E-1—Table 2: Developments and Mortgage Loans Outstanding under the Program—Developments and Permanent Mortgage Loans Outstanding under the Program as of January 31, 2014" and "Appendix E-3—Permanent Mortgage Loan Physical Inspection Ratings." In addition, the Corporation conducts an annual review of (i) the inspected Developments to monitor their financial condition and (ii) the Developments subsidized through the Section 8 program to monitor their financial management controls.

In addition to the Corporation, CPC and Wells Fargo Bank, National Association ("Wells Fargo"), both of which are experienced mortgage loan servicers, service the mortgage loans underlying the 2014 Series B Participant Interest. As of January 31, 2014, approximately 125 of the mortgage loans underlying the 2014 Series B Participant Interest (representing $152,523,375 of the outstanding principal balance) are serviced by CPC, 14 of the mortgage loans underlying the 2014 Series B Participant Interest (representing $6,864,961 of the outstanding principal balance) are serviced by Wells Fargo and the remainder of the mortgage loans underlying the 2014 Series B Participant Interest are serviced by the Corporation. In addition to collecting mortgage payments, required escrows and reserves from the Mortgagors of the applicable Developments, CPC and Wells Fargo currently conduct annual physical inspections of the Developments that are subject to the mortgage loans underlying the 2014 Series B Participant Interest that they service. The Corporation currently conducts annual inspections of the Developments that it services that are subject to first mortgage liens.

In addition to insurance coverage required by FHA, the Corporation requires property, liability, boiler and machinery, and fidelity insurance for the Mortgage Loans that it services (see "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—FHA Insurance Program—General"). Property insurance must cover at least the outstanding Mortgage Loan amount and lost rental value of at least one year's rental income at the Development. As of January 31, 2014, all such Developments were in compliance with the Corporation's insurance requirements. With respect to the mortgage loans underlying the 2014 Series B Participant Interest serviced by CPC, CPC has agreed to monitor, pursuant to servicing agreements, compliance by the applicable Mortgagor with the insurance requirements set forth in the loan documents related to such mortgage loans underlying the 2014 Series B Participant Interest.

Certain Factors Affecting the Mortgage Loans

Scheduled Payments of Principal and Interest

The ability of the Corporation to pay the principal or Redemption Price of and interest on the Bonds is dependent on the Revenues derived from the assets pledged to secure the Bonds, including the Mortgage Loans, and with respect to such Mortgage Loans, the proceeds under the applicable Supplemental Security program, if any, in the event of a default on a Mortgage Loan, and the full and timely receipt of subsidy payments under the applicable Subsidy Program, if any. The ability of each Mortgagor to make the required payments under its Mortgage Loan is and will be affected by a variety of factors, including the maintenance of a sufficient level of occupancy, the maintenance of the physical condition of its Development, the level of operating expenses, sound management of its Development, timely receipt of subsidy payments, as applicable, the ability to achieve and maintain rents sufficient to cover payments under such Mortgage Loan and operating expenses (including taxes, utility rates and maintenance costs), any changes in the amount of subsidy payments, if any, changes in applicable laws and governmental regulations, and the financial condition of the Mortgagor. 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.

Accordingly, in the event of the occurrence of substantial increases in operating costs without corresponding increases in rent levels on a timely basis, substantial reductions in occupancy or a reduction, loss or termination of subsidy payments, there may be a default with regard to one or more of the Mortgage Loans. In the event of any such default, the Corporation is required to apply for payment of proceeds under the applicable Supplemental Security program, if any, due with regard to any such Mortgage Loan. In the event of any such default where such Mortgage Loan is not secured by Supplemental Security, such mortgage lien would likely be the sole security for repayment of such Mortgage Loan (see "New York Foreclosure Procedures and Bankruptcy—New York Foreclosure

Procedures" below and "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans"). Such proceeds, when received, together with other monies available under or pursuant to the General Resolution may be applied to redeem an allocable portion of certain Bonds. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see "Appendix E-4—Cross-Call Provisions and Related Information." For a discussion of Supplemental Security and Subsidy Programs, see Appendix G hereto.

Prepayments of Principal

General. The Corporation may receive amounts relating to the principal of the Mortgage Loans financed with the proceeds of the Bonds prior to the scheduled due date of such principal. As of January 31, 2014, (i) principal prepayments, at the option of the applicable Mortgagor, are permitted with respect to approximately 460 Mortgage Loans with an aggregate outstanding principal balance of approximately $1,053,939,368 (the "Unrestricted Prepayment Mortgage Loans") and the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest and (ii) principal prepayments, at the option of the applicable Mortgagor, are (A) not permitted at all or only after a prescribed time period (which prescribed time period may have ended), or (B) permitted only with the approval of FHA and/or the Corporation and, under certain circumstances, only after a prescribed time period (which prescribed time period may have ended), with respect to approximately 495 Mortgage Loans with an aggregate outstanding principal balance of approximately $2,913,764,909 (the "Restricted Prepayment Mortgage Loans") and the ML Restructuring Subordinate Mortgage Loans. All of the Mortgage Loans and the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest are subject to prepayment of principal in whole or in part from proceeds of insurance or condemnation. Prepayments of principal may be subject to other terms and conditions, including the payment of penalties and premiums. There may be certain other restrictions outside the Mortgage Loan documents that limit the ability of the applicable Mortgagor to prepay. Any such prepayment could result in the special redemption from Recoveries of Principal of certain Bonds at any time. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see "Appendix E-4—Cross-Call Provisions and Related Information."

For a more detailed discussion of the prepayment terms and conditions for all of the outstanding Mortgage Loans under the Program, see "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program" which identifies the applicable categories of prepayment provisions for each Mortgage Loan and Appendix E-2 hereto which sets forth each of the Mortgage Loan prepayment categories. In general, prepayments are subject to the payment of certain fees and expenses, and any prepayment premium or penalty does not constitute a Pledged Receipt or Recovery of Principal unless otherwise specified in a Supplemental Resolution. In addition, prior written notice of any optional prepayment to the Corporation or the Mortgage Banker, as applicable, generally is required.

Under the General Resolution, advance payments of amounts to become due pursuant to a Mortgage Loan, including those made at the option of a Mortgagor, shall be deposited in the Redemption Account. Unless specifically directed otherwise by written instructions of an Authorized Officer and accompanied by a Cash Flow Statement, any monies in the Redemption Account resulting from such Recoveries of Principal shall be applied to the purchase or redemption of Bonds of the Series issued to finance the Mortgage Loans which gave rise to the Recoveries of Principal. See "THE PROGRAM–2005 Series F Participant Interest and the 2005 Series J Participant Interest" for a discussion of the application of prepayments of the mortgage loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest, respectively.

Notwithstanding the preceding paragraph, if the Corporation files a Cash Flow Statement with the Trustee, it may deposit such Recoveries of Principal in the Bond Proceeds Account or the Revenue

Account in lieu of applying such monies to purchase or redeem Bonds. See “Appendix B—Summary of Certain Provisions of the General Resolution—Bond Proceeds Account” and “—Revenue Account” with respect to the right of the Corporation to apply prepayments of the Mortgage Loans for purposes other than the purchase or redemption of Bonds, and the right of the Corporation to withdraw surplus revenues in the Revenue Account from the pledge and lien of the General Resolution. See the description of the redemption provisions for the applicable series of Bonds in Part I of this Official Statement. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see “Appendix E-4—Cross-Call Provisions and Related Information.”

Subsequent Prepayments.

Subsequent to January 31, 2014, three (3) Restricted Prepayment Mortgage Loans relating to 39-07 208th Street, 46-19 88th Street and 1740 Grand Avenue and four (4) Unrestricted Prepayment Mortgage Loans relating to 39-07 208th Street, 46-19 88th Street, East Midtown and Tower West have been prepaid. Such Restricted Prepayment Mortgage Loans and Unrestricted Prepayment Mortgage Loans had an aggregate outstanding principal balance of $10,031,415, as of January 31, 2014.

Subsequent to January 31, 2014, the 2006 Series A Participant Interest was redesignated the 2014 Series B Participant Interest and seven (7) mortgage loans with an aggregate outstanding principal balance of $6,138,808 have been prepaid.

Prepayment Notifications.

In addition, with respect to seven (7) Restricted Prepayment Mortgage Loans relating to 1469-71 Bedford Avenue Development, 15-21 West 116th Street Development, 201 Pulaski St. & 335 Franklin Ave Development, 709-715 Lafayette Ave Development, Harlem Gateway Development, Orloff Avenue Development and Roosevelt Island (aka Manhattan Park) and with respect to five (5) Unrestricted Prepayment Mortgage Loans relating to 15-21 West 116th Street Development, Beekman Staff Residence Development, Cadman Tower Coop Development, Harlem Gateway Development and Orloff Avenue Development, the Corporation has been notified in writing of the Mortgagors’ intent to prepay their Mortgage Loans. Such Restricted Prepayment Mortgage Loans and Unrestricted Prepayment Mortgage Loans had an aggregate outstanding principal balance of $143,281,215, as of January 31, 2014. There can be no assurance as to whether these prepayments will occur. See “Appendix E-1—Table 2: Developments and Mortgage Loans Outstanding under the Program-Developments and Permanent Mortgage Loans Outstanding Under the Program as of January 31, 2014.” For a description of redemption provisions of the Bonds in the event of a prepayment, see “General” above.

The Corporation expects that there will be significant prepayments of the mortgage loans underlying the 2005 Series F Participant Interest, the 2005 Series J Participant Interest and the 2014 Series B Participant Interest. Subsequent to January 31, 2014, the 2006 Series A Participant Interest was redesignated the 2014 Series B Participant Interest and the Corporation has received six (6) notifications with respect to mortgage loans underlying the 2014 Series B Participant Interest with an aggregate outstanding principal balance of $1,768,191.

From time to time the Corporation has received inquiries or expressions of interest from Mortgagors regarding the possible prepayment, refinancing or restructuring of their respective Mortgage Loans. There can be no assurance as to whether any such prepayment, refinancing or restructuring will occur.

New York Foreclosure Procedures and Bankruptcy

Below are descriptions of current foreclosure procedures in New York State and current bankruptcy provisions for mortgage loans generally. Such descriptions are relevant for Mortgage Loans under the Program not fully secured by Supplemental Security.

New York Foreclosure Procedures. In order to recover the debt due on a defaulted mortgage loan, the holder of the mortgage loan may either commence an action on the mortgage debt or commence an action to foreclose the mortgage. New York law restricts the ability of the holder of a mortgage loan to simultaneously bring an action to recover the mortgage debt and foreclose the mortgage. For purposes of these restrictions, actions to recover the mortgage debt include actions against the party primarily liable on the mortgage debt, actions against any guarantor of the mortgage debt and actions on insurance policies insuring the mortgaged premises. If an election is made to commence an action to foreclose the mortgage, no other action on the mortgage debt may be commenced to recover any part of the mortgage debt without leave of court. If an election is made to commence an action on the mortgage debt, where final judgment has been rendered in such an action, an action may not be commenced to foreclose the mortgage unless the sheriff has been issued an execution against the property of the defendant, which has been returned wholly or partially unsatisfied. In addition, there is New York case law indicating that if an action is commenced on the mortgage debt where final judgment has not been rendered and a subsequent action is commenced to foreclose the mortgage, then the action on the mortgage debt must be stayed or discontinued to prevent the mortgagee from pursuing both actions simultaneously.

Where a foreclosure action is brought, every person having an estate or interest in possession or otherwise in the property whose interest is claimed to be subject and subordinate to the mortgage must be made a party defendant to the action in order to have its interest in the property extinguished. At least twenty (20) days before a final judgment directing a sale is rendered, the mortgagee must file, in the clerk's office for the county where the mortgaged property is located, a notice of the pendency of the action. Judicial foreclosure in New York is a lengthy process, as judicial intervention is required at all stages, including but not limited to (1) the appointment of a referee to compute the amount due, (2) the appointment of a receiver to operate the property during the pendency of the action, (3) the confirmation of the referee's oath and report, (4) the issuance of the judgment of foreclosure and sale, (5) the confirmation of the sale, and (6) the issuance of a deficiency judgment and/or rights to surplus monies. If during the pendency of the action the mortgagor pays into court the amount due for principal and interest and the costs of the action together with the expenses of the proceedings to sell, if any, the court will (i) dismiss the complaint without costs against the mortgagee if the payment is made before judgment directing the sale or (ii) stay all proceedings upon judgment if the payment is made after judgment directing sale but before sale.

Where the mortgage debt remains partly unsatisfied after the sale of the property, the court, upon application, may award the mortgagee a deficiency judgment for the unsatisfied portion of the mortgage debt, or as much thereof as the court may deem just and equitable, against a mortgagor who has appeared or has been personally served in the action. Prior to entering a deficiency judgment the court determines the fair and reasonable market value of the mortgaged premises as of the date such premises were bid in at auction or such nearest earlier date as there shall have been any market value thereof. In calculating the deficiency judgment, the court will reduce the amount to which the mortgagee is entitled by the higher of the sale price of the mortgaged property and the fair market value of the mortgaged property as determined by the court.

The mortgagee may also, at its discretion, negotiate with the delinquent mortgagor to offer a deed in lieu of foreclosure to the mortgagee, where appropriate. In some situations this would allow the mortgagee to reduce the cost of, and the time involved in, acquiring the property.

Most of the Mortgage Loans under the Program are non-recourse to the Mortgagor. Therefore, the Corporation may only have limited rights to pursue the enforcement of an action on the debt. Consequently, with respect to such Mortgage Loans, the above provisions relating to an action on the mortgage debt, as opposed to a foreclosure action, are not applicable.

Section 236 Contracts may provide that the HUD Payments under a Section 236 Contract shall terminate if the related Development is acquired by the Corporation or by any ineligible owner, and that the Secretary of HUD (the "Secretary") may terminate HUD Payments if an action of foreclosure is instituted, unless the Secretary approves a plan providing for continuity of eligibility of the related Development for receiving HUD Payments. It may not be possible, under New York foreclosure procedures, to complete a foreclosure sale subject to the continuing lien of the mortgage being foreclosed. Under Pub. L. 98-473, enacted in 1984, contract authority which would otherwise be subject to recapture by HUD at the time of termination of a contract for Section 236 interest reduction payments as a result of a foreclosure of the mortgage loan on a development shall remain available for such development for the balance of the contract term, and the Secretary is directed to offer to execute new Section 236 Contracts with the new owners of such projects, subject to satisfaction of statutory eligibility requirements. On this basis the Corporation believes that, notwithstanding the language of the Section 236 Contracts, in the event of a foreclosure of a Mortgage Loan secured by a Section 236 Contract not subject to FHA Insurance (which also would include 2014 Series B Trust Mortgage Loans with Section 236 Contracts), the Secretary would enter into a contract for Section 236 interest reduction payments with the new owner, subject to the satisfaction of statutory eligibility requirements, the availability of appropriations and the willingness of the mortgagee to enter into a new contract for interest reduction payments.

With respect to the 2014 Series B Purchased Mortgage Loans, the Corporation entered into a special servicing agreement with HPD and the Facilitation Trusts which sets forth procedures to be followed with regard to any 2014 Series B Purchased Mortgage Loan subject to foreclosure.

For a description of provisions regarding enforcement and foreclosure of the Mortgage Loans under the General Resolution, see "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans."

Bankruptcy. If a petition for relief under Federal bankruptcy law were filed voluntarily by a mortgagor, or involuntarily against a mortgagor by its creditors, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceedings, including, without limitation, foreclosure proceedings, against such mortgagor and its property. If a bankruptcy court so ordered, the mortgagor's property, including its revenues, could be used for the benefit of the mortgagor, despite the rights granted the mortgagee or a trustee. Certain provisions of the mortgage that make the initiation of bankruptcy and related proceedings by or against the mortgagor an event of default thereunder are not enforceable in the mortgagor's bankruptcy proceeding.

In addition, if a bankruptcy court concludes that a mortgagee is "adequately protected," it might (A) substitute other security for the property presently pledged and (B) subordinate the lien of the mortgagee or a trustee to (i) claims by persons supplying goods and services to the mortgagor after commencement of such bankruptcy proceedings, (ii) the administrative expenses of the bankruptcy proceedings and (iii) a lien granted a lender proving funds to the mortgagor during the pendency of the bankruptcy case.

In bankruptcy proceedings initiated by the filing of a petition under Chapter 11 of the United States Bankruptcy Code, a mortgagor or another party-in-interest could elect to file a plan of reorganization that seeks to modify the rights of creditors generally, or any class of creditors, including secured creditors. In the event a mortgagor files under Chapter 11, the mortgagor may seek to modify the terms of the mortgage note and the mortgage in a plan of reorganization. In a reorganization case, a mortgagee holds a secured claim equal to the lesser of the value of the mortgaged premises or the debt. If the adjusted value is less than the pre-petition debt, then the mortgagee is not entitled to post-petition interest and the deficiency will be treated as an unsecured claim. With respect to the mortgagee's secured claim, if the debtor intends to retain the premises, the debtor will generally propose to treat the mortgage as unimpaired by curing any monetary defaults and reinstating the terms of the mortgage. Alternatively, the debtor may seek to alter the terms, however, the mortgagee is entitled to retain its lien under a plan and must receive deferred cash payments totaling the amount of the claim with a present value not less than the value of the mortgaged premises. If the premises are to be sold by the debtor, the mortgagee can bid at the bankruptcy court sale and offset its claim against the selling price at such sale.

FHA-Insured Mortgage Loans and HUD Assisted Developments with Low Inspection Ratings

Pursuant to HUD regulations and administrative procedures for physical inspections of FHA-insured properties that score less than 60 total points, properties scoring 30 and under are automatically referred to HUD's Departmental Enforcement Center ("DEC"). Those scoring between 31 and 59 may be referred to DEC and will be evaluated for enforcement by local HUD Office of Housing Staff. A Notice of Violation/Default of Regulatory Agreement and Housing Assistance Payment Contract is then issued. The property owner has sixty (60) days to certify that all repairs have been completed. HUD will then re-inspect the property, either following such sixty (60) day period or, in certain cases with respect to properties being evaluated for enforcement by local HUD Office of Housing Staff, the following year. If the property scores above 60 (a satisfactory rating and above), normal monitoring resumes. If the score is below 60 (a below average or unsatisfactory rating), HUD may consider the owner in default and may pursue available remedies. Available remedies may include termination of subsidy payments under the affected Housing Assistance Payment Contract or requiring that the mortgagee accelerate and assign the FHA-insured mortgage loan to HUD as a result of the default under the Project's Regulatory Agreement in exchange for FHA Insurance benefits. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Supplemental Security—FHA Insurance Program."

Any Development subsidized through the Section 8 program which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. In addition, HUD may reduce the Section 236 subsidy in certain cases if a unit or units in a Development subsidized through the Section 236 program become not habitable for any reason. In the event such payments were reduced, suspended or terminated in respect of a Permanent Mortgage Loan subsidized by a HAP Contract or a Section 236 Contract, such reduced, suspended or terminated payments would not be available to pay debt service on such Mortgage Loan, which could result in a default on such Mortgage Loan. See "Appendix G—Description of Supplemental Security and Subsidy Programs—Subsidy Programs—Section 236 Program" and "—Section 8 Program."

The Corporation is currently aware that two (2) Developments (other than those that relate to the 2014 Series B Mortgage Loan) with Fannie Mae insured Mortgage Loans with an aggregate outstanding senior Mortgage Loan balance of $46,591,183 and an aggregate outstanding subordinate Mortgage Loan balance of $6,215,519 as of January 31, 2014, have each received a Notice of Default of the Section 236 Agreement for Interest Reduction Payments from HUD because of their low inspection ratings. The Developments are currently undergoing capital improvement plans under the Mitchell Lama Repair Loan Program and are also required to maintain certain reserves for replacements for capital improvements; such loan proceeds and reserves could be applied to rectify the Notice of Default of the Section 236 Agreement for Interest Reduction Payments. However, the Corporation can give no assurance as to whether such loan proceed and reserves will, in fact, be used by the Mortgagors in such manner or whether the amount of such reserves will be sufficient to correct all violations.

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 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 Bonds, or in any way impair the rights and remedies of such owners until the 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 Bonds, are fully met and discharged.

LEGALITY OF THE BONDS FOR INVESTMENT AND DEPOSIT

Under the provisions of Section 662 of the Act, the 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 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.

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APPENDIX A

DEFINITIONS OF CERTAIN TERMS

Set forth below are certain defined terms used in this Official Statement and in the Resolutions. In some instances, the General Resolution permits the modification of certain of its provisions by a Supplemental Resolution relating to a specific Series of Bonds. Certain modifications to the General Resolution, which have been made with respect to the 2013/2014 Bonds by the provisions of the 2013/2014 Supplemental Resolutions, are reflected in the defined terms below. This Appendix A does not purport to be comprehensive or definitive and is qualified by reference to the Resolutions and the Supplemental Resolutions relating to each Series of Bonds, copies of which may be obtained from the Corporation.

The following terms shall have the following meanings in this Official Statement and in the Resolutions unless the context shall clearly indicate otherwise:

"Account" means one of the special accounts (other than the Rebate Fund) created and established pursuant to the General Resolution or a Supplemental Resolution.

"Accountant" means such reputable and experienced independent certified public accountant or firm of independent certified public accountants as may be selected by the Corporation and satisfactory to the Trustee and may be the accountant or firm of accountants who regularly audit the books and accounts of the Corporation.

"Acquired Project" means a Project financed by a Mortgage Loan, which is not a Mortgage Loan insured by FHA Insurance, title to or the right to possession of which has been acquired by or on behalf of the Corporation through protection and enforcement of rights conferred by law or the Mortgage upon such Project.

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

"Acquired Project Gross Operating Income" means all monies received in connection with the acquisition, ownership, possession, operation or maintenance of an Acquired Project.

"Acquired Project Net Operating Income" means Acquired Project Gross Operating Income less Acquired Project Expenses.

"Act" means the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of the State of New York), as amended.

"AHPLP" means the Corporation's Affordable Housing Permanent Loan Program.

"Article 8-A" means the Article 8-A Loan Program.

"Authorized Officer" means the Chairperson, Vice-Chairperson, President, First Senior Vice President or any other Senior Vice President of the Corporation and, in the case of any act to be performed or duty to be discharged, any other member, officer or employee of the Corporation then authorized to perform such act or discharge such duty.

“Bank Bond” means any Variable Rate Bond for which the Purchase Price has been paid with moneys provided under the applicable Initial Liquidity Facility as described in the applicable 2013/2014 Supplemental Resolution.

“Bond” means one of the bonds to be authenticated and delivered pursuant to the General Resolution.

“Bond Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Corporation and satisfactory to the Trustee.

“Bond owner” or “owner” or words of similar import, when used with reference to a Bond, means any person who shall be the registered owner of any Outstanding Bond.

“Bond Proceeds Account” means the Bond Proceeds Account established pursuant to the General Resolution.

“Bond Series Certificate” means, with respect to a Series of the Variable Rate Bonds, a Certificate of an Authorized Officer fixing the terms, conditions and other details of such Series of the Variable Rate Bonds in accordance with the delegation of authority to do so in the applicable 2013/2014 Supplemental Resolution.

“Bond Year” means a twelve month period ending on the first day of November of any year.

“Business Day” means any day other than (a) a Saturday or a Sunday, (b) any day on which banking institutions located in (i) the City of New York, New York or (ii) the city in which the Principal Office of the Trustee is located or (iii) the city in which the Principal Office of the banking institution at which demands for payment under the Initial Liquidity Facility are honored are required or authorized by law to close, (c) a day on which the New York Stock Exchange is closed or (d) so long as any Series of Bonds is held in book-entry form, a day on which DTC is closed.

“Cap” means any financial arrangement entered into by the Corporation with an entity which is a cap, floor or collar, or any similar transaction or combination thereof or any option with respect thereto executed by the Corporation for the purpose of limiting its exposure with respect to interest rate fluctuations which has been designated in writing to the Trustee by an Authorized Officer as a Cap with respect to the variable interest rate Bonds listed in “Appendix F-2 – Interest Rate Cap Agreements.” “Cap” shall also include any such financial arrangement described above entered into by the Corporation with an entity, as a replacement of a Cap that has been terminated and which has been so designated in writing to the Trustee by an Authorized Officer with respect to the variable interest rate Bonds listed in “Appendix F-2 – Interest Rate Cap Agreements.”

“Cap Receipts” means any amount actually received by the Corporation or the Trustee under a Cap.

“Cash Equivalent” means a Letter of Credit, Insurance Policy, Surety, Guaranty or other Security Arrangement (each as defined and provided for in a Supplemental Resolution providing for the issuance of Bonds rated by the Rating Agencies or in another Supplemental Resolution), provided by an institution which has received a rating of its claims paying ability from the Rating Agencies at least equal to the then existing rating on the Bonds (other than Subordinate Bonds) or whose unsecured long-term debt securities are rated at least the then existing rating on the Bonds (other than Subordinate Bonds) (or "A-1+" or "P-1," as applicable, if the Cash Equivalent has a remaining term at the time of acquisition not exceeding one year) by the Rating Agencies; provided, however, that a Cash Equivalent may be provided by an institution which has received a rating of its claims paying ability which is lower than that set forth above or whose unsecured long-term (or short-term) debt securities are rated lower than that set forth above, so long as the providing of such Cash Equivalent does not, as of the date it is provided, in and of itself, result in the reduction or withdrawal of the then existing rating assigned to the Bonds (other than Subordinate Bonds) by any of the Rating Agencies.

"Cash Flow Certificate" means a Cash Flow Certificate conforming to the requirements of the General Resolution.

"Cash Flow Statement" means a Cash Flow Statement conforming to the requirements of the General Resolution.

"Certificate" means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to the General Resolution or a Supplemental Resolution or (ii) the report of an accountant as to audit or other procedures called for by the General Resolution or a Supplemental Resolution.

"Certificate Program" means the §421-a Negotiable Certificate Program.

"Change Date" means (i) each Interest Method Change Date, (ii) each Facility Change Date, (iii) each Discretionary Tender Date and (iv) a date not later than 25 days after receipt by the Trustee of a "Notice of Termination Date" under an Initial Liquidity Facility, which date shall be specified in the notice of the Trustee of the purchase of all Variable Rate Bonds of the applicable Series provided pursuant to the applicable 2013/2014 Supplemental Resolution.

"City" means The City of New York, a municipal corporation organized and existing under and pursuant to the laws of the State.

"Code" means the Internal Revenue Code of 1954 or 1986, each as amended from time to time, and as applicable to the Bonds pursuant to Section 1313 of the Tax Reform Act of 1986, as amended.

"Corporation" means the New York City Housing Development Corporation, or any body, agency or instrumentality of the State which shall hereafter succeed to the powers, duties and functions of the Corporation.

"Corporation Corporate Purposes" means any purpose for which the Corporation may issue bonds pursuant to the Act or other applicable law.

"Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable by or to the Corporation and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge or fee in connection with the original issuance of Bonds.

"Credit Facility" means (i) an unconditional and irrevocable letter of credit in form and drawn on a bank or banks acceptable to the Corporation (which bank or banks must be rated by each of the Rating

Agencies in a category at least equal to the rating category of the Bonds (other than Subordinate Bonds) (or "A-1+" or "P-1," as applicable, if the Credit Facility has a remaining term at the time it is provided not exceeding one year); provided, however, that such letter of credit may be provided by a bank or banks whose rating is lower than that set forth above, so long as the providing of such letter of credit does not, as of the date it is provided, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds (other than Subordinate Bonds) by any of the Rating Agencies, (ii) cash, (iii) a certified or bank check, (iv) Investment Securities, or (v) any other credit facility similar to the above in purpose and effect, including, but not limited to, a guaranty, standby loan or purchase commitment, insurance policy, surety bond or financial security bond or any combination thereof, which is approved by each of the Rating Agencies.

"Credit Facility Provider" means the issuer of or obligor under a Credit Facility.

"Debt Service" means, with respect to any particular Bond Year, an amount equal to the sum of (i) all interest payable on Outstanding Bonds during such Bond Year, plus (ii) any Principal Installments of such Bonds during such Bond Year.

"Debt Service Reserve Account" means the Debt Service Reserve Account established pursuant to the General Resolution.

"Debt Service Reserve Account Requirement" means as of any date of calculation, the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in the Supplemental Resolution authorizing the issuance of a Series of Bonds; provided, however, that a Supplemental Resolution may provide that the Debt Service Reserve Account Requirement for the Series of Bonds authorized thereunder may be funded, in whole or in part, through Cash Equivalents and such method of funding shall be deemed to satisfy all provisions of the General Resolution with respect to the Debt Service Reserve Account Requirement and the amounts required to be on deposit in the Debt Service Reserve Account.

"Demand Purchase Option" means the provision of the Variable Rate Bonds and the Index Floating Rate Bonds for the purchase of any Variable Rate Bond of a Series or any Index Floating Rate Bond, as the case may be, upon the demand of the owner thereof, as described in the applicable 2013/2014 Supplemental Resolution.

"Discretionary Tender Date" means a date, specified by the Corporation (with the prior written consent of the Liquidity Facility Provider in the case of any Series of the Variable Rate Bonds) in a written notice delivered to the Trustee, upon which all of a Series of the Variable Rate Bonds or all of the Index Floating Rate Bonds, as the case may be, shall be subject to mandatory tender at the Purchase Price, provided that such date (i) shall not be earlier than fifteen (15) days following receipt by the Trustee of such written notice and (ii) in the case of the Index Floating Rate Bonds, shall be on or after the date on which the Index Floating Rate Bonds are subject to redemption at the option of the Corporation.

"DTC" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors or assigns.

"Escrow Payments" means and includes all amounts whether paid directly to the Corporation or to the servicer of any Mortgage Loan representing payments to obtain or maintain mortgage insurance or any subsidy with respect to a Mortgage Loan or the mortgaged premises or payments in connection with real estate taxes, assessments, water charges, sewer rents, ground rents, fire or other insurance, replacement or operating reserves or other like payments in connection therewith.

"Event of Default" means any of the events specified in the General Resolution as an Event of Default.

"Facility Change Date" means (i) any date on which a new Liquidity Facility replaces a prior Liquidity Facility or (ii) the date which is two (2) Business Days prior to any date on which a Liquidity Facility terminates (except in connection with a "Special Event of Default" under the Initial Liquidity Facility) or expires and is not extended or replaced by a new Liquidity Facility.

"Fannie Mae" means the Federal National Mortgage Association.

"Federal Housing Commissioner" or "FHA Commissioner" means the Secretary of HUD (or successor thereof) or the Federal Housing Commissioner of FHA (or successor thereof) or a duly authorized agent thereof.

"FHA" means the Federal Housing Administration.

"FHA Insurance" means the Federal mortgage insurance authorized pursuant to Section 220, 221(d)(3), 221(d)(4) or 223(f) of the National Housing Act of 1934, as amended.

"FHA Risk-Sharing Insurance" means the Federal mortgage insurance authorized pursuant to Section 542(c) of the Housing and Community Development Act of 1992.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation.

"General Resolution" means the Multi-Family Housing Revenue Bonds Bond Resolution adopted by the Corporation on July 27, 1993, and any amendments thereof or supplements thereto made in accordance with its terms.

"GML Article 16" means General Municipal Law Article 16.

"GNMA" means the Government National Mortgage Association.

"GNMA Security" means a mortgage-backed security guaranteed by GNMA as to payments of principal and interest.

"Government Obligations" means (i) direct obligations of or obligations guaranteed by the United States of America, including, but not limited to, United States Treasury Obligations, Separate Trading of Registered Interest and Principal of Securities (STRIPS) and Coupons Under Book-Entry Safekeeping (CUBES), provided the underlying United States Treasury Obligation is not callable prior to maturity, and (ii) obligations of the Resolution Funding Corporation, including, but not limited to, obligations of the Resolution Funding Corporation stripped by the Federal Reserve Bank of New York.

"HAC" means the Housing Assistance Corporation.

"HoDAG" means the Housing Development Grant.

"HTF" means the New York State Housing Trust Fund Corporation.

"HPD" means the New York City Department of Housing Preservation and Development.

"HUD" means the United States Department of Housing and Urban Development, or any successor thereof.

"Initial Liquidity Facility" means, (i) with respect to the 2014 Series C-2 Bonds, the Wells Fargo Bank Initial Liquidity Facility and (ii) with respect to the 2014 Series C-3 Bonds, the TD Bank Initial Liquidity Facility.

"Interest Method Change Date" means any date on which the method of determining the interest rate on a Series of the Variable Rate Bonds or the Index Floating Rate Bonds changes, as established by the terms and provisions of the applicable 2013/2014 Supplemental Resolution.

"Interest Payment Date" means any date upon which interest on the Bonds is due and payable in accordance with their terms.

"Interest Rate Cap" means a Cap.

"Investment Securities" means and includes any of the following obligations, to the extent the same are at the time legal for investment of funds of the Corporation under the Act, including the amendments thereto hereafter made, or under other applicable law:

(1) Government Obligations;

(2) any bond, debenture, note, participation certificate or other similar obligation issued by any one or combination of the following agencies: GNMA, Federal Farm Credit System Banks, Federal Home Loan Banks, Tennessee Valley Authority and Export-Import Bank of the United States;

(3) any bond, debenture, note, participation certificate or other similar obligation issued by Fannie Mae to the extent such obligations are guaranteed by GNMA or issued by any other Federal agency and backed by the full faith and credit of the United States of America;

(4) any other obligation of the United States of America or any Federal agencies guaranteed by the full faith and credit of the United States of America which may then be purchased with funds belonging to the Corporation;

(5) deposits in interest-bearing time or demand deposits, or certificates of deposit, secured by any of the obligations described above or fully insured by the Federal Deposit Insurance Corporation or its successor;

(6) any participation certificate of Freddie Mac guaranteeing timely payment of principal and any mortgage-backed securities of Fannie Mae; and

(7) any other investment permitted under the Corporation's investment guidelines adopted August 14, 1984, as amended from time to time.

"LAMP" means the Corporation's Low-income Affordable Marketplace Program.

"LIRP" means the Low Income Rental Program.

"Liquidity Facility" means an Initial Liquidity Facility or any other instrument providing for the timely payment of the Purchase Price of the Variable Rate Bonds of a Series, including, but not limited to, a letter of credit, guaranty, standby loan commitment, standby bond purchase agreement or other liquidity facility, or any combination thereof, approved by the Corporation and delivered to the Trustee for the benefit of the owners of the Variable Rate Bonds of such Series, and, with respect to any Liquidity Facility replacing a previously existing Liquidity Facility, (i) dated as of a date not later than the expiration date of the Liquidity Facility for which the same is to be substituted (or, if no such Liquidity Facility exists, dated as of the Interest Method Change Date) and (ii) issued on substantially similar terms and conditions with respect to the rights of the owners of the Variable Rate Bonds of the applicable Series to timely receipt of the Purchase Price thereof (including, but not limited to, the Mandatory Purchase Provision) as the then existing Liquidity Facility; provided that (a) the stated amount of any Liquidity Facility shall equal the sum of (x) the aggregate principal amount of the Variable Rate Bonds of the applicable Series at the time Outstanding, plus (y) an amount equal to at least thirty-four (34) days of interest (at the Maximum Rate) on all Variable Rate Bonds of such Series at the time Outstanding, or such other amount as the Corporation shall determine based on then current rating agency standards, and (b) it must provide for payment of the Purchase Price upon the exercise by any owner of a Variable Rate Bond of the Demand Purchase Option.

"Liquidity Facility Provider" means the entity obligated to pay the Purchase Price of the Variable Rate Bonds of a Series pursuant to the terms of the applicable Liquidity Facility.

"Mandatory Purchase Provision" means the provision of the Variable Rate Bonds and the Index Floating Rate Bonds for the purchase of any Variable Rate Bond of a Series or any Index Floating Rate Bond, as the case may be, on any Change Date pursuant to the applicable 2013/2014 Supplemental Resolution.

"Maximum Rate" means, (i) with respect to a Series of the Variable Rate Bonds, ten percent (10%) per annum, and (ii) with respect to the Index Floating Rate Bonds, seven and one-half percent (7.5%) per annum.

"MIRP" means the Mixed Income Rental Program.

"Mitchell-Lama Restructuring Bonds" means Bonds, including the 2004 Series E-1 Bonds, the 2004 Series E-2 Bonds, the 2004 Series F Bonds, the 2005 Series A-1 Bonds, the 2005 Series E Bonds, the 2005 Series F-1 Bonds, the 2005 Series F-2 Bonds, the 2005 Series G Bonds, the 2005 Series J-1 Bonds, the 2006 Series D-1 Bonds, the 2008 Series C-2 Bonds, a portion of the 2008 Series E Bonds (in an amount equal to the 2008 Series E Mortgage Loans for the Carol Gardens Development, the Esplanade Gardens Development, the Goddard Riverside Development, the RNA House Development, the Washington Square SE Development, the Atlantic Plaza Towers Development, the Strykers Bay Development, the Lincoln Amsterdam Development, the Rosalie Manning Development, the Bethune Tower Development and the Seaview Towers Development), a portion of the 2008 Series F Bonds (in an amount equal to the Mortgage Loan for the Franklin Avenue Development), the 2008 Series J Bonds, the 2008 Series L Bonds, a portion of the 2010 Series G Bonds (in an amount equal to the 2010 Series G Mortgage Loans for the Tivoli Towers Development, the Trinity House Development and the Linden Plaza Development), a portion of the 2010 Series H Bonds (in an amount equal to the 2010 Series H Mortgage Loan for the Cannon Heights Development), the 2010 Series N Bonds, the 2011 Series F-1 Bonds, the 2011 Series F-2 Bonds, the 2011 Series G-2-B Bonds, the 2011 Series H-2-B Bonds, the 2011 Series H-3-B Bonds, the 2012 Series G Bonds, a portion of the 2012 Series I Bonds (in an amount equal to the 2012 Series I Mortgage Loans for the Tracey Towers Development, the Ocean Village Development and Tilden Towers II Development), the 2013 Series A-1 Bonds and the 2013 Series A-2 Bonds issued under the Corporation's Mitchell-Lama Restructuring Program, including all Bonds issued to refund any of such Bonds.

"ML Repair Loan Program" means the Corporation's Mitchell-Lama Repair Loan Program.

"ML Restructuring Program" means the Corporation's Mitchell-Lama Restructuring Program.

"Mortgage" means a mortgage or other instrument securing a Mortgage Loan.

"Mortgage Banker" means the mortgagee of record of a mortgage loan that backs a GNMA Security.

"Mortgage Loan" means a loan, evidenced by a note, for a Project, secured by a Mortgage and specified in a Supplemental Resolution as being subject to the lien of the General Resolution; provided, that Mortgage Loan shall also mean a participation by the Corporation with another party or parties, public or private, in a loan made to a Mortgagor with respect to a Project; provided, further, that Mortgage Loan shall also mean an instrument evidencing an ownership in such loans, including, but not limited to, a mortgage-backed security guaranteed by GNMA, Fannie Mae or Freddie Mac.

"Mortgage Note" means the note evidencing a Mortgage Loan.

"Mortgagor" means a mortgagor with respect to any Mortgage Loan.

"New HOP" means the Corporation's New Housing Opportunities Program.

"Outstanding," when used with reference to Bonds, means, as of any date, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Bonds theretofore or thereupon being authenticated and delivered under the General Resolution, except:

(1) any Bond canceled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(2) any Bond (or portion of a Bond) for the payment or redemption of which there have been separately set aside and held in a Redemption Account under the General Resolution, except during a Weekly Rate Period, either:

(a) monies in an amount sufficient to effect payment of the principal or applicable Redemption Price thereof, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(b) Government Obligations, as described in the section of the General Resolution entitled "Defeasance," in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide monies in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(c) any combination of (a) and (b) above;

(3) any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the General Resolution; and

(4) any Bond deemed to have been paid as provided in the General Resolution.

"Permitted Encumbrances" means such liens, encumbrances, reservations, easements, rights of way and other clouds on title as do not impair the use or value of the premises or such other liens, encumbrances, reservations, easements, rights of way and other clouds on title as are specified in a Supplemental Resolution with respect to a Mortgage Loan.

"Pledged Receipts" means, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, (i) the scheduled or other payments required by any Mortgage Loan and paid to or to be paid to the Corporation from any source, including, but not limited to, interest, rent or other subsidy payments, and including both timely and delinquent payments, (ii) accrued interest received at the sale of Bonds and (iii) all income earned or gain realized in excess of losses suffered on any investment or deposit of monies in the Accounts established and maintained pursuant to the General Resolution or a Supplemental Resolution, or monies provided by the Corporation and held in trust for the benefit of the Bond owners pursuant to the General Resolution, but shall not mean or include amounts required to be deposited into the Rebate Fund, Recoveries of Principal, any payments with respect to any Mortgage Loan received prior to the date that Revenues therefrom are pledged under the General Resolution, Escrow Payments, late charges, administrative fees, if any, of the Corporation or any amount retained by the servicer (which may include the Corporation) of any Mortgage Loan, as financing, servicing, extension or settlement fees.[*]

"PLP" means the Participation Loan Program.

"Principal Installment" means, as of any date of calculation, (i) the aggregate principal amount of Outstanding Bonds due on a certain future date, reduced by the aggregate principal amount of such Bonds which would be retired by reason of the payment when due and application in accordance with the General Resolution of Sinking Fund Payments payable before such future date plus (ii) the unsatisfied balance, determined as provided in the General Resolution, of any Sinking Fund Payments due on such certain future date, together with the aggregate amount of the premiums, if any, applicable on such future date upon the redemption of such Bonds by application of such Sinking Fund Payments in a principal amount equal to said unsatisfied balance.

"Principal Office", when used with respect to the Trustee shall mean The Bank of New York Mellon, 101 Barclay Street, Floor 7W, New York, New York 10286, Attention: New York Municipal Finance Unit, and when used with respect to the Tender Agent shall mean the same address as that of the Trustee or the address of any successor Tender Agent appointed in accordance with the terms of the

[*] Each of the 2013/2014 Supplemental Resolutions provides that, with respect to any Acquired Project, Acquired Project Net Operating Income shall constitute Pledged Receipts. Each of the 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans, the 2014 Series C/2013 Series F Mortgage Loan or the 2014 Series D Mortgage Loans, as the case may be, any prepayment premiums or penalties shall not constitute Pledged Receipts. Each of the 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans (other than any 2014 Series C Mortgage Loan insured by FHA Risk-Sharing Insurance), the 2014 Series C/2013 Series F Mortgage Loan or the 2014 Series D Mortgage Loans, as the case may be, amounts obtained under a letter of credit or other credit enhancement securing any such 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 Mortgage Loan, with respect to scheduled principal and/or interest payments required by such Mortgage Loan, including any 2014 Series C Mortgage Loan Mandatory Prepayment, shall constitute Pledged Receipts. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans, the payment in whole or in part of a 2014 Series C Mortgage Loan Mandatory Prepayment on or after the day that is sixty (60) days prior to the maturity date of the 2014 Series C Bonds of the applicable Series and maturity shall constitute Pledged Receipts. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to any 2014 Series C Mortgage Loan or 2014 Series D Mortgage Loan insured by SONYMA Insurance, amounts obtained pursuant to such SONYMA Insurance, with respect to scheduled principal and/or interest payments required by such Mortgage Loan, shall constitute Pledged Receipts. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans or the 2014 Series D Mortgage Loans and any Federal subsidy payments pursuant to Section 8 of the United States Housing Act of 1937, as amended, with respect thereto, only Federal subsidy payments duly and properly paid and actually received by or on behalf of the Corporation or the Trustee pursuant to Section 8 of the United States Housing Act of 1937, as amended, shall constitute Pledged Receipts.

applicable 2013/2014 Supplemental Resolution, and when used with respect to the Remarketing Agent for the 2014 Series C-2 Bonds shall mean Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Bryant Park, 9th Floor, New York, New York 10036, Attention: Municipal Markets Department, and when used with respect to the Remarketing Agent for the 2014 Series C-3 Bonds shall mean RBC Capital Markets, LLC, 3 World Financial Center, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: Manager, Municipal Short Term Sales, Trading and Underwriting, or such other offices designated to the Corporation in writing by the Trustee, the Tender Agent or the applicable Remarketing Agent, as the case may be.

"Project" means any multi-family housing development or other facility financeable by the Corporation under the Act or other applicable law and approved by the Corporation.

"Purchase Price" means an amount equal to one hundred percent (100%) of the principal amount of any Variable Rate Bond, Term Rate Bond or Index Floating Rate Bond, as the case may be, plus, unless the Purchase Price is to be paid on an Interest Payment Date (in which case interest will be paid in the normal manner), accrued and unpaid interest thereon to the date of purchase.

"Rating Agencies" means, collectively, (i) Standard & Poor's Corporation or any successor thereto ("S&P") when the Bonds are rated by S&P and (ii) Moody's Investors Service Inc. or any successor thereto ("Moody's") when the Bonds are rated by Moody's or, if neither S&P nor Moody's is maintaining a rating on the Bonds, then any other nationally recognized rating agency when the Bonds are rated by such agency, pursuant to a request for a rating by the Corporation.

"Rebate Amount" means, with respect to a particular Series of Bonds, the amount, if any, required to be deposited in the Rebate Fund in order to comply with the tax covenants contained in the General Resolution.

"Rebate Fund" means the Rebate Fund established pursuant to the General Resolution.

"Record Date" means, (i) with respect to the Fixed Rate Bonds, the Term Rate Bonds and the Index Floating Rate Bonds, the fifteenth (15th) day next preceding an Interest Payment Date, and (ii) with respect to the Variable Rate Bonds, the Business Day immediately preceding an Interest Payment Date.

"Recoveries of Principal" means, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all amounts received by the Corporation as a recovery of the principal amount disbursed by the Corporation in connection with any Mortgage Loan, including any premium or penalty with respect thereto, on account of (i) the advance payment of amounts to become due pursuant to such Mortgage Loan, at the option of the Mortgagor, (ii) the sale, assignment, endorsement or other disposition thereof, (iii) the acceleration of payments due thereunder or other remedial proceedings taken in the event of the default thereon, (iv) proceeds of any insurance award resulting from the damage or destruction of a Project which are required to be applied to payment of a Mortgage Note pursuant to a Mortgage, (v) proceeds of any condemnation award resulting from the taking by condemnation (or by agreement of interested parties in lieu of condemnation) by any governmental body or by any person, firm, or corporation acting under governmental authority, of title to or any interest in or the temporary use of, a Project or any portion thereof, which proceeds are required to be applied to payment of a Mortgage Note pursuant to a Mortgage or (vi) proceeds of any mortgage insurance or credit enhancement with respect to a Mortgage Loan which is in default.*

* Each of the 2013/2014 Supplemental Resolutions provides that, with respect to any Acquired Project, the proceeds of sale of such Acquired Project shall constitute Recoveries of Principal. Each of the 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans, the 2014 Series C/2013 Series F Mortgage Loan or the 2014 Series D Mortgage Loans, as the case may be, any prepayment

"Redemption Account" means the Redemption Account established pursuant to the General Resolution.

"Redemption Date" means the date or dates upon which Bonds are to be called for redemption pursuant to the General Resolution or the applicable Supplemental Resolution.

"Redemption Price" means, with respect to any Bonds, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof.

"Remarketing Agent" means, with respect to the 2014 Series C-2 Bonds, Merrill Lynch, Pierce, Fenner & Smith Incorporated, and with respect to the 2014 Series C-3 Bonds, RBC Capital Markets, LLC, and the successors and assigns of each appointed in accordance with the applicable 2013/2014 Supplemental Resolution.

"Remarketing Agreement" means, with respect to a Series of the Variable Rate Bonds, the Remarketing Agreement, dated the date of initial issuance of such Series of the Variable Rate Bonds, by and between the Corporation and the applicable Remarketing Agent, as the same may be amended or supplemented from time to time, or any replacement thereof.

"REMIC" means the New York City Residential Mortgage Insurance Corporation, a subsidiary corporation of the Corporation.

"REMIC Insurance" means the partial mortgage insurance for multi-family rental housing Developments issued by REMIC.

"Revenue Account" means the Revenue Account established pursuant to the General Resolution.

"Revenues" means the Pledged Receipts and Recoveries of Principal.

"Series" means any Series of Bonds issued pursuant to the General Resolution.

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premiums or penalties shall not constitute Recoveries of Principal. Each of the 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans (other than any 2014 Series C Mortgage Loan insured by FHA Risk-Sharing Insurance), the 2014 Series C/2013 Series F Mortgage Loan or the 2014 Series D Mortgage Loans, as the case may be, amounts obtained under a letter of credit or other credit enhancement securing any such 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 Mortgage Loan, other than with respect to scheduled principal and/or interest payments required by such Mortgage Loan, shall constitute Recoveries of Principal. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to the 2014 Series C Mortgage Loans, the payment in whole or in part of a 2014 Series C Mortgage Loan Mandatory Prepayment prior to the day that is sixty (60) days prior to the maturity date of the 2014 Series C Bonds of the applicable Series and maturity shall constitute Recoveries of Principal. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to any 2014 Series C Mortgage Loan or 2014 Series D Mortgage Loan insured by SONYMA Insurance, amounts obtained pursuant to such SONYMA Insurance, other than with respect to scheduled principal and/or interest payments required by such Mortgage Loan, shall constitute Recoveries of Principal. The 2014 Series C-1 Supplemental Resolution provides that, with respect to any 2014 Series C Mortgage Loan insured by FHA-Risk Sharing Insurance, (i) the advance payment of principal amounts to become due with respect to such 2014 Series C Mortgage Loan, at the option of the Mortgagor or at the option or direction the Federal Housing Administration, and (ii) proceeds of FHA Risk-Sharing Insurance shall constitute Recoveries of Principal. Each of the applicable 2013/2014 Supplemental Resolutions provides that, with respect to any 2014 Series D Mortgage Loan insured by FHA Insurance and the underlying mortgage loan backing such 2014 Series D Mortgage Loan, any amounts required to be passed through such 2014 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 related 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 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 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 and (vi) proceeds of FHA Insurance with respect to such underlying mortgage loan, shall constitute Recoveries of Principal

"Sinking Fund Payment" means, with respect to a particular Series, as of any particular date of calculation, the amount required to be paid in all events by the Corporation on a single future date for the retirement of Outstanding Bonds which mature after said future date, but does not include any amount payable by the Corporation by reason of the maturity of a Bond or by call for redemption at the election of the Corporation.

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

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

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

"State" means the State of New York.

"Subordinate Bonds" means any Bonds which, pursuant to the Supplemental Resolution authorizing such Bonds, are secured by a subordinate charge and lien on the Revenues and assets pledged under the General Resolution.

"Subordinate Loan/Grant Programs" means the AHPLP, LAMP, ML Repair Loan Program, New HOP, PLP, Article 8-A, Certificate Program, MIRP, GML Article 16, HoDAG, HTF and HAC programs.

"Subsidy Programs" means (a) the Mitchell-Lama program authorized by Article 2 of the New York Private Housing Finance Law and the rules and regulations promulgated thereunder, and the related ML Restructuring Program, (b) the interest reduction subsidies authorized by Section 236 of the National Housing Act of 1934, as amended, (c) the housing assistance payment program authorized by Section 8 of the United States Housing Act of 1937, as amended, (d) various subordinate loan programs of the Corporation such as AHPLP, LAMP, ML Repair Loan Program, and New HOP, (e) various Federal, State and other local subordinate grant or loan programs such as PLP, Article 8-A, the Certificate Program, MIRP, GML Article 16 programs, HoDAG programs and certain programs of HTF, and (f) subsidies through the Housing Assistance Corporation.

"Supplemental Resolution" means any resolution supplemental to or amendatory of the General Resolution, adopted by the Corporation and effective in accordance with the General Resolution.

"Supplemental Security" means (a) mortgage insurance provided by (i) FHA, including FHA Risk-Sharing Insurance, (ii) REMIC and (iii) SONYMA, (b) mortgage-backed securities guaranteed by GNMA, (c) bank letters of credit securing Mortgage Loans and (d) a credit enhancement instrument by Fannie Mae or a credit enhancement agreement by Freddie Mac securing a Mortgage Loan.

"Tender Agent" means The Bank of New York Mellon, a New York banking corporation, and its successors and assigns appointed in accordance with the applicable 2013/2014 Supplemental Resolution.

"Tender Agent Agreement" means, with respect to each Series of the Variable Rate Bonds, the Tender Agent Agreement, dated the date of initial issuance of such Series of the Variable Rate Bonds, by and among the Corporation, the Trustee, the Tender Agent and the applicable Remarketing Agent, as the same may be amended or supplemented from time to time, or any replacement thereof.

"Term Rate" means the rate of interest on the Term Rate Bonds described in "DESCRIPTION OF THE TERM RATE BONDS—General."

"Term Rate Period" means any period of time during which a Series of the Term Rate Bonds bears interest at the Term Rate.

"Trustee" means the trustee designated as Trustee in the General Resolution and its successor or successors and any other person at any time substituted in its place pursuant to the General Resolution.

"2005 Series F Participant Interest" means the Participant Interest in the Participated Assets purchased with the proceeds of the 2005 Series F Bonds (all as defined in the 2005 Series F Participation Agreement).

"2005 Series F Participation Agreement" means the Participation Agreement by and between the Corporation and the City, dated the date of issuance of the 2005 Series F Bonds, as amended.

"2005 Series J Participant Interest" means the Participant Interest in the Participated Assets purchased with the proceeds of the 2005 Series J Bonds (all as defined in the 2005 Series J Participation Agreement).

"2005 Series J Participation Agreement" means the Participation Agreement by and between the Corporation and the City, dated the date of issuance of the 2005 Series J Bonds, as amended.

"2011 Participant Interest" means the Participant Interest in the Participated Assets purchased with the proceeds of the 2011 Series F-1 Bonds and the 2011 Series F-2 Bonds (all as defined in the 2011 Participation Agreement).

"2011 Participation Agreement" means the Participation Agreement by and between the Corporation and the City, dated the date of issuance of the 2011 Series F-1 Bonds and the 2011 Series F-2 Bonds, as amended.

"2014 Series B Mortgage Loan" or "2014 Series B Participant Interest" means, collectively (i) a 100% participation interest of the Corporation in certain permanent mortgage loans for multi-family housing developments (the "2014 Series B Purchased Mortgage Loans"), (ii) a 100% participation interest of the Corporation in a portion of the cash flow derived from the Class B-1 Sheridan Trust II Multifamily Mortgage Pass-Through Certificate, Series 1996M-1 (the "Class B-1 Sheridan Trust II Certificate"), at a pass-through rate of 1.27%, as of January 31, 2014, which certificate evidences a beneficial ownership interest in the Class B Sheridan Trust Multifamily Mortgage Pass-Through Certificate, Series 1995M-1, which certificate, in turn, represents a beneficial ownership interest in certain permanent mortgage loans (the "2014 Series B Trust Mortgage Loans") excluding certain voting rights with respect to the Class B-1 Sheridan Trust II Certificate, (iii) all rights, but not the obligations, of the "owner" of the 2014 Series B Purchased Mortgage Loans under the servicing agreements with respect to the 2014 Series B Purchased Mortgage Loans, and (iv) all rights of the New York City Mortgage Sale Facilitation Trust 2002-2 and the New York City Mortgage Sale Facilitation Trust 2003-1, each a Delaware statutory trust (each a "Facilitation Trust"), under the Purchase and Sale Agreements between the City and each Facilitation Trust, pursuant to which the City assigned the 2014 Series B Purchased Mortgage Loans and the Class B-1 Sheridan Trust II Certificate to the applicable Facilitation Trust.

"2014 Series B Purchased Mortgage Loans" has the meaning ascribed thereto in the definition of the "2014 Series B Mortgage Loan."

“2014 Series B Trust Mortgage Loans” has the meaning ascribed thereto in the definition of the “2014 Series B Mortgage Loan.”

“Voluntary Sale Proceeds” means the proceeds of the sale, assignment, endorsement or other disposition of any Mortgage Loan (including any 2014 Series C Mortgage Loan, the 2014 Series C/2013 Series F Mortgage Loan or any 2014 Series D Mortgage Loan), except 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 Mortgage Loan is in default.

“Weekly Effective Rate Date” means, (i) with respect to any Weekly Rate Term following another Weekly Rate Term, Thursday of any week and (ii) with respect to a Weekly Rate Term that does not follow another Weekly Rate Term, the Interest Method Change Date with respect thereto.

“Weekly Rate” means the rate of interest on the Variable Rate Bonds described in “DESCRIPTION OF THE VARIABLE RATE BONDS—General—Weekly Rate Period”.

“Weekly Rate Period” means any period of time during which a Series of the Variable Rate Bonds bear interest at the Weekly Rate.

“Weekly Rate Term” means, with respect to any particular Variable Rate Bond, the period commencing on a Weekly Effective Rate Date and terminating on the earlier of the last calendar day prior to the Weekly Effective Rate Date of the following Weekly Rate Term, or the last calendar day prior to a Change Date.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL RESOLUTION

Set forth below are abridged or summarized excerpts of certain sections of the General Resolution. In some instances, the General Resolution permits the modification of certain of its provisions by a Supplemental Resolution relating to a specific Series of Bonds. Certain modifications to the General Resolution, which have been made with respect to the 2013/2014 Bonds by the provisions of the 2013/2014 Supplemental Resolutions, have also been summarized below. The excerpts set forth below do not purport to be complete or to cover all sections of the General Resolution. Reference is made to the General Resolution and the Supplemental Resolutions relating to each Series of Bonds, copies of which are on file with the Corporation and the Trustee, for a complete statement of the rights, duties and obligations of the Corporation, the Trustee and the Bond owners thereunder.

Contract With Bond Owners—Security for Bonds—Limited Obligation

In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of the General Resolution shall be deemed to be and shall constitute a contract among the Corporation, the Trustee and the owners from time to time of such Bonds. The pledges and assignments made in the General Resolution and the provisions, covenants and agreements therein set forth to be performed by or on behalf of the Corporation shall be for the benefit, protection and security of the owners of any and all of such Bonds, each of which, regardless of the time of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in the General Resolution or a Supplemental Resolution authorizing a Series of Bonds. The Corporation pledges the Revenues and all amounts held in any Account established under the General Resolution to the payment of the principal or Redemption Price of and interest on the Bonds, subject to provisions permitting the use and application of such amounts for stated purposes, as provided in the General Resolution; provided, however, that notwithstanding anything to the contrary contained in the General Resolution, the Corporation may, pursuant to a Supplemental Resolution authorizing the issuance of a Series of Bonds, also pledge such Revenues and amounts to one or more Credit Facility Providers who have provided Credit Facilities to secure such Series of Bonds and such further pledge may be either on a parity with or subordinate to the pledge set forth in this paragraph to secure the payment of the Bonds, all as set forth in such Supplemental Resolution; and provided further, however, that the Corporation may, pursuant to a Supplemental Resolution, provide that amounts in an Account established pursuant to such Supplemental Resolution be excluded from the pledge set forth in this paragraph to secure the payment of the Bonds or otherwise limit such pledge with respect to such Account. The foregoing pledge does not include amounts on deposit in or required to be deposited in the Rebate Fund. The Bonds shall be special revenue obligations of the Corporation payable solely from the revenues and assets pledged therefor pursuant to the General Resolution.

Provisions for Issuance of Bonds

In order to provide sufficient funds for financing the Corporation Corporate Purposes, Bonds of the Corporation are authorized to be issued without limitation as to amount except as may be provided by law. The Bonds shall be executed by the Corporation for issuance and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Corporation or upon its order, but only upon the receipt by the Trustee of, among other things:

(a) a Bond Counsel's Opinion to the effect that (i) the General Resolution and the Supplemental Resolution have been duly adopted by the Corporation and are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency and other laws affecting creditors' rights and remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)); (ii) the General Resolution and such Supplemental Resolution create the valid pledge and lien which they purport to create of and on the Revenues and all the Accounts established under the General Resolution and such Supplemental Resolution and monies and securities on deposit therein, subject to the use and application thereof for or to the purposes and on the terms and conditions permitted by the General Resolution and such Supplemental Resolution; and (iii) upon the execution, authentication and delivery thereof, such Bonds will have been duly and validly authorized and issued in accordance with the laws of the State, including the Act as amended to the date of such Opinion, and in accordance with the General Resolution and such Supplemental Resolution;

(b) a written order as to the delivery of such Bonds, signed by an Authorized Officer;

(c) the amount of the proceeds of such Bonds to be deposited with the Trustee pursuant to the General Resolution;

(d) a Cash Flow Statement conforming to the requirements of the General Resolution; and

(e) except with respect to the initial Series of Bonds issued under the General Resolution, confirmation of the then existing rating on the Bonds (other than Subordinate Bonds) by each of the Rating Agencies.

Refunding Bonds

Refunding Bonds of the Corporation may be issued under and secured by the General Resolution, subject to the conditions provided in the General Resolution, from time to time, for the purpose of providing funds, with any other available funds, for (i) redeeming (or purchasing in lieu of redemption) prior to their maturity or maturities, or retiring at their maturity or maturities, all or any part of the Outstanding Bonds of any Series, including the payment of any redemption premium thereon (or premium, to the extent permitted by law, included in the purchase price, if purchased in lieu of redemption), (ii) making any required deposits to the Debt Service Reserve Account, (iii) if deemed necessary by the Corporation, paying the interest to accrue on the refunding Bonds or refunded Bonds to the date fixed for their redemption (or purchase) and (iv) paying any expenses in connection with such refunding. Before such Bonds shall be issued, the Corporation shall adopt a Supplemental Resolution authorizing the issuance and sale of such Bonds, fixing the amount and the details thereof, describing the Bonds to be redeemed and setting forth determinations required by the General Resolution.

Except as otherwise provided in the Supplemental Resolution authorizing a Series of refunding Bonds, refunding Bonds shall be on a parity with and shall be entitled to the same benefit and security of the General Resolution as all other Bonds (other than Subordinate Bonds) issued under the General Resolution, provided, however, a Supplemental Resolution may provide for differences in the maturities thereof or the Interest Payment Dates or the rate or rates of interest or the provisions for redemption.

Before any Series of refunding Bonds shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee, among other things, the following:

(a) the documents specified under the heading "Provisions for Issuance of Bonds";

(b) a certificate of an Authorized Officer stating that the proceeds (excluding accrued interest but including any premium) of such refunding Bonds, together with any monies which have been made available to the Trustee for the purpose of paying Debt Service, or the principal of and the interest on the investment of such proceeds or any such monies, will be not less than an amount sufficient to pay the principal of and the redemption premium, if any, on the Bonds to be refunded and the interest which will become due and payable on or prior to the date of their payment or redemption and the expenses in connection with such refunding and to make any required deposits to the Debt Service Reserve Account; and

(c) if all or part of the refunded Bonds are to be redeemed prior to maturity, irrevocable instructions from an Authorized Officer to the Trustee to redeem the applicable Bonds.

The proceeds of such refunding Bonds and the investment income therefrom shall, to the extent practicable, be invested and reinvested by the Trustee, with the approval of the Corporation in Investment Securities, and the monies so invested shall be available for use when required.

Application and Disbursement of Bond Proceeds

Unless otherwise provided in the applicable Supplemental Resolution, the proceeds of sale of a Series of Bonds, shall, as soon as practicable upon the delivery of such Bonds by the Trustee, be applied as follows:

(1) the amount, if any, received at such time as a premium above the aggregate principal amount of such Bonds shall be applied as specified in the Certificate of an Authorized Officer, and such portion of the amount, if any, received as accrued interest shall be deposited in the Revenue Account as shall be directed by an Authorized Officer;

(2) with respect to any Series issued for the purpose of refunding Bonds or any other bonds, notes or other obligations of the Corporation or other entity, the amount, if any, required to pay Costs of Issuance, as designated by an Authorized Officer, shall be deposited in the Bond Proceeds Account;

(3) with respect to any Series issued for the purpose of refunding Bonds or any other bonds, notes or other obligations of the Corporation or other entity, the balance remaining after such deposits have been made as specified in (1) and (2) above shall be applied as specified in the Supplemental Resolution authorizing such Series;

(4) the amount, if any, necessary to cause the amount on deposit in the Debt Service Reserve Account to equal the Debt Service Reserve Account Requirement immediately following the time of such delivery shall be deposited in the Debt Service Reserve Account together with such additional amount, if any, as may be specified in the Supplemental Resolution authorizing such Bonds; and

(5) the balance remaining after such deposits have been made shall be deposited in the Bond Proceeds Account.

Except as otherwise provided in the applicable Supplemental Resolution, amounts in the Bond Proceeds Account shall not be disbursed for financing a Mortgage Loan, including either advances during construction or permanent financing thereof, unless, among other things, (1) the instrument evidencing such Mortgage Loan and the Mortgage and any other document securing such Mortgage Loan shall have been duly executed and delivered and, in the opinion of counsel, who may be counsel to the Mortgagor, constitute valid and binding agreements between the parties thereto enforceable in accordance with their terms, except as such enforcement may be limited by operation of bankruptcy, insolvency or similar laws affecting the rights and remedies of creditors; (2) there shall have been filed with the Trustee, an opinion of counsel, who may be counsel to the Corporation, to the effect that such Mortgage Loan complies with all provisions of the Act or otherwise applicable law and the General Resolution; (3) the Mortgage is the subject of a policy of title insurance, in an amount not less than the amount of the unpaid principal balance of the Mortgage Loan, insuring in favor of the Corporation, a mortgage lien (which need not be a first mortgage lien, if so provided in the applicable Supplemental Resolution), subject only to Permitted Encumbrances, on the real property securing the Mortgage Loan; and (4) the Project is insured against loss by fire and other hazards as required by the Corporation.

Deposits and Investments

Any amounts that are pledged pursuant to the General Resolution and held by the Trustee in any Accounts under or pursuant to the General Resolution may be invested in Investment Securities. In computing the amount in any Account, obligations purchased as an investment of monies therein shall be valued at amortized value or if purchased at par, at par.

Upon receipt of written instructions from an Authorized Officer, the Trustee shall exchange any coin or currency of the United States of America or Investment Securities held by it pursuant to the General Resolution or any Supplemental Resolution for any other coin or currency of the United States of America or Investment Securities of like amount.

Notwithstanding anything to the contrary contained in the General Resolution, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to the General Resolution must, as of the date of such purchase, be rated by each of the Rating Agencies in a category at least equal to the rating category of the Bonds (other than Subordinate Bonds) (or "A-1+" or "P-1," as applicable if the Investment Security has a remaining term at the time it is provided not exceeding one year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds (other than Subordinate Bonds) by any of the Rating Agencies.

Establishment of Accounts

The General Resolution establishes the following special trust accounts to be held and maintained by the Trustee in accordance with the General Resolution:

(1) Bond Proceeds Account;

(2) Revenue Account;

(3) Redemption Account; and

(4) Debt Service Reserve Account.

Bond Proceeds Account

There shall be deposited from time to time in the Bond Proceeds Account any proceeds of the sale of Bonds representing principal or premium or other amounts required to be deposited therein pursuant to the General Resolution and any Supplemental Resolution and any other amounts determined by the Corporation to be deposited therein from time to time. Upon the issuance, sale and delivery of any Series of Bonds pursuant to the General Resolution, the Corporation shall establish on the books of the Corporation a separate sub-account designated "_____ Series _____ Bond Proceeds Sub-Account" (inserting therein the appropriate series and other necessary designation). Upon payment of any amounts from the Bond Proceeds Account, such payments shall be charged to the appropriate Bond Proceeds Sub-Account on the books of the Corporation.

Amounts in the Bond Proceeds Account shall be expended only (i) to finance one or more of the Corporation Corporate Purposes, including but not limited to, the financing of Mortgage Loans, in accordance with the General Resolution, which may include making Mortgage Loans, acquiring Mortgage Loans or refinancing Mortgage Loans; (ii) to pay Costs of Issuance; (iii) to pay principal of and interest on the Bonds when due, in accordance with the General Resolution, to the extent amounts in the Revenue Account are insufficient for such purpose; (iv) to purchase or redeem Bonds in accordance with the General Resolution; (v) to pay, purchase or redeem bonds, notes or other obligations of the Corporation or any other entity in accordance with the General Resolution; and (vi) if so provided in a Supplemental Resolution, to reimburse a Credit Facility Provider for amounts obtained under a Credit Facility for the purposes described in clauses (iii), (iv) or (v) of this paragraph.

At least one day prior to each Interest Payment Date the Corporation shall deliver to the Trustee a Certificate of an Authorized Officer setting forth the amounts necessary and available to pay the principal of and interest on the Bonds from the amount on deposit in the Bond Proceeds Account, after giving effect to the actual and expected application of amounts therein to the financing of the Corporation Corporate Purposes as of the date of such Certificate, the amount on deposit for such use in the Revenue Account, and any other amount available for such use pursuant to a Supplemental Resolution. On each Interest Payment Date the Trustee shall transfer the amounts so stated to the Revenue Account.

If so provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, the Corporation may direct the Trustee in writing to transfer amounts in the Bond Proceeds Account to fund the payment, purchase or redemption of bonds, notes or other obligations, which may include interest thereon, theretofore issued by the Corporation or any other entity upon receipt by the Trustee of a written requisition setting forth (i) the issue of bonds, notes or other obligations with respect to which the transfer is to be made, and (ii) the amount of the transfer.

Revenue Account

The Corporation shall cause all Pledged Receipts to be deposited promptly with the Trustee in the Revenue Account. There shall also be deposited in the Revenue Account any other amounts required to be deposited therein pursuant to the General Resolution and any Supplemental Resolution. Earnings on all Accounts established under the General Resolution not required to be deposited in the Rebate Fund shall be deposited, as realized, in the Revenue Account.

The Trustee shall pay out of the Revenue Account (i) on or before each Interest Payment Date, the amounts required for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds on such date, and (ii) on or before the Redemption Date or date of purchase, the amounts required for the payment of accrued interest on Outstanding Bonds to be redeemed or purchased on such date unless the payment of such accrued interest shall be otherwise provided for, and in each such case, such amounts shall be applied by the Trustee to such payments; provided, however, that if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to make the payments referred to in this paragraph, then amounts in the Revenue Account which would have otherwise been used to make such payments may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

Any amount accumulated in the Revenue Account up to the unsatisfied balance of each Sinking Fund Payment may, and if so directed in writing by the Corporation shall, be applied (together with amounts accumulated in the Revenue Account with respect to interest on the Bonds for which such Sinking Fund Payment was established) by the Trustee prior to the forty-fifth day preceding the due date of such Sinking Fund Payment (i) to the purchase of Bonds of the maturity for which such Sinking Fund Payment was established, at prices (including any brokerage and other charges) not exceeding the Redemption Price plus accrued interest, or (ii) to the redemption of such Bonds, if then redeemable by their terms, at the Redemption Prices referred to above; provided, however, that the purchase of such Bonds may be at prices exceeding that set forth in clause (i) of this paragraph if the Corporation shall have filed with the Trustee a Cash Flow Statement pursuant to the General Resolution, and provided further, however, that if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to make the purchases referred to in this paragraph, then amounts in the Revenue Account which would have otherwise been used to make such purchases may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

Except as otherwise provided in an applicable Supplemental Resolution, upon the purchase or redemption of any Bond for which Sinking Fund Payments have been established from amounts in the Revenue Account, an amount equal to the principal amount of the Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the 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.

As soon as practicable after the forty-fifth day preceding the due date of any such Sinking Fund Payment, the Trustee shall call for redemption on such due date, Bonds of the maturity for which such Sinking Fund Payment was established in such amount as shall be necessary to complete the retirement of a principal amount of Bonds equal to the unsatisfied balance of such Sinking Fund Payment. The Trustee shall so call such Bonds for redemption whether or not it then has monies in the Revenue Account sufficient to pay the applicable Redemption Price thereof on the Redemption Date.

On each Interest Payment Date, the Trustee shall transfer from the Revenue Account (i) first, to the Debt Service Reserve Account, an amount equal to the amount necessary to be transferred to such Account in order that the amount on deposit therein be equal to the Debt Service Reserve Account Requirement (or such lesser amount as may be available), (ii) second, to the Bond Proceeds Account, such amount as the Corporation determines is required to finance Corporation Corporate Purposes, as evidenced by a Certificate of an Authorized Officer, (iii) third, if so directed by the Corporation, to the Trustee, an amount equal to the Trustee's unpaid fees and expenses, (iv) fourth, if so directed by the Corporation, to any Credit Facility Providers, an amount equal to any fees due and owing to such Credit Facility Providers, (v) fifth, to the Corporation, an amount equal to the administrative fee, if any, of the Corporation, to the extent unpaid and (vi) sixth, to the entities providing Investment Securities with respect to the Accounts or any arrangements or agreements with respect thereto, amounts equal to the fees due and payable on or before the next succeeding Interest Payment Date to such entities, as designated in a Certificate of an Authorized Officer. At any time after the transfers described in (i), (ii), (iii), (iv), (v) and (vi) above have been made, except as otherwise provided in a Supplemental Resolution, the

Corporation may, upon the written request of an Authorized Officer and upon filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate pursuant to the General Resolution, withdraw free and clear of the lien of the General Resolution any amount remaining in the Revenue Account.

Notwithstanding any other provision under this heading, the Trustee may at any time make transfers from the Revenue Account, upon the written direction of an Authorized Officer, to the Redemption Account for the purposes of such Account. No such transfer shall be made, however, unless there is on deposit in the Revenue Account after such transfer an amount equal to the Debt Service accrued on all Outstanding Bonds as of the date of such transfer.

Notwithstanding any other provision under this heading, no payments shall be required to be made into the Revenue Account so long as the amount on deposit therein shall be sufficient to pay all Outstanding Bonds (including the Sinking Fund Payments for the retirement thereof) in accordance with their terms, and any Revenues thereafter received by the Corporation may be applied to any corporate purpose of the Corporation free and clear of the pledge and lien of the General Resolution.

Redemption Account

There shall be deposited in the Redemption Account all amounts which are required to be deposited therein pursuant to the General Resolution and any Supplemental Resolution and any other amounts available therefor and determined by the Corporation to be deposited therein. Subject to the provisions of the General Resolution or of any Supplemental Resolution authorizing the issuance of a Series of Bonds, requiring the application thereof to the payment, purchase or redemption of any particular Bonds, the Trustee shall apply any amounts deposited in the Redemption Account to the purchase or redemption of Bonds at the times and in the manner provided in the General Resolution.

Notwithstanding anything to the contrary contained in the General Resolution, if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to purchase or redeem Bonds, then amounts in the Redemption Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

Debt Service Reserve Account

There shall be deposited in the Debt Service Reserve Account all amounts required to be deposited therein pursuant to the General Resolution and any Supplemental Resolution and any other amounts received and determined to be deposited therein by the Corporation.

Amounts on deposit in the Debt Service Reserve Account shall be applied, to the extent other funds are not available therefor pursuant to the General Resolution and the applicable Supplemental Resolution, to pay the Principal Installments of and interest on the Outstanding Bonds when due, whether by call for redemption or otherwise.

Whenever the amount in the Debt Service Reserve Account exceeds the Debt Service Reserve Account Requirement, the amount of such excess, upon the direction of the Corporation, shall be transferred to the Revenue Account.

Monies in the Debt Service Reserve Account may, and at the direction of the Corporation shall, be withdrawn by the Trustee and deposited in the Redemption Account for the purchase or redemption of Bonds at any time, provided that subsequent to such purchase or redemption the amount in the Debt Service Reserve Account will not be less than the Debt Service Reserve Account Requirement.

If on any Interest Payment Date or Redemption Date for the Bonds the amount in the Revenue Account and the Redemption Account, as applicable, shall be less than the amount required for the payment of the Principal Installments and interest due on the Outstanding Bonds on such date, the Trustee shall apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency.

Notwithstanding anything to the contrary contained in the General Resolution, if, pursuant to a Supplemental Resolution, amounts obtained under a Credit Facility are to be used to pay the Principal Installments of and interest on Bonds, then amounts in the Debt Service Reserve Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Resolution.

The applicable 2013/2014 Supplemental Resolutions, with respect to the 2014 Series C-1 Bonds, the 2014 Series D-1 Bonds, the 2014 Series D-2 Bonds and the 2013 Series F-3 Bonds, each provide that, notwithstanding anything to the contrary contained in the General Resolution, the Corporation may, at any time, provide to the Trustee one or more Cash Equivalents for deposit in the Debt Service Reserve Account with respect to such Series of Bonds. In the event any such Cash Equivalents are so provided (other than in connection with the initial issuance of the applicable Series of Bonds, or to replenish the Debt Service Reserve Account) in replacement of funds on deposit in the Debt Service Reserve Account, the Trustee shall make such deposit and transfer funds in an equivalent amount from the Debt Service Reserve Account to the Revenue Account.

Rebate Fund

The General Resolution also establishes the Rebate Fund as a special trust account to be held and maintained by the Trustee. Except as otherwise provided in a Supplemental Resolution with respect to an Account established thereunder which is not pledged to the payment of the Bonds or to any Credit Facility Provider in connection with a Credit Facility securing one or more Series of Bonds, earnings on all Accounts required to be deposited into the Rebate Fund shall be deposited, at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, into the Rebate Fund.

The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee or any Bond owner or any other person other than as set forth in the General Resolution.

The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Officer, shall deposit in the Rebate Fund at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, an amount such that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated as of such time of calculation. The amount deposited in the Rebate Fund pursuant to the previous sentence shall be deposited from amounts withdrawn from the Revenue Account, and to the extent such amounts are not available in the Revenue Account, directly from earnings on the Accounts.

Amounts on deposit in the Rebate Fund shall be invested in the same manner as amounts on deposit in the Accounts, except as otherwise specified by an Authorized Officer to the extent necessary to comply with the tax covenant set forth in the General Resolution, and except that the income or interest earned and gains realized in excess of losses suffered by the Rebate Fund due to the investment thereof shall be deposited in or credited to the Rebate Fund from time to time and reinvested.

In the event that, on any date of calculation of the Rebate Amount, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Officer, shall withdraw such excess amount and deposit it in the Revenue Account.

The Trustee, upon the receipt of written instructions and certification of the Rebate Amount from an Authorized Officer, shall pay to the United States, out of amounts in the Rebate Fund, (i) not less frequently than once each five (5) years after the date of original issuance of each Series for which a Rebate Amount is required, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to 90% of the Rebate Amount with respect to each Series for which a Rebate Amount is required as of the date of such payment, and (ii) notwithstanding the provisions of the General Resolution, not later than sixty (60) days after the date on which all Bonds of a Series for which a Rebate Amount is required have been paid in full, 100% of the Rebate Amount as of the date of payment.

Payment of Bonds

The Corporation covenants that it will duly and punctually pay or cause to be paid, as provided in the General Resolution, the principal or Redemption Price of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof and shall duly and punctually pay or cause to be paid all Sinking Fund Payments, if any, becoming payable with respect to any of the Bonds.

Tax Covenants

The following covenants are made solely for the benefit of the owners of, and shall be applicable solely to, any Bonds as designated in a Supplemental Resolution, to which the Corporation intends that the following covenants shall apply.

The Corporation shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall be excluded from gross income for Federal income tax purposes, except in the event that the owner of any such Bond is a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of the Code.

The Corporation shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Corporation to be used directly or indirectly to acquire any securities or obligations or other investment property, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148(a) of the Code.

Except as otherwise permitted in a Supplemental Resolution authorizing the issuance of a Series of Bonds, the Corporation shall not permit any person or "related person" (as defined in the Code) to purchase Bonds in an amount related to the Mortgage Loan to be acquired by the Corporation from such person or "related person."

Pursuant to the provisions of supplemental resolutions for Bonds the interest on which is included in gross income for Federal income tax purposes, the Corporation has provided that the provisions under this heading do not apply to such Bonds.

Covenants with Respect to the Mortgage Loans

The Corporation pledges for the benefit of the Bond owners all of its right, title and interest in and to the Mortgage Loans, which pledge shall be valid and binding from and after the date of adoption of the General Resolution. Such Mortgage Loans shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Corporation, irrespective of whether such parties have notice thereof. Notwithstanding anything to the contrary contained in the General Resolution, the Corporation may, pursuant to a Supplemental Resolution authorizing a Series of Bonds, (i) also pledge one or more Mortgage Loans for the benefit of one or more Credit Facility Providers who have provided Credit Facilities to secure such Series of Bonds and such further pledge may be either on a parity with or subordinate to the pledge set forth in this paragraph to secure the payment of the Bonds, all as set forth in such Supplemental Resolution or (ii) provide that any or all of the mortgage loans financed by the Series of Bonds authorized pursuant to such Supplemental Resolution be excluded from the pledge set forth in this paragraph to secure the payment of the Bonds or otherwise limit such pledge with respect to such mortgage loans. In addition, notwithstanding the foregoing, any Mortgage Loan pledged under the General Resolution may, at the written direction of the Corporation, be released from such pledge upon the filing with the Trustee of a Cash Flow Statement pursuant to the General Resolution. Upon the happening of an event of default specified under the heading "Events of Default," the written request of the Trustee or the owners of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds (other than Subordinate Bonds), the Corporation shall effectuate the assignment and deliver the Mortgage Loans to the Trustee. If, however, the Trustee and the Bond owners are restored to their positions in accordance with the General Resolution, the Trustee shall assign such Mortgage Loans with respect thereto back to the Corporation.

Notwithstanding the foregoing, pursuant to the Supplemental Resolutions authorizing the issuance of the Corporation's Multi-Family Housing Revenue Bonds, 2014 Series B-1 and 2014 Series B-2 (collectively, the "2014 Series B Bonds"), at such time as the 2014 Series B Bonds are no longer Outstanding or at such earlier time as the Corporation provides a Certificate to the Trustee demonstrating that the 2014 Series B Bonds would have been no longer Outstanding had excess revenues from the mortgage loans underlying the 2014 Series B Mortgage Loan available for the redemption of 2014 Series B Bonds been applied to redeem the 2014 Series B Bonds, the 2014 Series B Mortgage Loan shall be released from the pledge set forth in the foregoing paragraph without the filing of a Cash Flow Statement or a Cash Flow Certificate. Notwithstanding the foregoing, pursuant to the Supplemental Resolutions authorizing the issuance of Outstanding Mitchell-Lama Restructuring Bonds, at such time as no Mitchell-Lama Restructuring Bonds are Outstanding, the 2004 Series E Second Mortgage Loans, the 2005 Series A Second Mortgage Loans, the 2005 Series E Second Mortgage Loan, the 2005 Series F Second Mortgage Loans, the 2005 Series F Participant Interest, the 2005 Series J Second Mortgage Loans, the 2005 Series J Participant Interest, the 2006 Series D Second Mortgage Loans, the 2008 Series C-2/2008 Series J Third Mortgage Loan, the 2008 Series F Second Mortgage Loan, the 2008 Series L Second Mortgage Loan, the 2010 Series G Third Mortgage Loan, the 2011 Participant Interest, the 2011 Series H-2-B/2011 Series H-3-B Second Mortgage Loan and the 2012 Series G/2012 Series I Second Mortgage Loan shall be released from the pledge set forth in the foregoing paragraph without the filing of a Cash Flow Statement or a Cash Flow Certificate.

With respect to any 2014 Series C Mortgage Loan insured by FHA Risk-Sharing Insurance, the 2014 Series C-1 Supplemental Resolution provides that no assignment or reassignment of such 2014 Series C Mortgage Loan pursuant to the second preceding paragraph shall be permitted so long as such FHA Risk-Sharing Insurance is in effect with respect to such 2014 Series C Mortgage Loan. In addition, HUD shall have no obligation to recognize or deal with anyone other than the Corporation in its role as mortgagee of record and as party to a risk sharing agreement with HUD with respect to rights, benefits and obligations of the Corporation under the FHA Risk-Sharing Insurance contract.

In order to pay the Principal Installments of and interest on the Bonds when due, the Corporation shall, except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of

Bonds, from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, any other applicable law, the provisions of the General Resolution and sound banking practices and principles, (i) use and apply the proceeds of the Bonds, to the extent not reasonably or otherwise required for other purposes of the kind permitted by the General Resolution, to finance the Corporation Corporate Purposes pursuant to the Act, any other applicable law and the General Resolution and any applicable Supplemental Resolution, (ii) do all such acts and things as shall be necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Mortgage Loans), (iii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Corporation to protect its rights with respect to or to maintain any insurance on Mortgage Loans or any subsidy payments in connection with the Projects securing the Mortgage Loans or the occupancy thereof and to enforce all terms, covenants and conditions of the Mortgage Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made.

Pursuant to the 2014/2014 Supplemental Resolutions, with respect to the 2014 Series C Mortgage Loans, the 2014 Series C/2014 Series F Mortgage Loan and the 2014 Series D Mortgage Loans (for the purposes of the remainder of this section "Covenants with Respect to the Mortgage Loans", each a "2014 Mortgage Loan" and collectively the "2014 Mortgage Loans"), as the case may be, the following additional provisions shall apply:

(1) The Corporation shall take all steps, actions and proceedings necessary, in the judgment of the Corporation, to protect its rights with respect to the Mortgages securing the 2014 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 2014 Mortgage Loan and to protect and enforce the rights and interests of Bondholders, the Corporation may, in its discretion, commence foreclosure proceedings against the Mortgagor in default under the provisions of such Mortgage and/or, in protection and enforcement of its rights under such Mortgage, the Corporation may, in its discretion, acquire and take possession of the Project covered by such Mortgage by bidding for and purchasing such Project at the foreclosure sale thereof, by deed in lieu of foreclosure or otherwise.

(3) Upon acquisition by the Corporation of a Project securing a 2014 Mortgage Loan by foreclosure, deed in lieu of foreclosure or otherwise, and so long as the Corporation shall have title thereto or be in possession thereof, the Corporation shall, as the case may be, operate and administer such Project in the place and stead of the Mortgagor and in the manner required of such Mortgagor by the terms and provisions of the related Mortgage. The Corporation shall pay the Acquired Project Net Operating Income derived from such Acquired Project to the Trustee for deposit into the Revenue Account.

(4) Notwithstanding the provisions of paragraph (3) above, upon acquisition by the Corporation of a Project securing a 2014 Mortgage Loan, whether by foreclosure, deed in lieu of foreclosure or otherwise:

(a) The Corporation may at any time thereafter sell such Project to another qualified entity and make a Mortgage Loan with respect thereto as if such entity were the original Mortgagor, provided that (i) the Mortgage securing such Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related 2014 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 2014 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 2014 Mortgage Loan, the Corporation may, in its discretion, cause or consent to the sale of a Project securing such 2014 Mortgage Loan to another qualified entity and, in connection with any such sale (a) allow the purchaser to assume the related Mortgage, or (b) make a Mortgage Loan with respect thereto as if such entity were the original Mortgagor, if such sale shall occur after the original Mortgage shall have been discharged, provided, however, that (i) the Mortgage securing such Mortgage Loan shall contain the terms, conditions, provisions and limitations substantially similar to the Mortgage of such Project which had previously secured the related 2014 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 2014 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) Notwithstanding the foregoing provisions described above, from and after the date of issuance of SONYMA Insurance with respect to a 2014 Mortgage Loan insured by SONYMA Insurance, the provisions of (1) - (6) above shall apply only during the period that SONYMA has failed to honor its payment obligations under such SONYMA Insurance.

(8) In addition, and as a further alternative to the rights of the Corporation described above, following a default under a 2014 Mortgage Loan, the Corporation may, in its discretion, obtain amounts under any letter of credit or other credit enhancement securing such 2014 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 2014 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 2014 Mortgage Loan to or upon the order of the provider thereof free and clear of the lien of the General Resolution.

(9) Notwithstanding the foregoing provisions described above, with respect to any 2014 Series C Mortgage Loan insured by FHA Risk-Sharing Insurance, the provisions of (1) - (6) above shall apply only during the period that HUD has failed to honor its payment obligations under such FHA Risk-Sharing Insurance.

With respect to any 2014 Series C Mortgage Loan insured by FHA Risk-Sharing Insurance, the provisions of this paragraph shall apply. Upon receipt of proceeds of FHA Risk-Sharing Insurance, such 2014 Series C Mortgage Loan shall no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the General Resolution. The Corporation shall comply with and shall not take any action in conflict with the regulations or prescribed mortgage documents of the Federal Housing Administration so as to jeopardize the FHA Risk-Sharing Insurance and shall notify the Federal Housing Administration, on a timely basis, of the occurrence of a default on such 2014 Series C Mortgage Loan. The Corporation shall promptly advise the Trustee of the occurrence of a default on such 2014 Series C Mortgage Loan and shall keep the Trustee advised as to any actions taken to cure such default and/or to claim the benefits of FHA Risk-Sharing Insurance. Other than as permitted by HUD, the Corporation shall not seek any extension of the deadline for filing notice of its intention to file a claim for FHA Risk-Sharing Insurance. The Corporation shall take any and all action necessary or desirable to ensure that all benefits of FHA Risk-Sharing Insurance are paid to the Corporation in cash, in accordance with all applicable regulations of the Federal Housing Commissioner.

Issuance of Additional Obligations

The Corporation shall not hereafter create or permit the creation of or issue any obligations or create any indebtedness which will be secured by a superior charge and lien on the Revenues and assets pledged under or pursuant to the General Resolution for the payment of Bonds (other than Subordinate Bonds). In addition, the Corporation shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness (other than additional Bonds and except as expressly permitted by the General Resolution with respect to pledges made for the benefit of Credit Facility Providers) which will be secured by an equal charge and lien on the Revenues and assets pledged under or pursuant to the General Resolution. The Corporation expressly reserves the right (i) to issue one or more Series of Subordinate Bonds pursuant to Supplemental Resolutions and (ii) to issue one or more series of bonds, notes or other obligations pursuant to other resolutions which will be secured by a subordinate charge and lien on the Revenues and assets pledged under the General Resolution.

Sale of Mortgage Loans

The Corporation is authorized to sell, assign or otherwise dispose of a Mortgage Loan, in addition to a sale, assignment or disposition required pursuant to the General Resolution or any applicable Supplemental Resolution, provided the proceeds of such sale, assignment or disposition shall be treated as Recoveries of Principal for purposes of the General Resolution and provided, further, that, with respect to any Mortgage Loan not in default, a Cash Flow Statement is filed with the Trustee.

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 Bond Proceeds Account or the Revenue Account.

Powers of Amendment

Any modification of or amendment to the provisions of the General Resolution and of the rights and obligations of the Corporation and of the owners of the Bonds may be made by a Supplemental Resolution, with the written consent (given as provided in the General Resolution), (i) of the owners of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the owners of at least two-thirds in principal amount of the Bonds so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Payment, of the owners of at least two-thirds in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Payment and Outstanding at the time such consent is given; provided, however, that in addition to the foregoing and notwithstanding anything to the contrary contained in the General Resolution, any modification of or amendment to a Supplemental Resolution authorizing the issuance of a Series of Bonds and of the rights and obligations of the Corporation and of the owners of the Bonds of such Series thereunder, in any particular, may, if no Bonds other than the Bonds of such Series are affected by the modification or amendment, be made by a Supplemental Resolution, but only, in the event such Supplemental Resolution shall require the consent of Bond owners, with the written consent given as provided in the General Resolution, of at least two-thirds in principal amount of the Bonds of such Series Outstanding at the time such consent is given. If any such modification or amendment will not take effect so long as any Bonds of any specified Series and maturity remain Outstanding however, the consent of the owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this paragraph. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

The Corporation may adopt, without the consent of any owners of the Bonds, Supplemental Resolutions to, among other things, provide limitations and restrictions in addition to the limitations and restrictions contained in the General Resolution on the issuance of other evidences of indebtedness; add to the covenants and agreements or limitations and restrictions on, the Corporation's other covenants and agreements or limitations and restrictions which are not contrary to or inconsistent with the General Resolution; surrender any right, power or privilege of the Corporation under the General Resolution, but only if the surrender is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in the General Resolution; confirm any pledge under the General Resolution of the Revenues or of any other revenues or assets; modify any of the provisions of the General Resolution in any respect whatever (but no such modification shall be effective until all Bonds theretofore issued are no longer Outstanding); provide for the issuance of Bonds in coupon form payable to bearer; authorize the issuance of a Series of Bonds and prescribe the terms and conditions thereof; cure any ambiguity or correct any defect or inconsistent provision in the General Resolution (provided that the Trustee shall consent thereto); comply with the Code; pledge under the General Resolution any additional collateral as further security for the Bonds or specific Series of Bonds, including, but not limited to, additional Mortgage Loans or other assets or revenues; appoint a trustee (other than the Trustee) with respect to any Subordinate Bonds; or make any additions, deletions or modifications to the General Resolution which, in the opinion of the Trustee, are not materially adverse to the interests of the Bond owners.

Events of Default

Each of the following events shall constitute an "Event of Default" with respect to the Bonds: (1) payment of the principal or Redemption Price, if any, of or interest on any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise, shall not be made when and as the same shall become due; or (2) the Corporation shall fail or refuse to comply with the provisions of the General Resolution or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained therein or in any applicable Supplemental Resolution or the Bonds, and such failure, refusal or default shall continue for a period of forty-five (45) days after written notice thereof by the Trustee or the owners of not less than 5% in principal amount of the Outstanding Bonds (other than Subordinate Bonds).

Remedies

Upon the happening and continuance of any Event of Default specified in clause (1) of the preceding paragraph, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in clause (2) of the preceding paragraph, the Trustee may proceed and, upon the written request of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), shall proceed, in its own name, subject to the provisions of the General Resolution, to protect and enforce the rights of the Bond owners by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights: (1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bond owners, including the right to require the Corporation to receive and collect Revenues adequate to carry out the covenants and agreements as to the Mortgage Loans and to require the Corporation to carry out any other covenants or agreements with such Bond owners, including the assignment of the Mortgage Loans, and to perform its duties under the Act; (2) by bringing suit upon the Bonds; (3) by action or suit in equity, to require the Corporation to account as if it were the trustee of an express trust for the owners of the Bonds; (4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the Bonds; (5) by declaring all Outstanding Bonds due and payable (provided that with respect to an Event of Default specified in clause (2) of the preceding paragraph, no such declaration shall be made without the consent of the owners of 100% in principal amount of the Outstanding Bonds (other than Subordinate Bonds)), and if all defaults shall be cured, then, with the written consent of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), by annulling such declaration and its consequences; or (6) in the event that all Outstanding Bonds are declared due and payable, by selling Mortgage Loans and any Investment Securities securing such Bonds.

In the enforcement of any rights and remedies under the General Resolution, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Corporation for principal, Redemption Price, interest or otherwise, under any provisions of the General Resolution or a Supplemental Resolution or of the Bonds with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bond owners, and to recover and enforce a judgment or decree against the Corporation for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorneys' fees), and to collect from any monies available for such purpose, in any manner provided by law, the monies adjudged or decreed to be payable.

Anything in the General Resolution to the contrary notwithstanding, the owners of the majority in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee under the General Resolution, provided that such direction shall not be otherwise than in accordance with law or the provisions of the General Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bond owners not parties to such direction.

No owner of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the General Resolution, or for the protection or enforcement of any right under the General Resolution unless such owner shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the owners of not less than 25% in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers in the General Resolution granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses (including legal fees and expenses) and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Nothing contained in the General Resolution shall affect or impair the right of any Bond owner to enforce the payment of the principal of and interest on such owner's Bonds, or the obligation of the Corporation to pay the principal of and interest on each Bond issued under the General Resolution to the owner thereof at the time and place in said Bond expressed.

Unless remedied or cured, the Trustee shall give to the Bond owners notice of each Event of Default under the General Resolution known to the Trustee within ninety (90) days after actual knowledge by the Trustee of the occurrence thereof. However, except in the case of default in the payment of the principal or Redemption Price, if any, of or interest on any of the Bonds, or in the making of any payment required to be made into the Bond Proceeds Account, the Trustee may withhold such notice if it determines that the withholding of such notice is in the interest of the Bond owners.

Priority of Payments After Default

In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of the principal or Redemption Price, if any, of and interest then due on the Bonds affected, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to the Act and the General Resolution, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the owners of such Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under the General Resolution, shall be applied as follows:

(1) Unless the principal of all of such Bonds shall have become or have been declared due and payable:

(a) To the payment to the persons entitled thereto of all installments of interest then due (other than with respect to Subordinate Bonds) in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

(b) To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any such Bonds (other than Subordinate Bonds) which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds (other than Subordinate Bonds) due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference,

(c) To the payment to the persons entitled thereto of all installments of interest then due with respect to Subordinate Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference, and

(d) To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Subordinate Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Subordinate Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all such Bonds shall have become or have been declared due and payable, first to the payment of the principal and interest then due and unpaid upon such Bonds (other than Subordinate Bonds) without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Bond (other than Subordinate Bonds) over any other such Bond (other than Subordinate Bonds), ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds (other than Subordinate Bonds), and second, to the payment of the principal and interest then due and unpaid upon the Subordinate Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Subordinate Bond over any other such Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Subordinate Bonds.

Defeasance

If the Corporation shall pay or cause to be paid to the owners of all Bonds then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the General Resolution, then the pledge of any Revenues and other monies, securities, funds and property pledged by the General Resolution and all other rights granted by the General Resolution shall be discharged and satisfied.

Bonds or interest installments for the payment or redemption of which monies shall have been set aside and shall be held in trust by the Trustee (through deposit by the Corporation of funds for such payment or redemption or otherwise) at the maturity or Redemption Date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the above paragraph. Except as otherwise provided in a Supplemental Resolution authorizing the issuance of a Series of Bonds, all Outstanding Bonds of any Series shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in the above paragraph if: (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in the General Resolution notice of redemption on said date of such Bonds, (ii) there shall have been set aside and shall be held in trust by the Trustee (through deposit by the Corporation of funds for such payment or redemption or otherwise) either (a) monies in an amount which shall be sufficient, or (b) Government Obligations or (c) obligations (1) validly issued by or on behalf of a state or political subdivision thereof, (2) the interest on which is excluded from gross income for Federal income taxation purposes pursuant to Section 103(a) of the Code and (3) fully secured by a first lien on Government Obligations, the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if any, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Corporation shall have given the Trustee in form satisfactory to it irrevocable instructions to give by mail, as soon as practicable, notice to the owners of such Bonds that the deposit required by this subsection has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the General Resolution and stating such maturity or Redemption Date upon which monies are to be available for the payment of the principal or Redemption Price, if any, on said Bonds. To the extent required for the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds, neither monies deposited with the Trustee pursuant to the General Resolution nor principal or interest payments on any such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to the General Resolution shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to the General Resolution, if not then needed for such purpose, shall, to the extent practicable, be reinvested in obligations described in clauses (b) or (c) above maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, of and interest to become due on said Bonds on and prior to such Redemption Date or maturity date thereof, as the case may be, and, if not required for the payment of such Bonds, any monies deposited with the Trustee pursuant to the General Resolution and principal and interest payments on the obligations described in clauses (b) or (c) above shall be paid over to the Corporation, as received by the Trustee, free and clear of any trust, lien or pledge. The Trustee may sell, transfer or otherwise dispose of the obligations described in clauses (b) and (c) above deposited with the Trustee pursuant to the General Resolution; provided that the amounts received upon any such sale, transfer or other disposition, or a portion of such amounts, shall be applied to the purchase of other obligations described in clauses (b) and (c) above, the principal of and the interest on which when due will provide monies which, together with the monies on deposit with the Trustee, shall be sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, in accordance with the General Resolution.

Amounts held by the Trustee for the payment of principal or Redemption Price of, or interest on, Bonds held by particular Bond owners with respect to which no claim for payment has been made shall be disposed of as provided by applicable law, or if there shall be no such applicable law, shall be returned to the Corporation three years after the date on which payment of such amounts would have been due.

APPENDIX C

AUDITED FINANCIAL STATEMENTS OF THE CORPORATION FOR FISCAL YEAR ENDED OCTOBER 31, 2013 INCLUDING AS SCHEDULE 2 SUPPLEMENTAL INFORMATION RELATED TO THE HOUSING REVENUE BOND PROGRAM

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Combined Financial Statements

and Other Information

New York City Housing

Development Corporation

October 31, 2013

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

New York City Housing Development Corporation

Combined Financial Statements and Additional Information

Year Ended October 31, 2013

Table of Contents

Building a better
working world

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Report of Independent Auditors

Management and the Members of the
New York City Housing Development Corporation

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the New York City Housing Development Corporation (the "Corporation"), a component unit of the City of New York, as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the Corporation as of October 31, 2013 and the respective changes in financial position and cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Corporation's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 25, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended October 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

U.S. generally accepted accounting principles require that management's discussion and analysis and the schedule of funding progress on pages 4 to 10 and 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's basic financial statements. The supplementary information included in Schedule 2 on pages 70 to 72 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information included in Schedule 2 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplementary information included in Schedule 2 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ernst + Young LLP

January 27, 2014

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Management's Discussion and Analysis
Year Ended October 31, 2013

INTRODUCTION

The New York City Housing Development Corporation ("HDC" or the "Corporation") is a State public benefit corporation that finances affordable housing in New York City. HDC issues tax-exempt and taxable debt and uses the proceeds along with other monies of the Corporation to make loans to finance new residential construction and the rehabilitation of existing multi-family housing. HDC, which is financially self-supporting, also lends its own internally-generated funds for these purposes. All of these activities are reported in the financial statements under the heading "Housing Development Corporation."

HDC currently has two active subsidiaries that are discretely presented as component units in the financial statements. The New York City Residential Mortgage Insurance Corporation ("REMIC") insures residential mortgages in New York City. The New York City Housing Assistance Corporation ("HAC") made mortgage loans for affordable housing in the 1980s. Presently, it provides rental subsidy assistance to a small number of residential developments.

The Corporation's annual financial report consists of three parts: *management's discussion and analysis* (this section), the basic *financial statements (statements of net position)*, and *required supplementary information* which includes the schedule of funding progress and follows directly after the notes to the financial statements.

This section of the Corporation's annual financial report presents our discussion and analysis of the Corporation's financial performance during the fiscal year that ended on October 31, 2013. This period is also referred to as Fiscal Year 2013. Data is presented for the primary governmental entity HDC only. Reported amounts have been rounded to facilitate reading.

FINANCIAL HIGHLIGHTS

- In spite of the current economic conditions, significant growth in assets and liabilities has continued from last fiscal year due to ongoing financing activities.
- Twenty-nine bond series sold, totaling $1.78 billion, to create and preserve affordable housing. Of the total issued, $1.49 billion was new money and $291.0 million was refinancing of previously issued debt.
- Total assets of $12.97 billion increased by $733.4 million or 5.99% from 2012 as a result of borrowing activities noted above and related mortgages.
- Total liabilities of $11.32 billion increased by $659.6 million or 6.19% from 2012 as a result of the bonds issued noted above.
- Total net position of $1.66 billion increased by $83.0 million or 5.25% from 2012 due to normal operating activities and non-operating revenue of grant income.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Corporation is a self-supporting entity and follows enterprise fund reporting. An enterprise fund reports activity that is financed with debt that is secured solely by a pledge of the net revenue from that activity as well as activity that is not supported by taxes or similar revenues. HDC's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting matches revenues and expenses to the time period in which they are earned or attributable, respectively, which may differ from the period in which the associated cash is received or expended.

Enterprise fund statements offer short-term and long-term financial information about the Corporation's activities. While detailed sub-fund information is not presented in the Corporation's financial statements, separate accounts are maintained for each bond issue and component unit, as well as the Corporation's general operating fund, known as the Corporate Services Fund. These sub-funds permit HDC to control and manage money for particular purposes and to demonstrate that the Corporation is properly using specific resources. In addition, HDC also services construction and permanent loans on behalf of New York City's Department of Housing Preservation and Development ("HPD").

HDC's Assets, Deferred Outflows and Liabilities

The statement of net position presents the Corporation's assets, deferred outflows, liabilities, and net position as of October 31, 2013. The following table represents the changes in the primary entity, HDC's, net position between October 31, 2012 and 2013 and should be read in conjunction with the financial statements. (Dollar amounts are in thousands):

	2013	2012	Change	Percent Change
Assets				
Cash and Investments	$2,912,333	$2,418,087	$494,246	20.44%
Mortgage Loans	8,770,284	8,516,076	254,208	2.99
Other	1,288,910	1,303,978	(15,068)	(1.16)
Total Assets	$12,971,527	$12,238,141	$733,386	5.99%
Deferred Outflows	$10,825	$1,586	$9,239	582.53%
Liabilities				
Bonds Payable (net)	$9,506,374	$8,805,325	$701,049	7.96%
Payable to New York City	1,047,053	991,226	55,827	5.63
Other	763,787	861,079	(97,292)	(11.30)
Total Liabilities	$11,317,214	$10,657,630	$659,584	6.19%
Net Position				
Restricted for bond obligations	$1,015,914	$835,816	$180,098	21.55%
Unrestricted	649,224	746,281	(97,057)	(13.01)
Total Net Position	$1,665,138	$1,582,097	$83,041	5.25%

Assets of the Corporation consist largely of the following: mortgage loans; cash and investments from bond proceeds, debt service and other reserves; funds designated for various housing programs; and other assets, which include participation interests in cash flows from pools of mortgage loans, housing-related notes receivable and purpose investments, and working capital. Total assets grew 5.99% or $733.4 million from 2012 due to the Corporation's ongoing debt issuances and lending activities. In the prior fiscal year, total assets increased $561.4 million or 4.81%.

As noted above, the growth in total assets in 2013 was due primarily to the Corporation's ongoing debt issuance and lending activities. When HDC sells bonds, the bond proceeds are an investment asset until converted to a loan asset once disbursed. The asset value is generally offset by the related bond liability.

Deferred outflows consist primarily of the deferred loss incurred on the early retirement of debt. During FY 2013 the Corporation defeased $202 million of the New York City Housing Authority ("NYCHA") 2005 Series A bonds. The Corporation funded part of the defeasance escrow requirement by issuing the 2013 Series A bonds for NYCHA. The defeasance of the debt related to the 2005 Series A bonds incurred a loss in the amount of $8.9 million. (See Note 9: "Deferred Outflow of Resources").

Liabilities of the Corporation can be grouped into three main categories. The largest is HDC bonds outstanding, which totaled almost $9.51 billion at October 31, 2013. The second largest category is "Payable to New York City" (the "City"). This includes construction loan funds administered on behalf of HPD and other assets which will ultimately revert to the City pursuant to various loan participation and other agreements. These include loan assets which are currently held by HDC and pledged to pay HDC bonds, but transfer to the City when the related bonds are retired. The last category, "Other", includes payable to mortgagors, accounts and other payables, and unearned revenue received in advance. Payable to mortgagors are funds held and administered by HDC but are the property of others, such as escrows held by HDC in the course of its loan servicing functions. Accounts and other payables mainly consist of funds held by HDC in escrow to retire certain bonds, and payables to other entities as part of a participation loan agreement for short-term loan funding. Unearned revenue is where HDC receives certain prepaid fee income as cash, which will be earned over the appropriate time period. This unearned revenue is shown as a liability.

Total liabilities of the Corporation were $11.32 billion at October 31, 2013. Liabilities grew 6.19% or $659.6 million from the prior year, principally as a result of HDC issuing 29 new bond series during Fiscal Year 2013, net of bond redemptions and retirements. There was a net increase in the Payable to the City as a whole. Three separate transactions primarily impacted this payable during the year. First, the aforementioned origination or purchase of a participation interest with the City in Mitchell Lama subordinate loans, interest and restructured City loans caused a net increase of $80.1 million in the Payable to the City. Second, there was a decrease of $5.1 million in the participation loan program with HPD due to the receipt of non-operating revenues and bond credit facility fees. Lastly, there was a decrease of $19.0 million in the administration of construction and permanent loans on behalf of the City (HPD). "Other" liabilities primarily include accounts and other payables, payable to mortgagors, and unearned revenue. Accounts and others payable decreased by a net of $129.1 million in fiscal year 2013 mainly due to the expiration of a construction loan participating agreement between the Corporation and other entities, and also due to the utilization of funds held in escrow to retire certain bonds. Payable to mortgagors and others increased by a net of $5.1 million mainly due to funds held in escrows by HDC for its loan servicing function and other payables. Unearned revenue increased by a net of $26.8 million due to construction financing fees, bond financing fees, prepaid debt service and a fee paid for a guaranty agreement described in the footnotes. (See Note 17: "Financial Guaranties").

Net position of the Corporation is the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources, and totaled $1.66 billion for the Corporation as of October 31, 2013. This represents an increase of $83 million or 5.25% over the prior year. In 2012, total net position increased $131.5 million or 9.1%. The growth in the Corporation's net position of $83 million in 2013 includes $37.6 million from normal operating activities and $45.4 million from non-operating revenues. A further discussion of this increase of revenues in excess of expenses is described below.

Net position is classified as restricted or unrestricted assets, with restricted assets being committed by law or contract to specific purposes. HDC's most significant restricted assets include debt service reserves for HDC bond issues and undisbursed bond proceeds held prior to construction advances. Unrestricted assets may be classified as designated or undesignated. Designated assets are those allocated by action or policy for specific purposes determined by HDC's Members, such as rating agency reserves (to support the Corporation's general obligation rating), specific housing loan programs to which the Corporation has committed resources under the Mayor's New Housing Marketplace Program, and working capital. Virtually all of the Corporation's net position is either restricted or designated.

HDC's Revenues and Expenses

The Statement of Revenues, Expenses and Changes in Net Position presents revenues recognized in and expenses attributed to the fiscal year ended October 31, 2013. The table below summarizes the primary entity, HDC's, revenues and expenses and presents comparative data. It should be read in conjunction with the financial statements. (Dollar amounts are in thousands):

	2013	2012	Change	Percent Change
Revenues				
Interest on Loans and Participation Interests	$214,822	$206,059	$8,763	4.25%
Investment Earnings	27,359	24,627	2,732	11.09
Fees and Charges	48,674	54,947	(6,273)	(11.42)
Other Revenues	4,596	2,880	1,716	59.58
Total Revenues	$295,451	$288,513	$6,938	2.40%
Expenses				
Bond Interest	$166,871	$159,196	$7,675	4.82%
Operating Expenses	50,885	43,855	7,030	16.03
Other (Revenues) Expenses	(5,346)	(45,995)	40,649	88.37
Total Expenses	$212,410	$157,056	$55,354	35.24%
Change in Net Position	$83,041	$131,457	$(48,416)	(36.83)%
Net Position, Beginning of year	1,582,097	1,450,640	131,457	9.06
Net Position, End of Year	$1,665,138	$1,582,097	$83,041	5.25%

Revenues of the Corporation are classified as operating and non-operating. Interest income from mortgage and other loan-related interest represents the Corporation's major source of operating revenue, which also includes various loan and bond program fees such as commitment, financing, and mortgage insurance and servicing fees. The Corporation's non-operating revenues consist mostly of earnings on investments including purpose investments and revenues from grant income. Investment income accrues to the benefit of the program for which the underlying sources of funds are utilized. Also reported separately as part of non-operating revenues (expenses) is the amount of unrealized appreciation or (depreciation) on investments reported by the Corporation during the year.

HDC's expenses are also classified as operating and non-operating. Operating expenses consist primarily of interest on bonds, which accounted for 76.63% of operating expenses in Fiscal Year 2013. Other operating expenses include corporate operating expenses (salaries, overhead, and depreciation) and fees. Non-operating expenses are relatively minor and consist largely of amortization of the capitalized value of a purchased cash flow.

HDC's change in net position for Fiscal Year 2013 was positively or negatively affected as described below:

- Interest on loans increased by $10.1 million or 4.97%. The increase in mortgage interest earned was mainly due to the continued increase in the mortgage loan portfolio from the prior year. Income on Participation Interest decreased by $1.4 million in total because there were no prepayments of loans in Mitchell-Lama programs during the year. In 2012, interest on loans increased by $18.5 million or 10.0% from the previous year.
- Earnings on investments increased by $2.7 million or 11.09%. In 2012, earnings on investments decreased by $4.1 million or 14.4% from the previous year.
- As required by Governmental Accounting Standards Board Statement ("GASB") No. 31, the Corporation annually records a fair value adjustment relating to its investment portfolio. This adjustment records any appreciation or (depreciation) in the value of the portfolio at October 31. This year the fair value adjustment resulted in net unrealized depreciation of $29.9 million due mainly to a sharp drop in price of some long term investment securities. This valuation adjustment had a significant impact on the Corporation's reported net income for the fiscal year. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long term securities that carry a higher yield, with the intent to hold the investment to maturity. As a result the unrealized depreciation is only reported as an accounting loss, and holding the securities to maturity decreases the likelihood of the loss becoming realized. In 2012, the unrealized appreciation was $1.9 million from the fair market value of the investment portfolio.
- Fees and charges decreased by a net of $6.3 million or 11.42%. This was mainly due to a $7.4 million decrease in negative arbitrage fees earned. HDC's consent fees collection decreased by $2.1 million. This fee was passed through to the City as a non-operating expense relating to a participation loan interest previously purchased by the Corporation in FY 2012. There was an increase of $1.7 million in loan satisfaction fees due to prepayment of certain loans. There was an increase

in low income housing tax credit and monitoring fees by $1.3 million. Net commitment fees increased by $0.8 million due to an increase in loan financing activities and a net decrease of $0.6 million in servicing and other fees including credit fees for preservation loans enhanced by the Corporation, top-loss guaranty fees and HDC guaranty fees. In 2012, fees and charges increased by $13.1 million or 31.4% mainly due to the implementation of the GASB 65 pronouncement in 2012.

- Interest expense increased from $159.2 million in 2012 to $166.9 million in 2013 or 4.82%. This was mainly due to bond issuance activities during the year. In 2012, interest expense increased by $10.4 million or 7.0% from the previous year.
- Other operating expenses increased by $7.0 million or 16.03%. Of this increased amount, $3.3 million relates mainly to bond related operating charges, and $1.8 million is related to credit enhancement fees and mortgage insurance premiums on such mortgages. There was also an increase of $1.1 million in salary related expenses and an increase of $0.8 million in other operating costs. In 2012, other operating expenses increased by $7.5 million or 20.5% from the previous year.
- Non-operating revenues (expenses) increased by a net of $40.6 million in expenses. This increase reflects the investment fair value depreciation of $29.9 million, as well as a $0.7 million change in the accrual for the section 421-a loan fund from a grant of proceeds from the New York State Battery Park City Authority ("BPCA") in FY 2013, which is $45.4 million compared to $46.1 million in FY 2012. Additionally, the Corporation made a capital transfer of $10 million to REMIC to increase the capital base of REMIC.
- As a result of the factors noted above, the Corporation's growth in net position resulting from revenues in excess of expenses amounted to $83 million, a decrease of $48.5 million from the $131.5 million excess in 2012.

DEBT ADMINISTRATION

At year-end, the Corporation had approximately $9.5 billion of bond principal outstanding, net of discount and premium, an increase of 7.96% over the prior year. The following table summarizes the changes in bonds payable between October 31, 2012 and October 31, 2013. (Dollar amounts are in thousands):

	2013	2012	Percentage Increase FY 2012 to 2013
Bonds Payable	$9,506,374	$8,805,325	7.96%

In Fiscal Year 2013, all "VRDO" bond series were successfully remarketed, and there were no bonds that were tendered and became Bank Bonds.

NEW BUSINESS

During Fiscal Year 2013, the Corporation issued 29 new taxable and tax-exempt bond series totaling $1.78 billion. Included in this total were 18 series of Housing Revenue Bond Program bonds totaling $833 million, seven series of Multi-Family Mortgage Revenue Bonds for $243 million, three series of Capital Fund Grant Program Revenue Bonds for $656 million, and one series of Multi-Family Secured Mortgage Revenue Bonds for $45 million. All of these funds are being used to provide mortgage and loan financing. In further support of its affordable housing mission, the Corporation also made low interest loans from its net position. Subsequent to October 31, 2013, HDC issued eight additional bond series totaling $403.7 million in December 2013. (See Note 20: "Subsequent Events".)

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the resources at its disposal. If you have questions about this report or need additional financial information, contact the Public Information Officer, New York City Housing Development Corporation, 110 William Street, New York, NY 10038. The Corporation also maintains information at www.nychdc.com.

New York City Housing Development Corporation
Statements of Net Position

At October 31, 2013 (with comparative summarized financial information as of October 31, 2012) (in thousands)

	Discretely Presented Component Units: New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	Total 2013	Total 2012
Assets					
Current Assets:					
Cash and cash equivalents (note 3)	$ 701,635	$ -	$ -	$ 701,635	$ 604,649
Investments (note 3)	107,841	-	-	107,841	208,850
Receivables:					
Mortgage loans (note 4)	125,208	169	-	125,377	99,523
Accrued interest	23,776	22	-	23,798	27,785
Notes (note 5)	16,450	-	-	16,450	12,330
Other (note 7)	57,114	-	-	57,114	64,541
Total Receivables	222,548	191	-	222,739	204,179
Other assets	13	-	-	13	46
Total Current Assets	**1,032,037**	**191**	**-**	**1,032,228**	**1,017,724**
Noncurrent Assets:					
Restricted cash and cash equivalents (note 3)	1,031,522	3,142	2,658	1,037,322	694,969
Restricted investments (note 3)	1,071,335	6,537	85,659	1,163,531	1,004,420
Purpose investments (note 2C)	149,365	-	-	149,365	154,044
Mortgage loans (note 4)	391,643	-	-	391,643	485,644
Restricted receivables:					
Mortgage loans (note 4)	8,253,433	29,663	-	8,283,096	7,960,908
Loan participation receivable - The City of NY (note 6)	761,982	-	-	761,982	764,068
Accrued interest	2,200	2,525	-	4,725	3,496
Notes (note 5)	254,013	-	-	254,013	266,338
Other (note 7)	10,325	-	8	10,333	266
Total restricted receivables	9,281,953	32,188	8	9,314,149	8,995,076
Primary government/component unit receivable (payable)	2,567	(2,548)	(19)	-	-
Capital assets	1,336	-	-	1,336	1,647
Other assets (note 8)	9,769	-	-	9,769	10,010
Total Noncurrent Assets	**11,939,490**	**39,319**	**88,306**	**12,067,115**	**11,345,810**
Total Assets	**$ 12,971,527**	**$ 39,510**	**$ 88,306**	**$ 13,099,343**	**$ 12,363,534**
Deferred Outflows of Resources					
Interest rate cap (note 9)	1,944	-	-	1,944	1,586
Deferred loss on early retirement of debt (note 9)	8,881	-	-	8,881	-
Total Deferred Outflows of Resources	**$ 10,825**	**$ -**	**$ -**	**$ 10,825**	**$ 1,586**

See accompanying notes to the basic financial statements.

New York City Housing Development Statements of Net Position (continued)

At October 31, 2013 (with comparative summarized financial information as of October 31, 2012) (in thousands)

Liabilities and Net Position

	Discretely Presented Component Units				
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	Total 2013	Total 2012
Current Liabilities:					
Bonds payable (net) (note 10)	$ 344,830	$ -	$ -	$ 344,830	$ 392,369
Accrued interest payable	73,295	-	-	73,295	71,220
Payable to mortgagors	119,090	-	-	119,090	103,218
Restricted earnings on investments	12,851	40	-	12,891	9,773
Accounts and other payables	98,841	-	-	98,841	230,909
Total Current Liabilities	**648,907**	**40**	**-**	**648,947**	**807,489**
Noncurrent Liabilities:					
Bonds payable (net) (note 10)	9,161,544	-	-	9,161,544	8,412,956
Payable to The City of New York:					
Loan participation agreement (note 12)	761,982	-	-	761,982	764,068
Other	285,071	38,725	-	323,796	269,970
Payable to mortgagors	389,469	503	-	389,972	400,766
OPEB liability (note 14)	5,539	-	-	5,539	7,792
Unearned revenues, amounts received in advance and other	64,696	-	-	64,696	37,928
Due to the United States Government (note 15)	6	-	-	6	16
Total Noncurrent Liabilities	**10,668,307**	**39,228**	**-**	**10,707,535**	**9,893,496**
Total Liabilities	**11,317,214**	**39,268**	**-**	**11,356,482**	**10,700,985**
Net Position:					
Restricted for bond obligations (note 19)	1,015,914	242	-	1,016,156	836,248
Restricted for insurance requirement and others	-	-	49,621	49,621	49,038
Unrestricted (note 19)	649,224	-	38,685	687,909	778,849
Total Net Position	**1,665,138**	**242**	**88,306**	**1,753,686**	**1,664,135**
Total Liabilities and Net Position	**$ 12,982,352**	**$ 39,510**	**$ 88,306**	**$ 13,110,168**	**$ 12,365,120**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation Statements of Revenues, Expenses and Changes in Net Position

Year ended October 31, 2013 (with comparative summarized financial information for the year ended October 31, 2012) (in thousands)

	New York City Housing Development Corporation	New York City Housing Assistance Corporation (Discretely Presented Component Units)	New York City Residential Mortgage Insurance Corporation (Discretely Presented Component Units)	Total 2013	Total 2012
Operating Revenues					
Interest on loans (note 4)	$ 213,927	$ -	$ -	$ 213,927	$ 203,793
Fees and charges (note 7)	48,674	-	2,203	50,877	56,746
Income on loan participation interests (note 6)	895	-	-	895	2,266
Other	4,129	-	-	4,129	2,433
Total Operating Revenues	**267,625**	**-**	**2,203**	**269,828**	**265,238**
Operating Expenses					
Interest and amortization of bond premium and discount (note 10)	166,871	-	-	166,871	159,196
Salaries and related expenses (note 13)	22,660	-	-	22,660	21,604
Trustees' and other fees	9,260	-	-	9,260	7,443
Bond issuance costs	12,787	-	-	12,787	9,462
Corporate operating expenses (note 11)	6,178	-	-	6,178	5,346
Total Operating Expenses	**217,756**	**-**	**-**	**217,756**	**203,051**
Operating Income	**49,869**	**-**	**2,203**	**52,072**	**62,187**
Non-operating Revenues (Expenses)					
Earnings on investments (note 3)	27,359	-	2,699	30,058	27,246
Unrealized gains (losses) on investments	(28,030)	(190)	(7,735)	(35,955)	2,135
Loss on early retirement of debt, net	(126)	-	-	(126)	-
Other non-operating revenues, net (note 7)	43,502	-	-	43,502	44,136
Payments to REMIC Subsidiary from HDC (note 1)	(10,000)	-	10,000	-	-
Payments from REMIC Subsidiary to HDC	467	-	(467)	-	-
Total Non-operating Revenues, net	**33,172**	**(190)**	**4,497**	**37,479**	**73,517**
Change in Net Position	**83,041**	**(190)**	**6,700**	**89,551**	**135,704**
Total net position - beginning of year	1,582,097	432	81,606	1,664,135	1,528,431
Total Net Position - End of Year	**$ 1,665,138**	**$ 242**	**$ 88,306**	**$ 1,753,686**	**$ 1,664,135**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statements of Cash Flows

Years ended October 31, 2013 and 2012 (in thousands)

	2013	2012
Cash Flows From Operating Activities		
Mortgage loan repayments	$ 770,294	$ 838,857
Note repayments	227,929	25,933
Receipts from fees and charges	62,087	19,417
Mortgage escrow receipts	144,541	128,620
Reserve for replacement receipts	31,865	44,932
Mortgage loan advances	(854,955)	(1,104,437)
Note advances	(222,956)	-
Escrow disbursements	(109,012)	(93,127)
Reserve for replacement disbursements	(41,964)	(37,820)
Payments to employees	(20,772)	(19,767)
Payments to suppliers for corporate operating expenses	(5,541)	(5,249)
Project contributions and funds received from NYC	75,157	112,391
Advances and other payments for NYC	(82,373)	(84,677)
Bond cost of issuance	(12,787)	(367)
Other receipts	306,045	363,619
Other payments	(360,612)	(335,273)
Net Cash (Used in) Operating Activities	**(93,054)**	**(146,948)**
Cash Flows From Non Capital Financing Activities		
Proceeds from sale of bonds	1,821,895	1,228,486
Retirement of bonds	(1,107,179)	(916,191)
Interest paid	(166,326)	(156,574)
Grant proceeds from BPCA	46,143	37,015
Payments to component units	(2,182)	1,250
Net Cash Provided by Non Capital Financing Activities	**592,351**	**193,986**
Cash Flows From Capital and Related Financing Activities		
Purchase of capital assets	(387)	(642)
Net Cash (Used in) Capital and Related Financing Activities	**(387)**	**(642)**
Cash Flows From Investing Activities		
Sale of investments	13,137,823	13,820,041
Purchase of investments	(13,220,992)	(13,877,049)
Interest and dividends collected	25,153	23,881
Net Cash (Used in) Investing Activities	**(58,016)**	**(33,127)**
Increase in cash and cash equivalents	440,894	13,269
Cash and cash equivalents at beginning of year	1,292,263	1,278,994
Cash and Cash Equivalents at End of Year	**$ 1,733,157**	**$ 1,292,263**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statements of Cash Flows (continued)

Years ended October 31, 2013 and 2012 (in thousands)

		2013		2012
Reconciliation of Operating Income to Net Cash Used in Operating Activities:				
Operating Income	**$**	**49,869**	**$**	**60,385**
Adjustments to reconcile operating income to net cash used in operating activities:				
Depreciation expenses		698		316
Amortization of bond discount and premium		(1,469)		(3,674)
Amortization of deferred loss on early retirement of debt		77		-
Net cash provided by non-operating activities		166,326		156,574
Changes in Assets and Liabilities:				
Mortgage loans		(249,048)		(450,217)
Accrued interest receivable		1,084		562
Notes receivables		827		11,730
Other receivables		7,038		58,997
Primary government/component unit receivable (payable)		2,049		(106,763)
Other assets		(9,283)		988
Payable to The City of New York		48,806		178,046
Payable to mortgagors		5,342		32,356
Accounts and other payables		(145,639)		(106,781)
Due to the United States Government		(5)		4
Restricted earnings on investments		1,224		(1,209)
Unearned revenues, amounts received in advance and other liabilities		26,939		16,625
Accrued interest payable		2,111		5,113
Net Cash Used in Operating Activities	**$**	**(93,054)**	**$**	**(146,948)**
Non Cash Investing Activities:				
(Decrease) increase in fair value of investments	$	(28,030)	$	1,859

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Notes to the Financial Statements
October 31, 2013

Note 1: Organization

The New York City Housing Development Corporation (the "Corporation" or "HDC") 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 is also a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the "Code"). The Corporation was established in 1971 under the provisions of Article XII of the Private Housing Finance Law (the "Act") of the State and is to continue in existence for at least as long as bonds, notes or other obligations of the Corporation are outstanding.

The Corporation was created to encourage the investment of private capital through low-interest mortgage loans in order to increase the supply of safe and sanitary dwelling accommodations for families and persons whose need for housing accommodations cannot be provided by unassisted private enterprise. To accomplish its objectives, the Corporation is empowered to finance housing through new construction or rehabilitation and to provide permanent financing for multi-family residential housing. The Corporation finances significant amounts of its activities through the issuance of bonds and notes. The bonds and notes of the Corporation are not debts of either the State or The City of New York (the "City").

Pursuant to Governmental Accounting Standards Board Statement ("GASB") No. 14, "The Financial Reporting Entity," the Corporation's financial statements are included in the City's financial statements as a component unit for financial reporting purposes.

Primary Government Entity

For the purpose of these financial statements, the Corporation is the primary government entity. Financial activity in HDC's bond and loan programs and in its Corporate Services Fund are aggregated and reported in the financial statements under Housing Development Corporation. The Corporation sells bonds, administers bond proceeds and manages bond revenues and repayments in accordance with bond resolutions adopted by its Board Members (See Note 10: "Bonds Payable"). Bond proceeds are used to make loans and provide for related costs and reserves, and loan repayments are applied to pay principal and interest on the related bonds (See Note 4: "Mortgage Loans"; Note 5: "Notes Receivable"; and Note 6: "Loan Participation Receivable for The City of New York"). Corporation resources that are not pledged under or governed by a bond resolution are managed in the Corporate Services Fund. This fund accounts for (1) fees and earnings transferred from the bond and loan programs; (2) fees earned on loans serviced for HDC and for the City; (3) income from Corporate Services Fund investments; (4) grant revenues; (5) payments of the Corporation's operating expenses; (6) loan assets made with corporate funds; and (7) tax credit monitoring fees.

The Corporation currently has two active subsidiaries that are reported as Discretely Presented Component Units in the financial statements and two inactive subsidiaries.

The New York City Housing Assistance Corporation ("HAC") and the New York City Residential Mortgage Insurance Corporation ("REMIC") represent active subsidiaries and together with the Housing New York Corporation ("HNYC") and the Real Estate Owned Corporation comprise the reporting entity. HAC and REMIC have been included in the Corporation's financial statements as discretely presented component units of HDC. All of these entities have been reported as component units because HDC's Members comprise all or a controlling majority of the Board for each entity and HDC's staff provides all services for each entity.

Discretely Presented Component Units

(A) New York City Housing Assistance Corporation

HAC is a public benefit corporation established pursuant to Section 654-b of the Act as a subsidiary of the Corporation.

HAC is empowered to receive monies from any source, including, but not limited to, the Corporation, the City or the State, for the purpose of assisting rental developments to maintain rentals affordable to low and moderate-income persons for whom the ordinary operation of private enterprise cannot supply safe, sanitary and affordable housing accommodations. In order to accomplish this objective, HAC may transfer, lend, pledge or assign these monies to any rental development or assist the Corporation in financing such developments. As a subsidiary of HDC, HAC's functions are administered by the Corporation and its Board Members substantially overlap with HDC's Board Members, so it is reported as a discretely presented component unit in HDC's financial statements.

(B) New York City Residential Mortgage Insurance Corporation

REMIC is a public benefit corporation established pursuant to Section 654-d of the Act as a subsidiary of HDC. REMIC is the successor entity to the New York City Rehabilitation Mortgage Insurance Corporation ("Old REMIC"), which was dissolved on January 27, 1993. REMIC has the authority to insure residential mortgage loans throughout the City in order to promote the preservation of neighborhoods which are blighted, are becoming blighted or may become blighted, to discourage divestment and encourage the investment of mortgage capital in such neighborhoods and to provide safe, sanitary and affordable housing accommodations to persons and families for whom the ordinary operations of private enterprise cannot supply such accommodations.

REMIC is required to maintain three reserves. The Housing Insurance Fund can be used as a revolving fund solely for the payment of liabilities arising from housing insurance contracts issued by REMIC. The Housing Insurance Fund requirement as of any particular date is established by statute and must be in an amount equal to the aggregate of (i) one hundred percent of the insured amounts due and payable pursuant to housing insurance contracts, plus (ii) twenty percent of the insured amounts under housing insurance contracts other than insured amounts which are due and payable pursuant to (i) above, plus (iii) twenty percent of the amounts to be insured under REMIC's commitments to insure. The Housing Insurance Fund requirement at October 31, 2013 is $49,559,000.

REMIC must also maintain a Mortgage Insurance Fund which shall be used solely for the payment of liabilities arising from mortgage insurance contracts of the Old REMIC. The Mortgage Insurance Fund requirement at October 31, 2013 is $62,000, which constitutes one hundred percent of Old REMIC's insured mortgage loans.

Any income or interest earned on these two reserves in excess of their respective requirements is transferred at least annually to the Premium Reserve Fund. The Premium Reserve Fund must also be maintained to provide for the payment of REMIC's liabilities arising from its operations, including liabilities arising from housing and mortgage insurance contracts. REMIC also maintains an Operating Fund for operation purposes. During fiscal year 2013, to increase REMIC's capital base, the Corporation made a capital contribution of $10 million to REMIC. The additional capital capacity will be used by REMIC to maintain its rating while affording it the opportunity to insure more mortgage loans. As a component unit of HDC, REMIC functions are administered by the Corporation. The Premium Reserve Fund and Operating Fund have a combined balance of $37,997,000 at October 31, 2013. REMIC is a component unit because HDC's Members comprise a controlling majority of the Board and HDC's staff provides all services for REMIC.

(C) Housing New York Corporation

The Housing New York Corporation is a public benefit corporation established pursuant to Section 654-c of the Act as a subsidiary of the Corporation. Authorization for the funding of the Housing New York Program ended on July 1, 1995. Consequently, HNYC can no longer issue bonds or notes to fund the Housing New York Program.

Upon repayment of all of the outstanding HNYC bonds on November 3, 2003, HNYC became an inactive subsidiary of the Corporation and its remaining funds were transferred out of HNYC. However, HNYC is not expected to be dissolved.

Blended Component Unit

(D) Real Estate Owned Corporation

The NYC HDC Real Estate Owned Corporation ("REO Subsidiary Corporation"), was established under Section 654-a of the Act on September 20, 2004. The REO Subsidiary Corporation has the power to hold property whenever, in the sole discretion of the Corporation, it has become necessary to acquire a project in the case of sale under foreclosure or in lieu of foreclosure to effectuate the purposes of the Act. There was no activity undertaken by this subsidiary during fiscal year 2013. The REO Subsidiary Corporation is treated as a blended component unit of HDC.

Note 2: Summary of Significant Accounting Policies

The Corporation follows the principles of fund accounting, with a sub-fund for each bond series, for the Corporate Services Fund, and for each component unit. Each fund's assets, liabilities and net position are accounted for as separate entities and follow enterprise fund reporting. Certain individual funds are aggregated into larger categories for the purpose of financial reporting. The accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. In its accounting and financial reporting, the Corporation follows the pronouncements of the GASB.

Other significant accounting policies are:

A. Revenue and Expense Recognition

The Corporation's operating revenues consist of earnings on loans and loan participation interests, fees and charges associated with both financing and servicing mortgages and loans, and other revenues that are received to cover the costs of raising capital. All other revenue, which is primarily investment income and grant revenue are considered non-operating. Revenues are recognized when earned.

Operating expenses include bonding costs, expenses for administering the various bond resolutions, personnel expenses, corporate operating expenses, bond issuance and financing costs, and depreciation expense. The Corporation reports all other expenses, including distributions of first mortgage earnings to the City in connection with loan participations and the payment, if necessary, of mortgage loan principal receipts on bond payments, as non-operating expenses. Expenses are recognized as incurred. Virtually all resources are either restricted or designated. Net position has been restricted in accordance with terms of an award, agreement or by state law. Designated assets are committed for specific purposes pursuant to HDC policy and/or Board directives. Please see Note 19: "Net Position" for more detailed information.

B. Cash Equivalents and Investments

Short-term bank deposits and investments with stated maturities of 90 days or less are reported as Cash and Cash Equivalents. All investments are reported at fair value, except for investment agreements. The Corporation's investment agreements, which can take the form of open time deposits or fixed repurchase agreements, are reported at an amount equal to principal and accrued interest.

Generally Accepted Accounting Principles ("GAAP") generally require that restricted assets be reported as non-current assets. In the case of cash equivalents and investments, this treatment generally causes restricted investments with maturities less than one year to be reported as non-current. However, to more accurately report the alignment of HDC's current liability for payment of bond principal and interest with funds available to satisfy these liabilities, HDC has included in Current Assets the cash, cash equivalents and investments held as of October 31, 2013 to cover $492,595,000 for payment of bond principal and interest due in the following year.

C. Purpose Investments

As part of its financing activities, HDC has made four housing development loans that are secured by GNMA certificates rather than mortgages on the related properties. The GNMA certificates provide payments at such times and in such amounts as to fully repay the respective HDC loans, and are the only source of repayment for these loans. As such, the GNMA certificates are treated under U.S. Treasury regulations as acquired program obligations. The GNMA certificates are classified in the financial statements as purpose investments and identified separately from other investments and restricted investments in the financial statements. However, interest earned on the GNMA certificates is included in investment income.

It is the Corporation's policy to record GNMA certificates at amortized cost, which amounted to $149,365,000 and $154,044,000, at October 31, 2013 and October 31, 2012, respectively. The fair value of these purpose investments amounted to $152,031,000 and $165,926,000, at October 31, 2013 and at October 31, 2012, respectively.

D. Earnings on Investments

Investment earnings on monies held for the City, project reserves for replacement and certain other project escrows are not reported as revenues; rather, they are reported as payable to the City or payable to mortgagors, respectively.

E. Allowance for Credit Losses

HDC's loans are underwritten according to standards the Corporation believes prudent and are closely monitored for payment and for management of the associated housing developments. In addition, many of the Corporation's mortgages have credit enhancements through letters of credit, mortgage insurance and other supports. As such, HDC believes that the likelihood of experiencing material credit losses relating to its bonded mortgage programs is unlikely. Management has determined that current charges against income are not required.

F. Summarized Financial Information

The financial statements include summarized comparative information as of and for the year ended October 31, 2012 in total but not by reporting unit. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended October 31, 2012 (which are available from the Corporation and on its website).

G. Recent and Upcoming Accounting Pronouncements

In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans* ("GASB 67"). The objective of this Statement is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Since this standard impacts the financial reporting of pension plans, the Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. The Corporation has not completed the process of evaluating the impact of GASB 68 on its financial statements. The Corporation contributes to the New York City Employees' Retirement System

("NYCERS"), an employer participating cost-sharing multi-employer plan. NYCERS and the City of New York are currently implementing GASB 68. HDC expects to receive its allocable costs and the implementation of GASB 68 to occur in fiscal year 2014.

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations* ("GASB 69"). The objective of this Statement is to improve the accounting for mergers and acquisitions among state and local governments by providing guidance specific to the situations and circumstances encountered within the governmental environment. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2013. The Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

In February 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guaranty* ("GASB 70"). The objective of this Statement is to improve the comparability of financial statements among governments by requiring consistent reporting by those governments that extend and/or receive nonexchange financial guaranty. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. The Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

Note 3: Investments and Deposits

The Corporation is authorized to engage in investment activity pursuant to the Act and the Corporation's respective bond resolutions. Investment policies are set for the Corporation by the Members of the Corporation on an annual basis, through the annual adoption of written investment guidelines. Investments are reviewed on a periodic basis by the Corporation's Audit Committee. Day-to-day investment decisions are made by the Corporation's Investment Committee. The Corporation principally invests in securities of the United States and its agencies, open time deposits ("OTDs") in the form of investment agreements, demand accounts, and repurchase agreements. In fiscal year 2013, HDC continued investing in taxable municipal bonds of New York State and New York City, consistent with the Corporation's statute and Investment Guidelines. The Corporation did not enter into any reverse repurchase agreements during the year ended October 31, 2013. Management of the Corporation is not aware of any violations of any provisions of the foregoing policies.

All securities, other than securities held by the respective trustees for the benefit of the bondholders, were held by the Corporation or its agents in the Corporation's name. Bond program investments are held by the trustee of the applicable program. All investment transactions are recorded on a delivery basis.

All investment transactions are recorded on the trade date. Investments, other than purpose investments, at October 31, 2013, were as follows:

	Investment Maturities at October 31, 2013 (in Years)				
Investment Type	2013	Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$1,407,458	1,407,458	—	—	—
FHLMC	330,346	60,151	86,124	119,427	64,644
U.S. Treasury (Bonds, Notes, Bills)	236,486	232,247	—	4,239	—
Fixed Repurchase Agreements	223,018	223,018	—	—	—
Open Time Deposits	198,759	45,000	97,600	—	56,159
FHLB	183,506	—	123,902	32,032	27,572
FNMA	145,425	—	20,997	101,078	23,350
NYS/NYC Municipal Bonds *****	67,845	13,323	26,445	—	28,077
Federal Farm Credit Bonds	56,070	—	5,061	39,025	11,984
Term Repurchase Agreements	52,769	5,676	47,093	—	—
Farmer MAC	8,367	—	—	8,367	—
Total	$2,910,049	1,986,873	407,222	304,168	211,786
Less amounts classified as cash equivalents	(1,730,873)	(1,730,873)	—	—	—
Total investments	$1,179,176	256,000	407,222	304,168	211,786

**Note: Primarily taxable VRDO instruments which can be put weekly.*

In addition to the investments identified above, as of October 31, 2013 and 2012, the Corporation held $2,284,000 and $33,932,000, respectively, uninvested as cash in various trust and escrow accounts.

As required by GASB No. 31 the Corporation has recorded a fair value adjustment in its investment portfolio. The adjustment resulted in the Corporation recording a net depreciation of its investment portfolio of $28,030,000 for 2013. This valuation adjustment had a significant impact on the Corporation's reported net income for the fiscal year. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long term securities that carry a higher yield, with the intent to hold the investments to maturity. As a result, the unrealized loss is only reported as an accounting loss, and holding the securities to maturity decreases the likelihood of the loss becoming realized.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Corporation's Investment Guidelines charge the Investment Committee with "…determining appropriate investment instruments…based on…length of time funds are available for investment purposes..." among other factors. Thus, maturities are matched to the Corporation's liquidity needs.

Credit Risk: The Corporation's investment guidelines and policies are designed to protect principal by limiting credit risk. This is accomplished by making decisions based on a review of ratings, collateral, and diversification requirements that vary according to the type of investment.

As of October 31, 2013, investments in Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac") and Federal Home Loan Bank ("FHLB") were rated by Standard & Poor's and/or Moody's Investors Service (Fannie Mae, Freddie Mac, FHLB, Farmer MAC and Federal Farm Credit Bank are collectively referred to as "Agency"). These ratings were AA+ and A-1+ by Standard & Poor's, and Aaa and P-1 by Moody's for long-term and short-term instruments, respectively. Investments in Fannie Mae, Freddie Mac and FHLB are implicitly guaranteed by the U.S. government. They carry ratings equivalent to the credit ratings for the U.S. government. Some investments were not rated by Fitch Ratings. Of the investments that were rated by Fitch Ratings, they carried ratings from AAA to BBB+. Money market accounts are not rated; however the providers are rated and they are backed by either collateral held or letters of credit provided by third parties.

Ratings for investments in NYS/NYC municipal bonds are based on each issuer's rating for its general obligation debt. The issuers' ratings carried a range from AAA to AA by Standard & Poor's, Aa1 to Aa2 by Moody's, and AAA to AA by Fitch Ratings Service. Money Market, Open Time Deposits and Repurchase Agreements in the form of OTDs are not rated; however, the providers are rated.

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Corporation, and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the Corporation.

The Corporation manages custodial credit risk by limiting its investments to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of the Corporation, and accordingly, the Corporation was not exposed to custodial credit risk on its investment securities.

As of October 31, 2013, open time deposits in the amount of $59,698,000, repurchase agreements in the amount of $275,787,000, NYS/NYC municipal bonds in the amount of $1,609,000, and demand accounts in the amount of $1,407,458,000 were collateralized by high quality instruments such as U.S. Treasury Notes, U.S. Treasury Bills, and Agency investments and Letters of Credits held by the Corporation's agent in the name of the Corporation. A portion of collateral supporting the demand accounts were in the form of FHLB letters of credit. All such investments are not subject to custodial credit risk.

For deposits, custodial credit risk is the risk that in the event of a bank failure the Corporation's deposit may not be returned to it. HDC bank deposits amounted to $11,642,000 at October 31, 2013, of which $10,641,000 was uninsured by Federal Deposit Insurance Corporation ("FDIC") and uncollateralized. Correspondingly, $1,702,000 was secured in trust accounts, which are protected under state law and $9,940,000 was held in Demand Deposit Accounts ("DDA"). HDC limits its deposits to highly rated institutions, and such deposits are either in trust accounts or partially insured through the FDIC. Under the deposit insurance provision of the Dodd-Frank Act, all funds in a "noninterest-bearing transaction account" were insured in full by the FDIC from December 31, 2010, through December 31, 2012. However, this coverage has expired. The maximum coverage of $250,000 is available to depositors under the FDIC's general deposit insurance rules. All of the Corporation's funds held in the DDA are subject to this provision.

Concentration of Credit Risk: The Corporation reviews its credit concentration monthly. The Corporation's Credit Risk unit monitors concentration risk amongst issuers and reports to the members of the Corporation's Audit Committee.

The following table shows issuers that represent 5% or more of total investments at October 31, 2013 ($ in thousands):

Issuer	Dollar Amount	Percentage
NY Community Bank*	$664,288	22.83%
Signature Bank*	476,331	16.37
FHLMC	315,345	10.84
FHLB	198,508	6.82
FNMA	145,426	5.00

**Note: Covered by FHLB securities and/or FHLB letter of credit collateral held at FHLB as the Corporation's collateral agent.*

Note 4: Mortgage Loans

The Corporation had outstanding, under various loan programs, mortgage loans of $8,770,284,000 and $8,516,076,000 as of October 31, 2013 and 2012, respectively. These amounts represent the portion of mortgage loans for which the Corporation has advanced monies. The portion of mortgage loans that has not yet been advanced is recorded as investments and this amounted to $1,366,713,000 and $800,940,000 at October 31, 2013 and October 31, 2012, respectively. (See Note 16: "Commitments".)

Changes in Mortgage Loans

The changes in Mortgage Loans are as follows:

Mortgage loans outstanding at October 31, 2011	$8,131,798,000
Mortgage Advances	1,128,828,000
Principal Collections	(744,745,000)
Discount/Premium Amortized	195,000
Mortgage loans outstanding at October 31, 2012	8,516,076,000
Mortgage Advances	961,324,000
Principal Collections	(707,133,000)
Discount/Premium Amortized	17,000
Mortgage loans outstanding at October 31, 2013	$8,770,284,000

(A) New York City Housing Development Corporation

The HDC mortgage loans listed above were originally repayable over terms of 2.25 to 50 years and bear interest at rates from 0.03% to 10.36% per annum. Almost all mortgage loans receivable are collateralized by first or second mortgages on the property of the housing sponsors and contain exculpatory clauses with respect to the liability of the principals of such housing sponsors. The table above does not include loans which are not secured by mortgages, which include a military housing loan and a loan to the New York City Housing Authority ("NYCHA"), each of which are secured by notes (See Note 5: "Notes Receivable"), and loans secured by GNMA certificates (See Note 2C: "Purpose

Investments"). Of the total HDC mortgages including those that are in the Mitchell-Lama programs held as of October 31, 2013, 79% are first mortgages and 21% are subordinate loans.

(B) Housing Assistance Corporation

The Housing Assistance Corporation financed construction and capitalized interest costs for eight affordable housing projects during the period of 1986 to 1990. These loans, funded by the City, accrue interest at the rate of 0-1% per annum. As of October 31, 2013, there were five loans remaining and the total outstanding loan balance was $29,832,000 and $29,999,000 at October 31, 2013 and October 31, 2012, respectively.

Note 5: Notes Receivable

HDC has two loans outstanding that are secured by notes and pledged revenues. Military Housing Notes Receivable of $45,965,000 was received in connection with the 2004 Series A Class I & II Military Housing Revenue Bond (Fort Hamilton LLC Project) issuance. The notes are secured by pledged revenues of the development under a Master Trust Indenture. The interest rate on the mortgage loan is a blended rate of 6.32% which is equal to the bond interest rate. The interest on the mortgage is collected semi-annually on the debt service date.

During fiscal year 2013, notes receivable from NYCHA received in connection with the Corporation's 2005 Series A Capital Fund Program Revenue Bonds were replaced upon the issuance of the Corporation's 2013 Series A Capital Fund Program Revenue Bonds (the "2013 Series A Bonds") (See Note 10: Bonds Payable). As of October 31, 2013 the outstanding NYCHA Notes Receivable of the 2013 Series A Bonds was $200,805,000.

In addition to the NYCHA Notes Receivable of the 2013 Series A Bonds, the Corporation also agreed to provide additional funds for a second note from NYCHA for the purpose of modernizing and making capital improvements at NYCHA projects across the City. The Corporation issued the 2013 Series B Capital Fund Program Revenue Bonds for this purpose (the "2013 Series B Bonds") (See Note 10: Bonds Payable). As of October 31, 2013 the outstanding NYCHA Notes Receivable of the 2013 Series B Bonds was $23,693,000.

The 2013 Series A and B Notes Receivables are secured by a first priority pledge of NYCHA's Capital Grant money provided by the United States Department of Housing and Urban Development ("HUD").

Note 6: Loan Participation Receivable for The City of New York

In fiscal year 2002, the Corporation acquired interests in two real estate mortgage investment trusts in connection with its housing activities. In addition, the Corporation entered into various agreements with the City whereby HDC sold bonds and used the bond proceeds to purchase from the City interests in various mortgage loans and pools of mortgage loans.

In each of fiscal years 2002 and 2003, HDC used bond proceeds from its Multi-Family Housing Revenue Bonds, “2002 Series D”, and Multi-Family Housing Revenue Bonds, “2003 Series D” bond issues to purchase a subordinated position in a 100% participation interest in a portion of the cash flows from a pool of mortgage loans the City had previously securitized in 1996. This pool is known as the Sheridan Trust II and HDC’s purchased asset is the Class B Certificate. Upon completion of the 2003 transaction, HDC’s participation interest covered all of the City’s cash flows from the Sheridan Trust II. In September 2005, the senior lien interests were satisfied and HDC became the primary beneficiary of Sheridan Trust II. At that time, therefore, the loan asset was added to HDC’s statement of net position and was valued at its principal amount.

At issuance, the 2002 Series D and 2003 Series D bonds were substantially over collateralized by their respective total loan assets. In April 2006, the Corporation issued its Multi-Family Housing Revenue Bonds, “2006 Series A” bonds to refinance the 2002 Series D and 2003 Series D bonds. At the time, the principal amount of the Sheridan Trust II had a balance of $211,455,000 that was transferred to the 2006 Series A bond program. As of October 31, 2013, the principal amount was $63,909,000. The remaining $698,073,000 in “Loan Participation Receivable - The City of New York” represents the excess face amount of collateral over the related bonds. In each case, the “Loan Participation Receivable - The City of New York” are pledged to the associated bonds but revert to the City when such bonds are retired. (See Note 12: “Payable to The City of New York”.)

Note 7: Other Receivables

Other Receivables of $67,439,000 represent mortgage related fees, servicing fees receivable and Corporate Services Fund loans not secured by mortgages on the properties, interest and servicing fees receivable on HPD loans serviced (but not owned) by HDC, and 421-A grant funds due to be received from the Battery Park City Authority (“BPCA”).

On March 29, 2010, The City of New York entered into a grant agreement with BPCA whereby the City is to receive funds from BPCA that exceed BPCA’s operating expenses over the next seven years. This amount was anticipated to be $400,000,000. The City designated HPD and the Corporation to each receive $200,000,000 of these funds to further the purpose of creating additional affordable housing in New York City.

On April 20, 2011, the Corporation entered into a “421-A Fund Agreement” with The City of New York which further details the roles and responsibilities of the Corporation and HPD related to the use and reporting of the BPCA funds. The funds are intended to be used by HDC and HPD to address the availability of affordable housing in the City with priority given to the fifteen sub-borough areas with the highest percentage of households below the poverty line according to the most recent United States census bureau data.

On May 8, 2013, the Corporation received the third grant installment of $46,143,000 from BPCA. On October 31, 2013, the Corporation also recognized the fourth grant revenue installment in the amount of $45,455,000, which is expected to be received in fiscal year 2014. As of October 31, 2013, the cumulative total amount recognized as grant revenue was $166,851,000 and funds received from BPCA to date was $121,396,000.

Note 8: Other Non Current Assets

On June 27, 2011, a trust created by the City was dissolved and the Corporation and the City entered into the 2011 Participation Agreement. The trust when created consisted of a pledge of the income from Interest Reduction Payment Contracts ("Section 236 Contracts") from the Federal government on 32 developments. Under the 2011 Participation Agreement, the Corporation holds a 100% participation interest in the second mortgages and related Section 236 Contracts on the remaining nine properties. The Corporation paid the City $10,266,000 as the purchase price, which represents the discounted value of the future cash flows (monthly interest reduction payments).

The "2012 Participation Interest", described further in Note 12, relates to other assets and was recorded as other assets and will be amortized over the period until 2025. During fiscal year 2013, $241,000 was amortized and was recorded as a non-operating expense. The unamortized value of the 2012 Participation Interest was $9,769,000 at October 31, 2013.

Note 9: Deferred Outflow of Resources

Interest rate caps are used to mitigate the Corporation's exposure to rising interest rates on its variable rate debt. At October 31, 2013, the value of the interest rate cap for the Open Resolution was $1,944,000.

On September 10, 2013, the 2005 Series A Capital Fund Program Revenue Bonds (NYCHA) were retired through an in-substance defeasance and incurred a loss in the amount of $8,958,000 which will be amortized over the life of the related bonds. At October 31, 2013, the balance of the unamortized deferred loss on early retirement of debt was $8,881,000.

Note 10: Bonds Payable

The Corporation's authority to issue bonds and notes for any corporate purpose is limited by the Act to the extent that (i) the aggregate principal amount outstanding may not exceed $11.25 billion, exclusive of refunding bonds or notes, and (ii) the maximum Capital Reserve Fund requirement may not exceed $85 million. No bonds are currently subject to the Capital Reserve Fund requirement. These limits may be changed from time to time through State legislation. During the year ended October 31, 2013, the limit on the aggregate principal amount outstanding was raised by such legislation from $10.25 billion to $11.25 billion.

Bond Programs

The Corporation issues bonds and notes to fund mortgage loans for multi-family residential developments under the bond programs described below. As of October 31, 2013, the Corporation had bonds outstanding in the aggregate principal amount of $9,461,810,000. All of the bonds are separately secured, except for the bonds issued under the General Resolution which are equally and ratably secured by the assets pledged under the General Resolution (See "*C. Housing Revenue Bond Program*" below). None of the bonds under the bond programs described in "*A. Multi-Family Mortgage Revenue Bond Program*", "*D. Liberty Bond Program*", and "*E. Section 223(f) Refinancing Bond Program*" provide security under the General Resolution, and none of the bonds under these programs is secured by the General Resolution.

A. Multi-Family Mortgage Revenue Bond Program. The Corporation established its Multi-Family Mortgage Revenue Bond Program to develop privately-owned multi-family housing, all or a portion of which is reserved for low income tenants. The following describes the Corporation's activities under its Multi-Family Mortgage Revenue Bond Program.

(1) Rental Projects; Fannie Mae or Freddie Mac Enhanced: The Corporation has issued tax-exempt and/or taxable bonds which either (i) are secured by mortgage loan payments, which payments are secured by obligations of Fannie Mae under various collateral agreements, (ii) are secured by a Direct Pay Credit Enhancement Instrument issued by Fannie Mae or (iii) are secured by a Direct Pay Credit Enhancement Agreement with Freddie Mac.

(2) Rental Projects; Letter of Credit Enhanced: The Corporation has issued tax-exempt and/or taxable bonds to finance a number of mixed income projects and entirely low income projects, which bonds are secured by letters of credit issued by investment-grade rated commercial lending institutions.

(3) Residential Housing; Credit Enhanced: The Corporation has issued bonds to provide financing for residential facilities for hospital staff and for post-secondary students, faculty and staff which bonds are secured by letters of credit issued by investment-grade rated institutions.

(4) Rental Projects; Not Rated: The Corporation has issued bonds to provide financing for rental projects, which bonds are not rated by a rating agency and are directly purchased by a qualified financial institution which is obligated to purchase the underlying note and mortgage in the event of non-payment by the mortgagor, resulting in the redemption of the related bonds.

B. Military Housing Revenue Bond Program. Under this program, the Corporation has issued taxable obligations in order to fund a portion of the cost of the design, demolition, renovation, construction and operation of housing units in residential family housing areas located at Fort Hamilton.

C. Housing Revenue Bond Program. Under its Housing Revenue Bond Program, the Corporation may issue bonds payable solely from and secured by the assets held under its General Resolution which include a pool of mortgage loans, some of which are construction loans (which pool contains FHA-insured mortgage loans, REMIC-insured mortgage loans, SONYMA-insured mortgage loans, GNMA mortgage-backed securities, other mortgage loans, both insured or enhanced and unenhanced, and participation interests in mortgage loans), the revenues received on account of all such loans and securities, and other assets pledged under such resolution and any supplemental resolution for a particular series of bonds. Certain of the projects, which secure a portion of the mortgage loans, receive the benefits of subsidy payments. As of October 31, 2013, one hundred and eighty two (182) series of bonds have been issued under the Housing Revenue Bond Program including the Corporation's Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 1 and 2009 Series 2, which are separately secured and then by the General Resolution.

D. Liberty Bond Program. In accordance with Section 301 of the Job Creation and Worker Assistance Act of 2002, the Corporation has issued tax-exempt and taxable bonds, each secured by a letter of credit or a direct pay credit enhancement instrument to finance the development of multi-family housing within an area of lower Manhattan designated in such legislation as the "Liberty Zone".

E. Section 223(f) Refinancing Bond Program. Under this program, the Corporation acquired mortgages originally made by the City, obtained federal insurance thereon and either sold such insured mortgages or issued its obligations secured by said insured mortgages and paid the net proceeds of the sale of such mortgages or issuance of obligations to the City. Each series of bonds issued under this program was secured by a mortgage loan insured by FHA pursuant to Section 223(f) of Title II of the National Housing Act of 1934, as amended (the "National Housing Act"). Debt service on each series of bonds is paid only from monies received on account of the applicable mortgage loan securing such series, including, with respect to certain projects, interest reduction subsidy payments received by the Corporation pursuant to Section 236 of the National Housing Act. All bonds under this program were redeemed on November 15, 2012.

F. Capital Fund Revenue Bond Program. Under this program, the Corporation has issued tax-exempt obligations in order to assist the New York City Housing Authority with the execution of a multi-year construction initiative that addressed critical capital improvement needs of their aging housing portfolio.

Changes in Bonds Payable:

The summary of changes in Bonds Payable was as follows:

Bonds Payable outstanding at October 31, 2011 (as restated)	$8,496,704,000
Bonds Issued	1,228,510,000
Bond Principal Retired	(916,191,000)
Net Premium/Discount on Bonds Payable	(3,698,000)
Bonds Payable outstanding at October 31, 2012	$8,805,325,000
Bonds Issued	1,777,180,000
Bond Principal Retired	(1,111,999,000)
Net Premium/Discount on Bonds Payable	35,868,000
Bonds Payable outstanding at October 31, 2013	$9,506,374,000

Details of changes in HDC bonds payable for the year ended October 31, 2013 were as follows:

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
<u>MULTI-FAMILY MORTGAGE REVENUE BOND PROGRAM:</u>					
Multi-Family Rental Housing Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced					
1997 Series A Related-Carnegie Park Project –0.03% to 0.24% Variable Rate Bonds due upon demand through 2019............................	$ 66,800	—	—	66,800	—
1997 Series A Related-Monterey Project – 0.06% to 0.23% Variable Rate Bonds due upon demand through 2019............................	104,600	—	(104,600)	—	—
1997 Series A (AMT) Related-Tribeca Tower Project –0.05% to 0.25% Variable Rate Bonds due upon demand through 2019...........	55,000	—	—	55,000	—
1998 Series A (AMT) 100 Jane Street Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2028...	16,450	—	—	16,450	—
1998 Series A (AMT) One Columbus Place Project –0.05% to 0.25% Variable Rate Bonds due upon demand through 2028……	142,300	—	—	142,300	—
1999 Series A (AMT) West 43rd Street Project – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2029……	51,900	—	—	51,900	51,900
1999 Series A (AMT) Brittany Development Project – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2029……	57,000	—	—	57,000	—
2000 Series A (AMT) Related West 89th Street Development – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2029………………………………..	53,000	—	—	53,000	—
2001 Series A Queenswood Refunding – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2031…………………	10,800	—	—	10,800	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2001 Series A (AMT) Related Lyric Development –0.05% to 0.25% Variable Rate Bonds due upon demand through 2031..........	85,000	—	—	85,000	—
2001 Series B (Federally Taxable) Related Lyric Development – 0.11% to 0.19% Variable Rate Bonds due upon demand through 2031...	4,000	—	—	4,000	—
2002 Series A James Tower Development – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2032...........................	19,885	—	(370)	19,515	—
2002 Series A (AMT) The Foundry – 0.05% to 0.27% Variable Rate Bonds due upon demand through 2032………………………	55,100	—	—	55,100	—
2003 Series A (AMT) Related-Sierra Development –0.05% to 0.25% Variable Rate Bonds due upon demand through 2033..........	56,000	—	—	56,000	—
2004 Series A (AMT) West End Towers – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034…………………	135,000	—	—	135,000	—
2004 Series A (AMT) Related-Westport Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034...	110,000	—	—	110,000	—
2004 Series B (Federally Taxable) Related – Westport Development—0.11% to 0.19% Variable Rate Bonds due upon demand through 2034...	13,800	—	—	13,800	—
2005 Series A Royal Charter Properties – 0.03% to 0.23% Variable Rate Bonds due upon demand through 2035...........................	89,200	—	—	89,200	—
2005 Series A (AMT) Atlantic Court Apartments – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2035..........	83,700	—	—	83,700	—
2005 Series B (Federally Taxable) Atlantic Court Apartments – 0.11% to 0.20% Variable Rate Bonds due upon demand through 2035...	15,600	—	(1,300)	14,300	—
2005 Series A (AMT) The Nicole Development –0.05% to 0.26% Variable Rate Bonds due upon demand through 2035……..	54,600	—	—	54,600	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series B (Federally Taxable) The Nicole Development – 0.12% to 0.19% Variable Rate Bonds due upon demand through 2035..	7,300	—	(900)	6,400	—
2005 Series B (AMT) Progress of People Development – 3.50% to 4.95% Term Bonds maturing in varying installments through 2036……………………………………….	49,975	—	(995)	48,980	1,055
2006 Series A (AMT) Rivereast Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036………………….	50,000	—	—	50,000	—
2006 Series B (Federally Taxable) Rivereast Apartments – 0.12% to 0.21% Variable Rate Bonds due upon demand through 2036……	4,600	—	(600)	4,000	—
2006 Series A (AMT) Seaview Towers – 3.70% to 4.75% Serial & Term Bonds maturing in varying installments through 2039………………………………………..	21,385	—	(1,055)	20,330	1,105
2007 Series A (AMT) Ocean Gate Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2040………………………………………..	8,445	—	—	8,445	—
2007 Series B (AMT) Ocean Gate Development – 4.80% to 5.35% Term Bonds maturing in varying installments through in 2025………………………………………..	12,980	—	(690)	12,290	730
2007 Series A (AMT) West 61st Street Apartments –0.05% to 0.24% Variable Rate Bonds due upon demand through 2037…….	54,000	—	—	54,000	—
2007 Series B (Federally Taxable) West 61st Street Apartments – 5.63% Fixed Rate Term Bonds due 2019………………………………	9,740	—	(1,125)	8,615	1,200
2007 Series A (AMT) 155 West 21st Street Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2037 ……	37,900	—	—	37,900	—
2007 Series B (Federally Taxable) 155 West 21st Street Apartments – 0.09% to 0.20% Variable Rate Bonds due upon demand through 2037………………………………..	13,100	—	(600)	12,500	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2008 Series A (AMT) Linden Plaza – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2043……………………..	68,240	—	(1,455)	66,785	1,535
2009 Series A Gateways Apartments – 2.65% to 4.5% Term Bonds due upon demand through 2025……………………………….	21,605	—	(225)	21,380	240
2009 Series A The Balton – 0.04% to 0.26% Variable Rate Bonds due upon demand through 2049……………………………….	29,750	—	—	29,750	—
2009 Series A Lexington Courts – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2039……………………….	25,500	—	(2,700)	22,800	—
2012 Series A 1133 Manhattan Avenue Development – 0.04% to 0.25% Variable Rate Bonds due upon demand through 2046.	—	46,000	—	46,000	—
Multi-Family Mortgage Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced					
2001 Series A (AMT) West 48th Street – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034………………	20,000	—	—	20,000	—
2002 Series A (AMT) First Avenue Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2035..	44,000	—	—	44,000	—
2004 Series A (AMT) Aldus Street Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	8,100	—	—	8,100	—
2004 Series A (AMT) 941 Hoe Avenue Apartments –0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	6,660	—	—	6,660	—
2004 Series A (AMT) Peter Cintron Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	7,840	—	—	7,840	—
2004 Series A (AMT) State Renaissance Court—0.05% to 0.24% Variable Rate Bonds due upon demand through 2037......................	35,200	—	—	35,200	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2004 Series A (AMT) Louis Nine Boulevard Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037...........	7,300	—	—	7,300	—
2004 Series A (AMT) Courtlandt Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037...........	7,905	—	—	7,905	—
2004 Series A (AMT) Ogden Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038...........	4,760	—	—	4,760	—
2004 Series A (AMT) Nagle Courtyard Apartments —0.05% to 0.240% Variable Rate Bonds due upon demand through 2038...	4,200	—	—	4,200	—
2005 Series A (AMT) Morris Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038...........	14,700	—	—	14,700	—
2005 Series A (AMT) Vyse Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038……..	4,335	—	—	4,335	—
2005 Series A (AMT) 33 West Tremont Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038……………………………….	3,490	—	—	3,490	—
2005 Series A (AMT) Ogden Avenue Apartments II — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2038...	2,500	—	—	2,500	—
2005 Series A (AMT) White Plains Courtyard Apartments — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2038...........	4,900	—	—	4,900	—
2005 Series A (AMT) Highbridge Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039...........	13,600	—	—	13,600	—
2005 Series A (AMT) 89 Murray Street Development — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2039...	49,800	—	—	49,800	—
2005 Series A (AMT) 270 East Burnside Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039……………………………….	6,400	—	—	6,400	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series A (AMT) Reverend Ruben Diaz Gardens Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2038	6,400	—	—	6,400	—
2006 Series A (AMT) Villa Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039	5,990	—	—	5,990	—
2006 Series A (AMT) Bathgate Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039	4,435	—	—	4,435	—
2006 Series A (AMT) Spring Creek Apartments I & II — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2039	24,000	—	—	24,000	—
2006 Series A (AMT) Linden Boulevard Apartments – 3.90% to 4.75% Serial and Term Bonds maturing in varying installments through 2039	13,400	—	(220)	13,180	230
2006 Series A (AMT) Markham Garden Apartments — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2040	16,000	—	—	16,000	—
2008 Series A 245 East 124th Street – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2046	35,400	—	—	35,400	—
2008 Series A Bruckner by the Bridge – 0.04% to 0.26% Variable Rate Bonds due upon demand through 2048	36,800	—	—	36,800	—
2008 Series A Hewitt House Apartments — 0.06% to 0.24% Variable Rate Bonds due upon demand through 2048	4,100	—	—	4,100	—
2010 Series A Eliot Chelsea Development — 0.05% to 0.28% Variable Rate Bonds due upon demand through 2043	41,440	—	(690)	40,750	—
Multi-Family Mortgage Revenue Bonds – Rental Projects; Letter of Credit Enhanced					
2003 Series A (AMT) Related-Upper East — 0.12% to 0.32% Variable Rate Bonds due upon demand through 2036	67,000	—	—	67,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2003 Series B (Federally Taxable) Related-Upper East —0.29% to 0.42% Variable Rate Bonds due upon demand through 2036...........	3,000	—	—	3,000	—
2004 Series A (AMT) Manhattan Court Development— 0.07% to 0.28% Variable Rate Bonds due upon demand through 2036...	17,500	—	—	17,500	—
2004 Series A (AMT) East 165th Street Development — 0.07% to 0.28% Variable Rate Bonds due upon demand through 2036...	7,665	—	—	7,665	—
2004 Series A (AMT) Parkview Apartments —0.11% to 0.32% Variable Rate Bonds due upon demand through 2036............................	5,935	—	—	5,935	—
2004 Series A (AMT) Thessalonica Court Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2036...........	17,900	—	(400)	17,500	—
2004 Series A (AMT) Brookhaven Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2036...........	8,400	—	(200)	8,200	—
2004 Series A Marseilles Apartments — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2034…………………	11,925	—	(300)	11,625	—
2005 Series A (AMT) 2007 LaFontaine Avenue Apartments —0.07% to 0.28% Variable Rate Bonds due upon demand through 2037...	3,825	—	—	3,825	—
2005 Series A (AMT) La Casa del Sol Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2037...........	4,850	—	(100)	4,750	—
2005 Series A (AMT) 15 East Clarke Place Apartments —0.07% to 0.25% Variable Rate Bonds due upon demand through 2037……	5,430	—	—	5,430	—
2005 Series A (AMT) Urban Horizons II Development — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2038...	5,765	—	(200)	5,565	—
2005 Series A (AMT) 1090 Franklin Avenue Apartments — 0.08% to 0.28% Variable Rate Bonds due upon demand through 2037...........	2,320	—	—	2,320	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series A (AMT) Parkview II Apartments —0.08% to 0.28% Variable Rate Bonds due upon demand through 2037……..	4,255	—	—	4,255	—
2005 Series A (AMT) Grace Towers Development —0.06% to 0.25% Variable Rate Bonds due upon demand through 2037...	10,500	—	(100)	10,400	—
2006 Series A (AMT) Granville Payne Apartments —0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……..	5,560	—	—	5,560	—
2006 Series A (AMT) Target V Apartments — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2038…………………	6,800	—	(100)	6,700	—
2006 Series A (AMT) Beacon Mews Development —0.09% to 0.27% Variable Rate Bonds due upon demand through 2039...	23,500	—	—	23,500	—
2006 Series A (AMT) Granite Terrace Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2038……..	4,060	—	—	4,060	—
2006 Series A (AMT) Intervale Gardens Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2038…….	3,115	—	—	3,115	—
2006 Series A (AMT) 500 East 165th Street Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……	7,255	—	—	7,255	—
2006 Series A (AMT) 1405 Fifth Avenue Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……..	14,190	—	—	14,190	—
2007 Series A (AMT) 550 East 170th Street Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2042…….	5,500	—	—	5,500	—
2007 Series A (AMT) Susan's Court – 0.08% to 0.28% Variable Rate Bonds due upon demand through 2039………………………..	24,000	—	—	24,000	—
2007 Series A (AMT) The Dorado Apartments – 0.08% to 0.28% Variable Rate Bonds due upon demand through 2040…….	3,470	—	—	3,470	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2007 Series A (AMT) The Plaza – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039………………………	11,700	—	(200)	11,500	—
2007 Series A Queens Family Courthouse Apartments — 1.80% to 1.98% Variable Rate Bonds due upon demand through 2047……	40,000	—	—	40,000	—
2007 Series A (AMT) Boricua Village Apartments Site A-2 – 0.16% to 0.34% Variable Rate Bonds due upon demand through 2042…………………………………	4,250	—	—	4,250	—
2007 Series A (AMT) Boricua Village Apartments Site C – 0.16% to 0.37% Variable Rate Bonds due upon demand through 2042…………………………………	6,665	—	—	6,665	—
2007 Series A (AMT) Cook Street Apartments – 0.06% to 0.26% Variable Rate Bonds due upon demand through 2040……...	4,680	—	(100)	4,580	—
2008 Series A (AMT) Las Casas Development –0.10% to 0.28% Variable Rate Bonds due upon demand through 2040……...	19,200	—	—	19,200	—
2008 Series A Sons of Italy Apartments — 0.06% to 0.24% Variable Rate Bonds due upon demand through 2048…………………	7,670	—	(100)	7,570	—
2009 Series A-1 (Federally Taxable) Beekman Tower— 0.13% to 0.21% Variable Rate Bonds due upon demand through 2048...	123,350	—	—	123,350	—
2009 Series A-2 (Federally Taxable) Beekman Tower— 0.15% to 0.21% Variable Rate Bonds due upon demand through 2048...	61,700	—	—	61,700	—
2010 Series A (Federally Taxable) Via Verde Apartments — 0.22% to 0.26% Variable Rate Bonds due upon demand through 2016……..	33,690	—	(33,690)	—	—
2010 Series A-1 (Federally Taxable) Beekman Tower— 0.14% to 0.21% Variable Rate Bonds due upon demand through 2048..	76,200	—	—	76,200	—
2010 Series A-2 (Federally Taxable) Beekman Tower— 0.15% to 0.21% Variable Rate Bonds due upon demand through 2048..	73,850	—	—	73,850	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2010 Series A 101 Avenue D Apartments — 0.06% to 0.23% Variable Rate Bonds due upon demand through 2043…………………	25,000	—	—	25,000	—
2012 Series A 461 Dean Street Development— 0.03% to 0.22% Variable Rate Bonds due upon demand through 2046..	—	45,000	—	45,000	—
2013 Series A 50th Avenue Development — 0.03% to 0.22% Variable Rate Bonds due upon demand through 2048…………………	—	62,250	—	62,250	—
2013 Series A Borden Avenue Development — 2.25% to 2.43% Variable Rate Bonds due upon demand through 2048…………………	—	66	—	66	—
2013 Series B Borden Avenue Development — 2.25% to 2.43% Variable Rate Bonds due upon demand through 2045…………………	—	13,875	—	13,875	—
2013 Series B 50th Avenue Development — 0.04% to 0.09% Variable Rate Bonds due upon demand through 2048…………………	—	74,710	—	74,710	—
2013 Series C Borden Avenue Development — 2.25% to 2.30% Variable Rate Bonds due upon demand through 2048…………………	—	809	—	809	—
Residential Revenue Bonds – Residential Housing; Letter of Credit Enhanced					
1993 Series A Montefiore Medical Center— 0.05% to 0.28% Variable Rate Term Bonds maturing in varying installments through 2030…………………………………………	6,800	—	(200)	6,600	200
2009 Series A Queens College Residence — 0.06% to 0.26% Variable Rate Bonds due upon demand through 2043…………………	68,690	—	(725)	67,965	855
2012 Series A College of Staten Island Residences — 2.00% to 4.15% Fixed Rate Serial and Term Bonds due 2046……..………	65,800	—	—	65,800	—
2012 Series B College of Staten Island Residences (Federally Taxable) — 1.39% to 2.44% Fixed Rate Serial Bonds due 2017…	2,000	—	—	2,000	420

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
Multi-Family Mortgage Revenue Bonds Rental Projects; Not Rated					
2011 Series A West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2044 (secured by MPA by Citibank).................	30,000	—	—	30,000	—
2011 Series B West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2045 (secured by MPA by Citibank).................	8,470	—	—	8,470	—
2012 Series A West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2044 (secured by MPA by Citibank).................	41,530	—	—	41,530	—
Total Multi-Family Mortgage Revenue Bonds	3,112,875	242,710	(153,940)	3,201,645	59,470
MILITARY HOUSING REVENUE BOND PROGRAM:					
2004 Series A (Federally Taxable) Class I & II Fort Hamilton Housing LLC Project— 5.60% to 6.72% Term Bonds maturing in varying installments through 2049...........	46,290	—	(325)	45,965	355
Total Military Housing Revenue Bond Program	46,290	—	(325)	45,965	355
HOUSING REVENUE BOND PROGRAM:					
Multi-Family Housing Revenue Bonds Under the Corporation's General Resolution, assets pledged to bondholders include a pool of mortgage loans.					
1998 Series A (Federally Taxable) — 6.84% Term Bonds maturing in varying installments through 2030.....................................	300	—	(200)	100	—
1998 Series B— 3.75% to 5.25% Serial and Term Bonds maturing in varying installments through 2031.....................................	300	—	(200)	100	—
1999 Series A-1 (Federally Taxable) — 5.83% to 6.06% Term Bonds maturing in varying installments through 2022	12,500	—	(2,515)	9,985	800

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
1999 Series B-2 (Federally Taxable) — 6.83% to 7.32% Term Bonds maturing in varying installments through 2022 …………	18,800	—	(1,400)	17,400	1,600
1999 Series C (AMT)— 4.40% to 5.70% Serial and Term Bonds maturing in varying installments through 2031……………………	400	—	(285)	115	—
1999 Series E — 4.40% to 6.25% Serial and Term Bonds maturing in varying installments through 2036…………………………………	400	—	(300)	100	—
2002 Series A (AMT) — 2.20% to 5.50% Serial and Term Bonds maturing in varying installments through 2034…………………	150	—	—	150	—
2002 Series B (AMT) — 2.20% to 5.50% Serial and Term Bonds maturing in varying installments through 2032…………………	150	—	—	150	—
2002 Series C (Federally Taxable) — 0.37% to 0.46% Variable Rate Term Bonds maturing in varying installments through 2034………	44,355	—	(845)	43,510	915
2002 Serial E-2 (AMT) — 2.00% to 5.20% Serial and Term Bonds maturing in varying installments through 2034……………………	16,565	—	(16,565)	—	—
2002 Series F (AMT) — 2.00% to 5.20% Serial and Term Bonds maturing in varying installments through 2032……………………	3,865	—	(3,865)	—	—
2003 Series B-2 (AMT) — 2.00% to 4.60% Serial and Term Bonds maturing in varying installments through 2036…………………	25,275	—	(840)	24,435	24,335
2003 Series E-2 (AMT) — 2.25% to 5.05% Serial and Term Bonds maturing in varying installments through 2036…………………	26,330	—	(475)	25,855	25,755
2004 Series A —1.85% to 5.25% Serial and Term Bonds maturing through 2030………..	121,295	—	(4,080)	117,215	4,275
2004 Series B-2 (AMT) —2.00% to 5.30% Serial and Term Bonds maturing in varying installments through 2036…………………	20,360	—	(525)	19,835	545

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2004 Series C-2 (Federally Taxable) — 5.52% to 6.34% Term Bonds maturing in varying installments through 2036…………	44,970	—	(825)	44,145	875
2004 Series E-1— 4.95% Term Bonds maturing in varying installments through 2033………………………………………….	39,595	—	—	39,595	—
2004 Series E-2 (Federally Taxable) — 5.75% Term Bonds maturing in varying installments through 2024…………………..	8,980	—	—	8,980	—
2004 Series F (Federally Taxable) — 3.68% to 5.70% Serial and Term Bonds maturing in varying installments through 2035…………	22,470	—	(2,500)	19,970	2,620
2004 Series G (Federally Taxable) — 5.63% Term Bonds maturing in varying installments through 2029…………………………………..	10,165	—	(80)	10,085	90
2004 Series H (AMT) — 2.70% to 5.25% Serial and Term Bonds maturing in varying installments through 2046……………………	8,815	—	(100)	8,715	110
2004 Series I-2 (AMT) — 2.50% to 5.20% Serial and Term Bonds maturing in varying installments through 2038……………………	23,775	—	(495)	23,280	520
2004 Series J (Federally Taxable) — 2.95% to 5.70% Serial and Term Bonds maturing in varying installments through 2036…………..	20,555	—	(1,110)	19,445	1,165
2005 Series A-1 — 4.50% to 4.60% Term Bonds maturing in 2027 and 2035, respectively…………………………………..	9,735	—	—	9,735	—
2005 Series C (AMT) — 3.10% to 4.80% Serial and Term Bonds maturing in varying installments through 2037……………………	4,035	—	(95)	3,940	95
2005 Series D (AMT) — 3.10% to 4.80% Serial and Term Bonds maturing in varying installments through 2047……………………	5,520	—	(70)	5,450	70
2005 Series E (AMT) — 2.90% to 4.75% Serial and Term Bonds maturing in varying installments through 2035……………………	2,810	—	(210)	2,600	220

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series F-1 — 4.65% to 4.75% Term Bonds maturing in 2025 and 2035, respectively…………………………………..	65,410	—	—	65,410	—
2005 Series F-2 (Federally Taxable) — 4.66% to 5.43% Term Bonds maturing in 2010 and 2017, respectively…………………	42,830	—	(7,125)	35,705	7,530
2005 Series G — 3.35% to 4.35% Serial and Term Bonds maturing in varying installments through 2018…………………………………	2,870	—	(390)	2,480	410
2005 Series J-1 — 4.65% to 4.85% Term Bonds maturing in 2036……………………...	20,495	—	—	20,495	—
2005 Series K (AMT) — 3.60% to 5.00% Serial and Term Bonds maturing in 2037……	11,955	—	(205)	11,750	215
2005 Series L (AMT) — 3.85% to 5.05% Serial and Term Bonds maturing in 2039……	12,305	—	(215)	12,090	225
2006 Series A (Federally Taxable) — 6.42% Term Bonds maturing in 2027......................	76,555	—	(45,340)	31,215	21,240
2006 Series B (AMT) —5.35% Term Bonds maturing in varying installments through 2049…………………………………………..	30,570	—	(570)	30,000	615
2006 Series C (AMT) — 4.05% to 5.13% Serial and Term Bonds maturing in varying installments through 2040…………………...	37,540	—	(570)	36,970	595
2006 Series D-1 — 4.95% Term Bonds maturing in 2036…………………………..	2,510	—	—	2,510	—
2006 Series G-1 (AMT) — 3.80% to 4.88% Serial and Term Bonds maturing in 2039 …..	24,500	—	(420)	24,080	440
2006 Series H-1 (AMT) — 3.85% to 4.70% Serial and Term Bonds maturing in 2040……	24,600	—	(425)	24,175	440
2006 Series I (Federally Taxable) — 5.33% to 5.96% Term Bonds maturing in varying installments through 2040……………………	6,575	—	(95)	6,480	105
2006 Series J-1— 1.04% to 1.06% Index Floating Rate Term Bonds due 2046……….	100,000	—	—	100,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series J-2-A (AMT) — 3.95% to 4.85% Serial and Term Bonds maturing in varying installments through 2040……………………	10,725	—	(180)	10,545	185
2006 Series J-2-C (AMT) – 4.40% to 5.20% Serial and Terms Bonds maturing in varying installments through 2040……………………	17,640	—	(295)	17,345	310
2007 Series A (Federally Taxable) – 5.26% to 5.52% Term Bonds maturing in 2041……….	25,375	—	(330)	25,045	350
2007 Series B-1 (AMT) – 4.40% to 5.25% Serial and Term Bonds maturing in varying installments through 2045 …………………...	34,110	—	(525)	33,585	545
2007 Series C (Federally Taxable) – 6.02% to 6.56% Term Bonds maturing in 2040……….	5,280	—	(70)	5,210	75
2007 Series D (Federally Taxable) –5.95% Terms Bonds maturing in 2039……………..	27,180	—	(410)	26,770	435
2007 Series E-1 (AMT) – 3.90% to 5.45% Serial and Term Bonds maturing in varying installments through 2040……………………	23,690	—	(370)	23,320	385
2008 Series A-1-A (AMT) — 5.00% to 5.45% Fixed Rate Term Bonds due 2046……	15,665	—	—	15,665	—
2008 A-2 (AMT) – 4.35% to 5.00% Fixed Rate Serial Bonds maturing in varying installments through 2018……………………	3,405	—	—	3,405	270
2008 Series C-2 (Federally Taxable) – 3.55% to 5.69% Serial & Term Bonds maturing in varying installments through 2018…………..	5,575	—	(745)	4,830	790
2008 Series E (Federally Taxable) – 0.38% to 0.46% Index Floating Rate Terms Bonds maturing in 2037…………………………..	96,065	—	(1,325)	94,740	1,425
2008 Series F (Federally Taxable) – 0.38% to 0.46% Index Floating Rate Term Bonds maturing in 2041…………………………..	86,415	—	(9,395)	77,020	935
2008 Series H-1 (AMT) – 4.50% to 5.50% Serial and Term Bonds maturing in varying installments through 2028……………………	8,060	—	—	8,060	330

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2008 Series H-2-A (AMT) — 5.00% to 5.35% Fixed Rate Term Bonds due 2041……	14,540	—	—	14,540	—
2008 Series J (Federally Taxable) —0.88% to 1.11% Index Floating Rate Term Bonds due 2043………………………………………….	34,330	—	(150)	34,180	145
2008 Series K (Federally Taxable) — 0.88% to 1.01% Index Floating Rate Term Bonds due 2043…………………………………..	100,450	—	(3,860)	96,590	2,185
2008 Series L— 2.25% to 6.50% Fixed Rate Serial and Term Bonds due 2028……………	4,700	—	(260)	4,440	280
2008 Series M— 3.15% to 6.88% Fixed Rate Serial and Term Bonds due 2038……………	29,965	—	(615)	29,350	640
2009 Series A— 2.00% to 4.20% Term Bonds maturing in varying installments through 2019…………………………………	3,640	—	(230)	3,410	470
2009 Series C-1— 2.50% to 5.70% Serial and Term Bonds due 2046………………………..	115,700	—	(2,500)	113,200	1,425
2009 Series D— 3.45% Fixed Rate Serial Bonds due 2013………………………………	5,600	—	(5,600)	—	—
2009 Series F— 1.95% to 4.85% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041……………………	5,820	—	—	5,820	100
2009 Series H-2— 0.2% Fixed Rate Term Bonds mandatory tender due Jun 2014………	26,570	—	—	26,570	—
2009 Series I-1 (Federally Taxable) — 5.63% to 6.42% Fixed Rate Term Bonds maturing in varying installments through 2039……..……	50,000	—	—	50,000	—
2009 Series I-2 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2039…………………………………..	25,000	—	—	25,000	—
2009 Series J— 0.70% to 4.80% Fixed Rate Serial and Term Bonds maturing in varying installments through 2036……………………	23,995	—	(810)	23,185	820
2009 Series K— 1.95% to 4.95% Fixed Rate Serial and Term Bonds due 2039……………	102,220	—	(27,940)	74,280	1,250

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2009 Series L-1— 1.65% to 4.95% Fixed Rate Serial and Term Bonds due 2043………	23,590	—	—	23,590	175
2009 Series L-2— 2.00% Fixed Rate Term Bonds mandatory tender due 2013…………..	68,000	—	(68,000)	—	—
2009 Series L-3— 2.50% Fixed Rate Term Bonds mandatory tender due 2013…………..	27,745	—	(27,745)	—	—
2009 Series M— 1.85% to 5.15% Fixed Rate Serial and Term Bonds due 2045……………	30,945	—	(100)	30,845	140
2010 Series A-1— 3.35% to 4.90% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041………..	25,325	—	—	25,325	—
2010 Series A-2 (Federally Taxable) — 3.67% to 4.97% Fixed Rate Term Bonds maturing in varying installments through 2019…………………………………………..	3,000	—	—	3,000	240
2010 Series B— 2.13% Fixed Rate Serial Bonds maturing 2014………………………...	82,170	—	(82,170)	—	—
2010 Series C— 1.50% to 4.95% Fixed Rate Serial and Term Bonds due 2047……………	14,815	—	(100)	14,715	200
2010 Series D-1-A— 1.60% to 5.00% Fixed Rate Serial and Term Bonds mandatory tender due 2042………………………………	43,475	—	(10,990)	32,485	525
2010 Series E— 0.80% to 3.85% Fixed Rate Serial and Term Bonds due 2019……………	6,850	—	(1,685)	5,165	720
2010 Series F— 1.70% to 4.75% Fixed Rate Serial and Term Bonds due 2030…………….	4,130	—	—	4,130	200
2010 Series G— 0.40% to 4.75% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041……………………	47,570	—	(2,245)	45,325	2,190
2010 Series H (Federally Taxable) — 0.81% to 0.85% Variable Rate Term Bonds due 2040…………………………………………..	69,495	—	(2,600)	66,895	2,745
2010 Series I— 2.05% Fixed Rate Serial Bonds due Nov 2014………………………..	8,115	—	—	8,115	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2010 Series J-1— 0.75% to 5.00% Fixed Rate Serial Bonds due 2022…...............................	20,855	—	(1,310)	19,545	1,680
2010 Series J-2— 1.15% to 2.15% Fixed Rate Term Bonds due Nov 2014…………………..	22,790	—	—	22,790	—
2010 Series J-3— 2.05% Fixed Rate Term Bonds due Nov 2014………………………..	11,240	—	(11,240)	—	—
2010 Series K-1— 2.05% to 5.25% Fixed Rate Serial and Term Bonds due 2032………	5,165	—	—	5,165	60
2010 Series K-2— 2.05% Fixed Rate Term Bonds due Nov 2014………………………..	23,175	—	—	23,175	—
2010 Series L-1— 2.35% to 5.00% Fixed Rate Serial and Term Bonds due 2026………	12,620	—	—	12,620	—
2010 Series L-2-A— 2.70% Fixed Rate Term Bonds due 2015…..…………………………..	12,400	—	—	12,400	—
2010 Series L-2-B— 1.90% Fixed Rate Term Bonds due 2015………................................	37,600	—	—	37,600	—
2010 Series N— 0.60% to 4.25% Fixed Rate Serial Bonds due 2021……………………….	5,030	—	(545)	4,485	555
2011 Series A— 3.25% Fixed Rate Term Bonds due 2014……………………………....	71,115	—	(71,115)	—	—
2011 Series B-1— 0.50% to 3.65% Fixed Rate Serial and Term Bonds due 2018………	20,785	—	(16,750)	4,035	725
2011 Series B-2— 2.05% Fixed Rate Term Bonds due 2014………………………………	5,100	—	(5,100)	—	—
2011 Series C— 2.25% to 4.50% Fixed Rate Serial and Term Bonds due 2022……………	1,980	—	—	1,980	—
2011 Series D— 0.28% to 3.37% Fixed Rate Serial and Term Bonds due 2020……………	23,590	—	(6,325)	17,265	210
2011 Series E— 1.40% to 4.93% Fixed Rate Serial and Term Bonds due 2036……………	72,030	—	(19,980)	52,050	8,570
2011 Series F-1 (Federally Taxable) — 0.29% to 3.47% Fixed Rate Serial Bonds due 2018….……………………………………….	26,630	—	(3,195)	23,435	3,740

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2011 Series F-2 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2040..................................	56,460	—	—	56,460	—
2011 Series F-3 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2040..................................	12,540	—	—	12,540	—
2011 Series G-1— 2.50% Fixed Rate Term Bonds due 2015..................................	63,630	—	—	63,630	—
2011 Series G-2-A— 0.35% to 3.10% Fixed Rate Serial and Term Bonds due 2021.........	38,565	—	(1,400)	37,165	5,925
2011 Series G-2-B— 1.39% Fixed Rate Term Bonds due 2017..................................	6,925	—	(960)	5,965	1,435
2011 Series G-3— 1.32% Fixed Rate Term Bonds due 2015..................................	22,180	—	—	22,180	—
2011 Series H-1— 2.50% Fixed Rate Term Bonds due 2015..................................	6,035	—	—	6,035	—
2011 Series H-2-A— 1.10% to 4.40% Fixed Rate Serial and Term Bonds due 2031.........	22,890	—	—	22,890	—
2011 Series H-2-B— 4.00% to 4.40% Fixed Rate Term Bonds due 2031.....................	15,970	—	—	15,970	—
2011 Series H-3-A—1.32% Fixed Rate Term Bonds due 2015..................................	8,620	—	—	8,620	—
2011 Series H-3-B— 2.51% Fixed Rate Term Bonds due 2022..................................	11,685	—	—	11,685	380
2011 Series J-1— 4.00% to 4.80% Fixed Rate Term Bonds due 2044..........................	38,345	—	—	38,345	—
2011 Series J-2— 1.55% to 2.55% Fixed Rate Term Bonds due 2022..........................	25,550	—	(100)	25,450	245
2011 Series J-3— 1.65% Fixed Rate Term Bonds due 2015..................................	16,940	—	—	16,940	—
2011 Series J-4— 1.20% to 1.65% Fixed Rate Term Bonds due 2015..........................	21,580	—	—	21,580	—
2012 Series A— 1.15% to 1.33% Index Floating Rate Term Bonds due 2014..........	67,540	—	(24,955)	42,585	42,585

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2012 Series B (Federally Taxable) — 0.66% to 3.93% Fixed Rate Serial Bonds due 2025.	42,650	—	(2,495)	40,155	2,840
2012 Series C — 0.27% Fixed Rate Term Bonds mandatory tender due Feb 2013…….	65,450	—	(65,450)	—	—
2012 Series C— 0.22% Fixed Rate Term Bonds mandatory tender due Jan 2014………	6,615	—	—	6,615	6,615
2012 Series D-1-A — 0.80% to 4.30% Fixed Rate Serial and Term Bonds due 2045………	48,725	—	—	48,725	—
2012 Series D-1-B— 0.35% to 4.30% Fixed Rate Serial and Term Bonds due 2045………	85,450	—	(270)	85,180	595
2012 Series D-2-A— 0.90% to 1.15% Fixed Rate Term Bonds due 2015………………….	71,855	—	—	71,855	—
2012 Series D-2-B— 0.90% to 1.15% Fixed Rate Term Bonds due 2015…………………..	17,780	—	—	17,780	—
2012 Series D-2-C— 0.90% to 1.15% Fixed Rate Term bonds due 2015…………………..	25,000	—	—	25,000	—
2012 Series E (Federally Taxable) — 0.34% to 4.40% Fixed Rate Serial and Term Bonds due 2032……………………………………..	72,000	—	(1,235)	70,765	2,810
2012 Series F— 0.80% to 3.90% Fixed Rate Serial and Term Bonds due 2045…………….	80,330	—	—	80,330	—
2012 Series G— 0.95% to 3.90% Fixed Rate Serial and Term Bonds due 2045…………….	31,960	—	—	31,960	—
2012 Series H— 0.25% to 1.60% Fixed Rate Serial Bonds due 2018……………………….	21,995	—	(1,455)	20,540	3,760
2012 Series I (Federally Taxable) — 0.40% to 4.49% Fixed Rate Serial and Term Bonds due 2044……………………………………..	89,175	—	(2,740)	86,435	5,690
2012 Series J— 1.05% Fixed Rate Term Bonds mandatory tender due 2015…………..	31,600	—	—	31,600	31,600
2012 Series K— 0.45% to 4.0% Fixed Rate Series and Term Bonds due 2045…………..	—	155,750	—	155,750	200
2012 Series K-1-B— 0.80% Fixed Rate Term Bonds due 2015…………………………….	—	12,855	—	12,855	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2012 Series K-2— 0.03% to 0.22%Variable Rate Term Bonds due 2016…………………..	—	20,765	—	20,765	—
2012 Series L-1— 1.80% to 3.90% Fixed Rate Serial and Term Bonds due 2042………	—	12,390	—	12,390	—
2012 Series L-2-A— 0.30% to 4.00% Fixed Rate Serial and Term Bonds due 2044………	—	102,825	(180)	102,645	455
2012 Series L-2-B (AMT) — 2.30% to 3.60% Fixed Rate Serial and Term Bonds due 2026..	—	2,060	—	2,060	—
2012 Series M-1-A— 1.15% Fixed Rate Term Bonds due 2017………………………..	—	19,830	—	19,830	—
2012 Series M-1-B— 1.15% Fixed Rate Term Bonds due 2017…………......................	—	4,000	—	4,000	—
2012 Series M-2— 1.10% to 4.00% Fixed Rate Serial and Term Bonds due 2047………	—	9,745	—	9,745	—
2012 Series M-3— 1.40% to 4.65% Fixed Rate and Serial Term Bonds due 2047………	—	10,525	—	10,525	—
2012 Series M-4— 0.20% Fixed Rate Term Bonds mandatory tender due 2014…………..	—	1,500	—	1,500	1,500
2013 Series A-1— 0.35% to 5.20% Fixed Rate Serial and Term Bonds due 2045………	—	55,855	—	55,855	—
2013 Series A-2— 4.88% to 5.20% Fixed Rate Term Bonds due 2045…………………..	—	16,165	—	16,165	—
2013 Series B-1-A— 1.10% to 4.60% Fixed Rate Term Bonds due 2045…………………..	—	131,880	—	131,880	—
2013 Series B-1-B— 0.35% to 4.60% Fixed Rate Serial and Term Bonds due 2045………	—	74,700	—	74,700	300
2013 Series B-1-C— 1.10% Fixed Rate Term Bonds due 2016………………………………	—	1,125	—	1,125	—
2013 Series B-2— 0.03% to 0.08% Variable Rate Term Bonds due 2018…………………..	—	7,500	—	7,500	—
2013 Series B-3— 0.03% to 0.10% Variable Rate Term Bonds due 2018…………………..	—	24,000	—	24,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2013 Series B-4— 0.03% to 0.10% Variable Rate Term Bonds due 2018…………………..	—	17,610	—	17,610	—
2013 Series C— 0.2% Fixed Rate Term Bonds mandatory tender due Jun 2014………	—	57,230	—	57,230	23,730
2013 Series D-1 (Federally Taxable) – 0.70% to 3.78% Fixed Rate Serial and Term Bonds due 2028……………………………………..	—	40,135	—	40,135	—
2013 Series D-2 (Federally Taxable) – 0.92% Index Floating Rate Term Bonds due 2038…	—	55,000	—	55,000	—
Multi-Family Secured Mortgage Revenue Bonds					
2005 Series A-1 (Federally Taxable) Secured Mortgage Revenue Bonds — 5.65% Term Bonds due 2031………………………………	5,870	—	(60)	5,810	60
2005 Series A-2 (Federally Taxable) Secured Mortgage Revenue Bonds — 6.32% Term Bonds due 2037………………………………	4,225	—	(70)	4,155	80
2005 Series B (Federally Taxable) Secured Mortgage Revenue Bonds— 6.35% Term Bonds due 2038………………………………	3,280	—	(50)	3,230	55
2011 Series A (Federally Taxable) Secured Mortgage Revenue Bonds — 1.26% to 4.78% Fixed Rate Serial and Term Bonds due 2026……………………………………..........	51,280	—	(3,465)	47,815	3,510
2013 Series A (Federally Taxable) Secured Mortgage Revenue Bonds — 0.48% to 5.34% Fixed Rate Serial and Term Bonds due 2035……………………………………..........	—	44,940	—	44,940	1,100
Federal New Issue Bond Program (NIBP)					
2009 Series 1-1 HRB (NIBP) — 3.96% Fixed Rate Term Bonds due 2043 ………………….	41,850	—	(41,850)	—	—
2009 Series 1-2 HRB (NIBP) — 3.16% Fixed Rate Term Bonds due 2043 ………………….	89,600	—	—	89,600	—
2009 Series 1-3-A HRB (NIBP) — 3.70% Fixed Rate Term Bonds due 2043…………....	53,000	—	(33,880)	19,120	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2009 Series 1-3-B HRB (NIBP) (AMT) — 3.70% Fixed Rate Term Bonds due 2031 …..	10,180	—	(2,060)	8,120	—
2009 Series 1-4 HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2051 ………………….	29,640	—	(14,650)	14,990	—
2009 Series 1-5-A HRB (NIBP) — 2.47% Fixed Rate Term Bonds due 2048…………..	158,800	—	—	158,800	—
2009 Series 1-5-B HRB (NIBP) (AMT) — 2.47% Fixed Rate Term Bonds due 2041……	31,930	—	—	31,930	—
2009 Series 2-1 HRB (NIBP) — 3.96% Fixed Rate Term Bonds due 2043 ………............	16,200	—	(16,200)	—	—
2009 Series 2-2 HRB (NIBP) — 3.16% Fixed Rate Term Bonds due 2043 ………………….	10,830	—	(10,830)	—	—
2009 Series 2-3 HRB (NIBP) — 3.70% Fixed Rate Term Bonds due 2043 ………………….	2,890	—	(240)	2,650	50
2009 Series 2-4-A HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2044…………..	9,450	—	(7,890)	1,560	20
2009 Series 2-4-B HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2041…………..	2,580	—	(2,580)	—	—
2009 Series 2-5 HRB (NIBP) — 2.47% Fixed Rate Term Bonds due 2048…………………..	42,290	—	(1,530)	40,760	1,540
Total Housing Revenue Bond Program	4,370,165	878,385	(716,335)	4,532,215	268,910
LIBERTY BOND PROGRAM:					
Multi-Family Mortgage Revenue Bonds					
2005 Series A 90 Washington Street — 0.04% to 0.24% Variable Rate Bonds due upon demand through 2035…………………	74,800	—	—	74,800	—
2005 Series A The Crest— 0.07% to 0.26% Variable Rate Bonds due upon demand through 2036…………………………………	132,500	—	—	132,500	—
2005 Series B (Federally Taxable) The Crest— 0.12% to 0.25% Variable Rate Bonds due upon demand through 2036……………..	8,300	—	(900)	7,400	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series A 90 West Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036......................................	104,000	—	—	104,000	—
2006 Series B (Federally Taxable) 90 West Street — 0.09% to 0.20% Variable Rate Bonds due upon demand through 2036...........	8,000	—	—	8,000	—
2006 Series A - 2 Gold Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036......................................	162,000	—	—	162,000	—
2006 Series B (Federally Taxable) - 2 Gold Street — 0.09% to 0.20% Variable Rate Bonds due upon demand through 2036...........	48,000	—	(1,600)	46,400	—
2006 Series A - 20 Exchange Place — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2039………………………	66,400	—	—	66,400	—
2006 Series B (Federally Taxable) 20 Exchange Place— 0.12% to 0.25% Variable Rate Bonds due upon demand through 2039.	133,100	—	(2,000)	131,100	—
2006 Series A 201 Pearl Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2041………..........................	65,000	—	—	65,000	—
2006 Series B (Federally Taxable) 201 Pearl Street — 0.09% to 0.20% Variable Rate Bonds upon demand through 2041…………	24,800	—	(400)	24,400	—
2008 Series A Beekman Tower – 0.08% to 0.26% Variable Rate Bonds due upon demand through 2048………………………	203,900	—	—	203,900	—
Total Liberty Bond Program	1,030,800	—	(4,900)	1,025,900	—
<u>SECTION 223(f) REFINANCING BOND PROGRAM:</u>					
Multi-Family Housing Bond Program— 6.50% to 7.25% Bonds maturing in varying installments through 2019…………………	22,509	—	(22,509)	—	—
Total Section 223(f) Refinancing Bond Program	22,509	—	(22,509)	—	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
CAPITAL FUND PROGRAM REVENUE BONDS (New York City Housing Authority ("NYCHA"))					
2005 Series A Capital Fund Program—3.00% to 5.00% Serial and Term Bonds maturing in varying installments through 2025………..	213,990	—	(213,990)	—	—
2013 Series A Capital Fund Program—2.00% to 5.00% Serial Bonds maturing in varying installments through 2025………………….	—	185,785	—	185,785	9,155
2013 Series B-1 Capital Fund Program—2.00% to 5.25% Serial Bonds maturing in varying installments through 2033………..	—	348,130	—	348,130	6,940
2013 Series B-2 Capital Fund Program—5.00% to 5.25% Serial Bonds maturing in varying installments through 2032………..	—	122,170	—	122,170	—
Total Capital Fund Program Revenue Bonds	213,990	656,085	(213,990)	656,085	16,095
Total Bonds Payable Prior to Net Premium (Discount) on Bonds Payable	$8,796,629	1,777,180	(1,111,999)	9,461,810	344,830
Net Premium (Discount) on Bonds Payable	8,696	44,715	(8,847)	44,564	—
Total Bonds Payable (Net)	$8,805,325	1,821,895	(1,120,846)	9,506,374	344,830

Interest on the Corporation's variable rate debt is based on the Securities Industry and Financial Markets Association ("SIFMA") rate and is reset daily and weekly.

Bonds issued in Fiscal Year 2013

(A) New York City Housing Development Corporation

On December 14, 2012, the variable rate Multi-Family Mortgage Revenue Bonds, 2012 Series A (461 Dean Street Development) were issued in the amount of $45,000,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Brooklyn, New York, and to pay certain other related costs.

On December 20, 2012, five Multi-Family Housing Revenue Bonds series were issued in the amount totaling $247,360,000. The fixed rate 2012 Series K-1-A Bonds were issued in the amount of $155,750,000, the fixed rate 2012 Series K-1-B Bonds were issued in the amount of $12,855,000, the variable rate 2012 Series K-2 Bonds were issued in the amount of $20,765,000, the fixed rate 2012 Series L-1 Bonds were issued in the amount of $12,390,000, and the term rate 2012 Series M Bonds were issued in the amount of $45,600,000. The 2012 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On December 21, 2012, the variable rate Multi-Family Rental Housing Revenue Bonds, 2012 Series A (1133 Manhattan Avenue Development) were issued in the amount of $46,000,000 to finance a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Brooklyn, New York, and to pay certain other related costs.

On February 14, 2013, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series A (50th Avenue Development) were issued in the amount of $62,250,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Queens, New York, and to pay certain other related costs.

On February 14, 2013, the Corporation committed to issue the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series A (Borden Avenue Development) in the form of a draw down in the amount totaling $13,875,000. As of October 31, 2013, the total amount of bonds issued to date was $66,000. On the same day, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series B (Borden Avenue Development) were issued in the amount of $13,875,000. The 2013 Bonds were issued to finance a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family housing development located in the borough of Queens, New York, and to pay certain other related costs.

On March 8, 2013, two Multi-Family Housing Revenue Bonds series were issued in the amount totaling $104,885,000. The fixed rate 2012 Series L-2-A Bonds were issued in the amount of $102,825,000 and the 2012 Series L-2-B (AMT) Bonds were issued in the amount of $2,060,000. The 2012 Bonds were issued and combined with other available monies to refund certain outstanding bonds of the Corporation.

On June 27, 2013, eight Multi-Family Housing Revenue Bonds series were issued in the amount totaling $369,045,000. The fixed rate 2013 Series B-1-A Bonds were issued in the amount of $131,880,000, the fixed rate 2013 Series B-1-B Bonds were issued in the amount of $74,700,000, the fixed rate 2013 Series B-1-C Bonds were issued in the amount of $1,125,000, the variable rate 2013 Series B-2 Bonds were issued in the amount of $7,500,000, the variable rate 2013 Series B-3 Bonds were issued in the amount of $24,000,000, the variable rate 2013 Series B-4 Bonds were issued in the amount of $17,610,000, the term rate 2013 Series C Bonds were issued in the amount of $57,230,000 and the index floating rate 2013 Series D-2 (Federally Taxable) Bonds were issued in the amount of $55,000,000. The 2013 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On June 27, 2013, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series B (50th Avenue Development) were issued in the amount of $74,710,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Queens, New York, and to pay certain other related costs.

On June 27, 2013, the Corporation committed to issue the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series C (Borden Avenue Development) in the form of draw down in the amount totaling $37,290,000. As of October 31, 2013, the total amount of bonds issued to date was $809,000. The Bonds were issued to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family housing development located in the borough of Queens, New York, and to pay certain other related costs.

On July 31, 2013, the fixed rate Multi-Family Housing Revenue Bonds 2013 Series D-1 (Federally Taxable) Bonds were issued in the amount of $40,135,000. The Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On September 10, 2013, three Capital Fund Grant Program Revenue Bonds series were issued in the amount totaling $656,085,000. The fixed rate 2013 Series A Bonds were issued in the amount of $185,785,000, the fixed rate 2013 Series B-1 Bonds were issued in the amount of $348,130,000 and the fixed rate 2013 Series B-2 Bonds were issued in the amount of $122,170,000. The 2013 Bonds were issued to finance a loan to the NYCHA for the financing of capital modernization and improvement of NYCHA projects in the City of New York and to refund the Corporation's 2005 Series A Capital Fund Program Revenue Bonds. The proceeds of the 2013 Series A Bonds and together with other available funds held in the 2005 Series A bond program were used to retired the Corporation's 2005 A Bonds through an advance refunding.

On October 10, 2013, two Multi-Family Housing Revenue Bonds series were issued in the amount totaling $72,020,000. The fixed rate 2013 Series A-1 Bonds were issued in the amount of $55,855,000 and the fixed rate 2013 Series A-2 Bonds were issued in the amount of $16,165,000. The 2013 Bonds were issued and combined with other available monies to finance a mortgage loan for the rehabilitation of a certain development and to refund certain outstanding bonds of the Corporation.

On October 10, 2013, the fixed rate Multi-Family Secured Mortgage Revenue Bonds 2013 Series A (Federally Taxable) were issued in the amount of $44,940,000 to finance the acquisition of certain construction and permanent mortgage loans and to pay certain other related costs.

All the bonds listed above are subject to regular redemption and certain issues are also subject to special redemption provisions as well. The parameters under which the redemptions may occur are set forth in the respective bond resolutions.

In fiscal year 2010, as part of the Housing Finance Agency ("HFA") initiative using authority provided to Treasury by the Housing and Economic Recovery Act of 2008 ("HERA") to help support low mortgage rates and expand resources to provide affordable mortgages for low and middle income households, and to support the development and rehabilitation of affordable housing units, the Corporation was allocated $500,000,000 by Treasury to issue bonds under the New Issue Bond Program ("NIBP"). HDC has issued two Multi-Family Housing Revenue Bonds under the NIBP. The variable rate 2009 Series 1 (Federally Taxable) Bonds were issued in the amount of $415,000,000 and the 2009 Series 2 (Federally Taxable) Bonds were issued in the amount of $85,000,000 on December 23, 2009. During the period between June 2010 and December 2011, all the principal amount of the 2009 Series 1

(NIBP) Bonds and the 2009 Series 2 (NIBP) Bonds were converted to fixed rate tax exempt bonds. These bonds were designated as the "Converted Bonds". On March 8, 2013, a portion of the NIBP Converted Bonds in the amount of $104,885,000 were redeemed. On June 27, 2013 a portion of the NIBP Converted Bonds, relating to the 2009 Series 2-4-A Multi-Family Housing Revenue Bonds, amounting to $4,820,000, were defeased by the Corporation.

Since fiscal year 2006, the Corporation has either defeased or retired several series of bonds through in-substance defeasance where assets were placed in an irrevocable trust that is used exclusively to service the future debt requirement. In fiscal year 2013, the Corporation retired two additional bond series through in-substance defeasance. The table below lists all the series as well as the amount outstanding as of October 31, 2013. These bonds are held with an escrow agent.

Detail of Defeased Bonds outstanding as of October 31, 2013:

Bond Issue	Date Defeased	Amount Defeased	Bonds Outstanding 10/31/13
2003 Series C Multi-Family Housing Revenue Bond	April 3, 2006	$ 4,175,000	$ 1,510,000
2004 Series D Multi-Family Housing Revenue Bond	October 24, 2006	18,000,000	18,000,000
2004 Series E-2 Multi-Family Housing Revenue Bond	October 24, 2006	19,720,000	19,720,000
2009 Series 2-4-A Multi-Family Housing Revenue Bond	June 27, 2013	4,820,000	4,820,000
2005 A Capital Fund Program	September 10, 2013	201,985,000	201,985,000
Total		$248,700,000	$246,035,000

Future Debt Service:

Required debt payments by the Corporation for the next five years and thereafter are as follows:

Year Ending October 31, *(in thousands)*	Principal	Interest	Total
2014…………………...	$344,830	176,577	521,407
2015…………………...	308,380	179,339	487,719
2016…………………...	501,275	171,832	673,107
2017…………………...	251,850	163,576	415,426
2018…………………...	226,925	157,823	384,748
2019 – 2023………..….	906,225	706,478	1,612,703
2024 – 2028…………...	855,805	550,501	1,406,306
2029 – 2033…………...	1,286,510	384,815	1,671,325
2034 – 2038…………...	2,234,320	239,835	2,474,155
2039 – 2043……….…...	1,345,290	110,434	1,455,724
2044 – 2048…………...	1,114,885	24,254	1,139,139
2049 – 2053…………...	85,515	410	85,925
Total	$ 9,461,810	2,865,874	12,327,684

Changes in Long Term Liabilities:

Long term liability activities for the year ended October 31, 2013, are as follows:

Descriptions	Balance at Oct. 31, 2012	Additions	Deductions	Balance at Oct. 31, 2013	Due Within 1 Year
(in thousands)					
Bonds Payable, (net) as restated	$8,805,325	1,821,895	(1,120,846)	9,506,374	344,830
Payable to The City of New York	991,226	157,029	(101,202)	1,047,053	—
Payable to Mortgagors & Restricted Earnings on Investments	513,214	675,575	(667,379)	521,410	131,941
Others	347,865	327,376	(432,864)	242,377	172,136
Total Long Term Liabilities	$10,657,630	2,981,875	(2,322,291)	11,317,214	648,907

Note 11: Consultant's Fees

The fees paid by the Corporation for legal, accounting and consulting services in fiscal year 2013 for HDC include $320,000 to Carreden Group, Inc.; $29,193 to Hawkins, Delafield & Wood; $3,021 to Seyfarth Shaw LLP. Auditing fees of $212,000 were paid to Ernst & Young LLP.

The Corporation paid consulting fees in the amount of $335,074 to Quest America, Inc.; $131,680 to R Square Inc.; $88,367 to Eugene W. Yee; $54,965 to Carlton Architecture, PC; $36,957 to Profit Solutions Associates, Inc.; $31,750 to Cristo Rey New York High School; $29,000 to Bartley & Dick Advertising/Design; $15,096 to Finsoft Consultant, Inc.; $6,900 to Enid Harlow; $6,683 to Hawkins, Delafield & Wood; $4,385 to Kevin Joseph Laccone; $2,400 to Insurance Advisors, LLC; and $632 to Buck Consultants, LLC.

In addition, the Corporation paid legal, accounting and consulting fees for services provided in connection with bond financings which have been reimbursed either from bond proceeds or from project developers. Fees of $1,829,280 to Hawkins, Delafield & Wood; $45,000 to Ernst & Young LLP; $42,500 to Orrick, Herrington & Sutcliffe, LLP; $40,000 to Caine Mitter & Associates, Inc.; $37,500 to Ballard Spahr, LLP; $37,000 to Carter Ledyard & Milburn, LLP; $20,450 to Situs Real LLC; $12,800 to Causey Demgen & Moore; and $10,000 to Pillsbury Winthrop Shaw Pittman, LLP.

Note 12: Payable to The City of New York

(A) New York City Housing Development Corporation

Since fiscal year 2002, the Corporation has entered into various agreements with the City whereby HDC sold bonds and used the bond proceeds to purchase from the City interests in various mortgage loans and pools of mortgage loans. Additionally, starting from fiscal year 2005 and 2006 and onward, HDC originated second mortgage loans in which it sold a residual interest to the City. Cash flow derived from these loan interests is pledged to the repayment of the related HDC bonds. At such time as these HDC bonds are retired, ownership of the associated loan interests transfers to the City. The excess of such interest over the amount of the related bonds, which totaled $761,982,000 as of October 31, 2013 is reported in the Corporation's statement of net position as "Loan participation receivable - The City of

NY" in the Noncurrent Assets section and "Payable to The City of New York: Loan participation agreement" in the Noncurrent Liabilities section. The related details are described in the next three paragraphs.

In fiscal years 2002 and 2003, the Corporation issued its Multi-Family Housing Revenue Bonds, 2002 Series D and Multi-Family Housing Revenue Bonds, 2003 Series D (the "2002 Series D Bonds" and "2003 Series D Bonds", respectively). In each case, HDC used the bond proceeds to purchase from the City a 100% participation interest in the cash flow of a portfolio of mortgage loans and a 100% participation interest in the cash flows of a loan pool securitized by the City in 1996 and known as the Sheridan Trust II. As noted in Note 6: "Loan Participation Interest Receivable", in fiscal year 2006 the Corporation issued the Multi-Family Housing Revenue Bonds 2006 Series A (the "2006 Series A Bonds") to refinance the 2002 Series D Bonds and 2003 Series D Bonds. At October 31, 2013, the Corporation's payable to the City relating to the 2006 Series A Bonds was $231,325,000.

The Corporation has completed numerous transactions as part of its Mitchell-Lama Restructuring Program, an affordable housing preservation program. The following Multi-Family Housing Revenue Bonds were issued prior to the current fiscal year as part of the Mitchell Lama Restructuring Program: 2004 Series D, 2004 Series E-1, 2004 Series E-2, 2005 Series A-1, 2005 Series A-2, 2005 Series F-1, 2005 Series F-2, 2005 Series J-1, 2005 Series J-2, 2006 Series D-1, 2006 Series D-2, 2008 Series C-1, 2008 Series C-2, 2008 Series G-1, 2008 Series G-2, 2008 Series J, 2008 Series L, 2010 Series G and a portion of 2010 Series H, 2011 Series F-1, F-2 , 2012 Series G, 2012 Series H, 2012 Series I and 2012 Series J were issued as Mitchell-Lama Restructuring Bonds. Under this program the Corporation has funded various new first and second mortgage loans as well as the acquisition of participation interests in City-owned second mortgages and associated cash flows. As long as any Mitchell-Lama Restructuring Bonds are outstanding, all cash flows from the purchased interests must be applied to debt service on such bonds. Once all such bonds are retired, HDC's participation interests revert to the City. HDC also has sold to the City a residual interest in the second mortgage loans the Corporation originated. These loans also transfer to the City when the Mitchell-Lama Restructuring Bonds are retired. As of October 31, 2013, the Corporation's payable to the City under the Mitchell-Lama Restructuring Bonds program was $530,657,000.

During Fiscal Year 2013, the Corporation entered into several loan participation agreements with the City through its Department of Housing Preservation and Development ("HPD"). In each case the Corporation made available to the mortgagors new mortgage loans, the proceeds of which were used for the acquisition or rehabilitation of existing properties, with the HDC mortgage holding the first position lien on the properties. The existing HPD loans were assigned to the Corporation, via a Purchase and Sale agreement, where the Corporation purchased the existing loans from the City and the City purchased a residual interest in the HDC Loans. As of October 31, 2013, the participation mortgage loan underlying the Participation Interest had an aggregate outstanding principal balance of $96,136,000.

In 2009, HPD and HDC entered into a Memorandum of Understanding ("MOU"), which provides for the granting of funds by HPD to HDC pursuant to Section 661 of the Act, to make subordinate loans for affordable housing. At October 31, 2013, the total related payable to the City relating to this MOU was $34,173,000.

The Corporation also administers construction loans on behalf of HPD, using funds provided by HPD. All such funds are the property of HPD and thus are reported as due to the City in the Corporation's financial statements. At October 31, 2013, the total related payable to the City was $154,762,000.

On April 20, 2011, the Corporation entered into a "421-Fund Agreement" with HPD as presented in "Note 7: Other Receivables". HDC will record funding pursuant to the 421-A Fund Agreement as funds received from the City and will be reported as payable to the City. As of October 31, 2013 the Corporation did not receive any of HPD's 421-A funds.

(B) Housing Assistance Corporation

Funding for HAC was received through the City in 1985. All of HAC's assets, after repayment of HDC advances to HAC and if unused for HAC purposes, will revert back to the City. At October 31, 2013, total resources payable to the City amounted to $38,725,000. The resources held for the City are primarily the mortgage loans described in Note 4, "Mortgage Loans," and the investments held to fund tenant assistance payments.

Since fiscal year 2009, the Corporation has been transferring funds to HAC in monthly increments in an original amount not to exceed $5,000,000 to provide funds for the tenant assistance ("TAC") payments for the Ruppert/Yorkville project pursuant to an agreement made by the City for the benefit of such residents. On March 10, 2011 the Corporation's Members approved an additional $5,000,000 for Ruppert/Yorkville tenant assistance. The total debt to HDC is not to exceed $10,000,000. On February 15, 2013, the last portion of approved TAC funds were transferred to HAC and advanced to its projects. Since then, HAC has repaid $3,500,000 to HDC. As of October 31, 2013, the remaining HAC obligations to HDC were $6,500,000. HAC is obligated to repay the Corporation for all funds advanced by HDC, without interest, at such time as funds become available to HAC.

Note 13: Retirement Programs

The Corporation is a participating employer in the New York City Employees' Retirement System ("NYCERS"), a cost sharing multi-employer plan, of which 119 employees of the Corporation are members. The Corporation made contributions to NYCERS of $1,388,818, $1,269,287 and $1,181,481 during fiscal years 2013, 2012 and 2011, respectively. Copies of NYCERS' financial statements can be obtained by writing to 335 Adams Street, Suite 2300, Brooklyn, NY 11201-3751.

The Corporation also offers its employees the option of participating in a Tax Sheltered Annuity Plan managed by Wells Fargo Bank, N.A. as an alternate or supplemental retirement plan under Section 403(b) of the Internal Revenue Code. The Internal Revenue Service has approved the Corporation as an entity which can provide this type of plan to its employees. The majority of the Corporation's employees participate in this plan.

Note 14: Postemployment Benefits Other Than Pensions

The Corporation sponsors a single employer defined benefit health care plan that provides postemployment medical benefits for eligible retirees and their spouses. The Corporation does not issue a publicly available financial report for the plan.

Benefit provisions for the plan are established and amended by actions taken by the Corporation's Members and there is no statutory requirement for HDC to continue this plan for future HDC employees. The plan is currently a non-contributory plan with all payments for plan benefits being funded by HDC on a pay-as-you-go-basis.

HDC follows the provisions of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement establishes guidelines for reporting costs associated with "other postemployment benefits" ("OPEB"). HDC's annual OPEB cost for the plan is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ARC includes interest of $67,000 on the net OPEB obligation. HDC's annual OPEB cost for the current year and the related information for the plan are as follows (dollar amounts in thousands):

Annual required contribution	$1,747
Contributions made	(4,000)
Decrease in net OPEB obligation	(2,253)
Net OPEB obligation—beginning of year	7,792
Net OPEB obligation—end of year	$5,539

HDC's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the previous three years were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
10/31/13	$1,747	228.96%	$5,539
10/31/12	$2,033	199.23%	$7,792
10/31/11	$2,033	12.75%	$9,809

As of October 31, 2013, the actuarial accrued liability for benefits was $22,187,000. The covered payroll (annual payroll of active employees covered by the plan) was $14,122,000 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 157%. Actual benefit payments made during Fiscal Year 2013 amounted to $88,564.

The actuarial valuation date was October 31, 2012. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between HDC and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

For the October 31, 2008 actuarial valuation, the frozen entry age actuarial cost method was used. For the October 31, 2010 and October 31, 2012 actuarial valuations, the Corporation used to the entry age normal cost method. The actuarial assumptions included a 4% discount rate, 3% wage inflation rate and an annual healthcare cost trend rate of 9.5% grading down to an ultimate rate of 5%. The unfunded actuarial accrued liability is being amortized over 30 years as a level percentage of projected payroll on an open basis. The remaining amortization period was 22 years.

On October 29, 2012, the Corporation established an irrevocable trust that was funded with an initial contribution in the amount of $4,000,000 to provide for the payment of retirees postemployment medical benefits. On June 12, 2013, an additional $4,000,000 was contributed to the trust by the Corporation. At October 31, 2013, the book value and fair market value of the investment trust fund were $8,090,000 and $7,453,000, respectively, and the actuarial liability for benefits was $9,539,000. Due to the establishment of the trust, the actuarial liability for benefits is now approximately 41.9% funded. The difference of 58.1% or $5,539,000 is reported as a liability on the Corporation's financial statements.

Note 15: Due to the United States Government – Non Current Liabilities

In order to maintain the exemption from federal income tax of interest on bonds issued subsequent to January 1, 1986, the Corporation established a separate fund, the Rebate Fund, into which amounts required to be rebated to the Federal Government pursuant to Section 148 of the Code are deposited. In general, the Code requires the payment to the U.S. Treasury of the excess of the amount earned on all non-purpose obligations over the amount that would have been earned if the gross proceeds of the issue were invested at a rate equal to the yield on the issue. Project or construction funds, debt service funds or any other funds or accounts funded with proceeds of such bonds, including earnings, or pledged to or expected to be used to pay interest on such bonds are subject to this requirement. Issues with respect to which all gross proceeds are expended for the governmental purpose of the issue within the required time period after the date of issue and debt service funds with annual gross earnings of less than $100,000 are exempt from this requirement. Payment is to be made after the end of the fifth bond year and after every fifth bond year thereafter, and within 60 days after retirement of the bonds. As of October 31, 2013, HDC had set aside $1,451,000 to make future rebate payments when due.

Note 16: Commitments

(A) New York City Housing Development Corporation

(i.) The Corporation is committed under one operating lease for office space for minimum annual rentals for the next five years and thereafter as follows:

Year Ending October 31,	
2014…………………………………………	$1,837,000
2015…………………………………………	1,810,000
2016…………………………………………	1,801,000
2017…………………………………………	1,801,000
2018…………………………………………	2,047,000
2019—2022…………………………………	8,358,000
Total	$17,654,000

For fiscal year 2013, the Corporation's rental expense including escalation, taxes and operating costs amounted to $2,345,000.

(ii.) The Corporation's practice is to close loans only when all the funds committed to be advanced have been made available through bond proceeds or a reservation of corporate funds. Funds are invested prior to being advanced, as described in Note 3: "Investments and Deposits", and are reported as restricted assets.

(iii.) The portion of closed construction loans that had not yet been advanced as of October 31, 2013 is as follows:

Programs:	
Multi-Family Bond Programs	
Housing Revenue	$547,257,000
Liberty Bond	5,136,000
New Housing Opportunity Program (New HOP)	258,433,000
Loans Secured by 80/20 Certificates	4,517,000
NYCHA	476,303,000
Corporate Services Fund Loans	89,777,000
421-A Housing Trust Fund	4,732,000
501 C (3)	3,851,000
Unadvanced Construction Loans (closed loans)	$1,390,006,000

As of October 31, 2013 the Corporation had executed commitment letters for several loans that had not yet closed in the amount totaling $13,263,000.

(iv.) The Corporation has made a programmatic funding commitment in support of the City's housing initiatives. HDC has reserved funds to fulfill these commitments, but the timing and amount of remaining loan closings cannot be determined. The programmatic commitment is as follows:

- The Corporation entered into a MOU with HPD dated as of May 5, 2004 that outlines the Corporation's obligations to purchase participations totaling up to $55,632,000 in affordable housing loans for various HPD programs during fiscal years 2004 to 2006, and HPD's commitment to purchase these loans extend back to that period with accrued interest in 2007 and 2008. As of October 31, 2013, loans totaling $27,208,000 had been closed and $27,208,000 had been advanced. The Corporation's commitment to purchase loans under the MOU has expired. Out of the total loans advanced through FY 2013, $9,992,000 in loans were assigned back to HPD after repayment to HDC of the same amount.

(B) New York City Residential Mortgage Insurance Corporation

As of October 31, 2013, REMIC insured loans with coverage totaling $177,593,000 and had outstanding commitments to insure loans with a maximum insurance coverage of $70,201,000.

Note 17: Financial Guaranties

(A) NYCHA Tax Credit Guaranty

On April 2, 2012, the Corporation entered into a Guaranty Agreement with Citibank, N.A. ("Citibank") to guaranty the yield on Citibank's investment in the Low Income Housing Tax Credit ("LIHTC") created pursuant to the New York City Housing Authority Tax Credit Transaction ("NYCHA Tax Credit Transaction"). In return, the Corporation received $16.0 million as a guaranty fee from Citibank, less fees and expenses of $929,000 incurred under this agreement.

On July 15, 2013, Citibank transferred 100% of its rights under the guaranty agreement to Wells Fargo Holdings ("Wells Fargo"). As of that date the Guaranty agreement between Citibank and HDC was terminated and a new agreement was signed between HDC and Wells Fargo. As a condition of Citibank selling its rights under the guaranty agreement, the Corporation received an additional $8 million of Guaranty fee from Wells Fargo, less fees and expenses of $320,000 incurred under this agreement.

Under the Guaranty Agreement between HDC and Wells Fargo the Corporation agreed to guaranty a minimum rate of return on Wells Fargo's tax credit investment in the NYCHA I Housing Development Fund Corporation through a 15 year compliance period. The minimum rate of return is equal to an annual effective rate of 4.50% on an after tax basis return on its tax credit investment over the 15 year compliance period. During the compliance period, from time to time NYCHA LLC-I will determine if the total benefits allocated or paid to Wells Fargo through such date, together with the tax benefits projected to be received by Wells Fargo thereafter through the coverage period termination date, are sufficient to keep Wells Fargo on track to achieve the minimum return. If it is determined that Wells Fargo is not on track to achieve the minimum return through the coverage period termination date, the Corporation shall have the option, but not the obligation, subject to a cap amount of $96,000,000, to make a payment to Wells Fargo under the guaranty agreement in an amount equal to the optional minimum return deficiency amount.

The NYCHA Tax Credit transaction required the establishment and funding of several project reserves and guaranties in order to ensure timely completion of rehabilitation, which has in fact proceeded on time and within budget, and the overall success of the transaction. The reserves and guaranties decrease the likelihood that HDC will be required to make a payment under the Guaranty Agreement. The unamortized amount of guaranty fee received, $22,680,000, has been designated as a financial guaranty reserve as of October 31, 2013. (See Note 18: "Contingencies".)

(B) Co-op City Guaranty

On November 28, 2012, the Corporation entered into a Credit Support Agreement with Wells Fargo Bank National Association ("Wells Fargo Bank"), HUD and the State of New York Mortgage Agency ("SONYMA"). Wells Fargo Bank agreed to make a mortgage in the amount of $621,500,000 to Co-op City in Bronx, New York. As a precondition of endorsing the Loan for insurance, HUD required SONYMA and HDC each to provide a portion of top–loss guaranty on the loan. Pursuant to the agreement between HDC and HUD, HDC agreed to provide $15,000,000 guaranteed amounts of mortgage benefits to Wells Fargo Bank in the event of a default. The Corporation agreed to fund the full amount of the HDC top-loss guaranty in a segregated designated account for the duration of the HDC top-loss guaranty. As of October 31, 2013, the Corporation has designated $15,000,000 as a financial guaranty reserve. (See Note 18: "Contingencies".)

(C) Community Preservation Corporation Guaranty

On April 9, 2012, the Corporation's Members approved HDC to provide a limited guaranty for affordable housing construction loans originated by Community Preservation Corporation ("CPC") Funding SPE1, LLC. Loans made by CPC will be funded through a construction loan facility to be established by Citibank in an amount not to exceed $100 million.

The Corporation will provide a limited guaranty equal to a 10% top-loss of each loan up to a maximum exposure of $10 million for affordable housing construction loans. As of October 31, 2013, the Corporation has designated $2,000,000 as a financial guaranty reserve. (See Note 18: "Contingencies".)

(D) Preserving City Neighborhoods Guaranty

On September 18, 2013, the Corporation's Members approved HDC to provide a limited guaranty to the New York City Acquisition Fund LLC ("NYAF") on behalf of qualified nonprofit organizations partnering with Preserving City Neighborhoods ("PCN"). The HDC guaranty will be equal to a 25% loss on acquisition loans up to maximum exposure of $5 million. HPD will work together with PCN to develop a pipeline with a particular focus on smaller buildings of fewer than 30 residential units that have historically not generated interest in the open market. (See Note 18: "Contingencies".) As of October 31, 2013, the Corporation has designated $2,250,000 as a financial guaranty reserve.

(E) Federal Housing Administration Risk Sharing Guaranty

In November 2011, the Corporation entered into an amended risk sharing agreement with HUD. HDC is participating in the Risk Sharing Program in order to obtain 100% insurance on certain loans made by HDC for affordable multifamily housing. The risk sharing allocation between HDC and HUD will be on a project basis and take effect when the loan converts to permanent financing. As of October 31, 2013, there were eight projects that were included in the Risk Sharing agreement, with an estimated permanent mortgage loan amount totaling $292,260,000. The HDC risk share allocations related to the eight projects were $42,534,000. However, as of October 31, 2013 no loans under this agreement had converted to permanent and, as such, no reserves needed to be established at year end.

Note 18: Contingencies

In the normal conduct of the Corporation's business, it is involved in litigation matters. In the opinion of management and the Corporation's legal counsel, the ultimate disposition of such litigation should not have a material adverse effect on the financial position of the Corporation.

As discussed in Note 17 above, the Corporation entered into several guaranty agreements with various entities for certain project financings. These guaranties required the establishment and funding of reserves to mitigate the risk in the likelihood that payment was required.

The reserves are summarized in the chart below:

Financial Guaranties	At October 31, 2013
NYCHA Tax Credit Guaranty	$22,680,000
Co-op City Guaranty	15,000,000
Community Preservation Corporation Guaranty	2,000,000
Preserving City Neighborhoods Guaranty	2,250,000
Total	$41,930,000

Note 19: Net Position

The Corporation's Net Position represents the excess of assets and deferred outflows of resources over liabilities and consists largely of mortgage loans and investments. HDC's net position is categorized as follows:

- Restricted Net Position are net assets that have been restricted in use in accordance with the terms of an award, agreement or by State law. This includes net assets restricted by bond resolutions, contractual obligations with HPD and HUD, and REMIC reserves that are required by statute, among other items (see chart below).

- Unrestricted Net Position are the remaining net position, which can be further categorized as Designated or Undesignated. Designated Net Position is not governed by statute or contract but is committed for specific purposes pursuant to HDC policy and/or Board directives. Designated Net Position includes funds and assets committed to various housing initiatives, reserves to maintain HDC's credit ratings, and working capital.

Changes in Net Position

The changes in Net Position are as follows:

	Restricted	Unrestricted	Total
Net position at October 31, 2011 (as restated)	$592,517,000	858,123,000	1,450,640,000
Income	108,997,000	22,460,000	131,457,000
Transfers	134,302,000	(134,302,000)	—
Net position at October 31, 2012	$835,816,000	746,281,000	1,582,097,000
Income	86,626,000	(3,585,000)	83,041,000
Transfers	93,472,000	(93,472,000)	—
Net position at October 31, 2013	$1,015,914,000	649,224,000	1,665,138,000

Summary of Restricted Position	2013	2012
Multi-Family Bond Programs	$845,981,000	$710,078,000
421-A Housing Trust Fund	168,334,000	121,859,000
Corporate Debt Service Reserve 2006 Series A Purchase Bonds	499,000	2,278,000
Claim Payment Fund for 223(f) Program	1,100,000	1,601,000
Total Restricted Net Position	$1,015,914,000	$835,816,000

Of the total Unrestricted Net Position listed below, $338,161,000 is for existing mortgages and other loans. An additional $167,751,000 has been designated by the Members of the Corporation for future mortgage advances pursuant to housing programs established by the Corporation. The Corporation also has $1,336,000 in capital assets.

Summary of Unrestricted Net Position	2013	2012
Designated Position:		
Existing Mortgages	$338,161,000	$452,383,000
Housing Programs and Commitments	167,751,000	177,262,000
Working Capital	20,046,000	19,989,000
Rating Agency Reserve Requirement	80,000,000	80,000,000
Financial Guaranty Reserves (Note 17)	41,930,000	15,000,000
Total Designated Net Position	647,888,000	744,634,000
Undesignated Position:		
Capital Assets	1,336,000	1,647,000
Total Undesignated Net Position	1,336,000	1,647,000
Total Unrestricted Net Position	$649,224,000	$746,281,000

In fiscal year 2013 and 2012, net position transferred were $93,472,000 and $134,302,000, respectively, from unrestricted to restricted primarily due to the transfer of mortgage loans originated with corporate reserves. The mortgage loans were transferred into the Corporation's open resolution programs as the result of securitizations.

Note 20: Subsequent Events

Subsequent to October 31, 2013, a total of $403,675,000 of bonds were issued in the course of the Corporation's normal business activities.

New York City Housing Development Corporation
Required Supplementary Information
October 31, 2013

Schedule 1:
The following schedule is being presented to provide information on the funding progress of the OPEB Plan.

Schedule of Funding Progress
For the Retiree Healthcare Plan ($ in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
10-31-2012	$4,001	$16,146	$12,145	24.8%	$13,371	90.8%
10-31-2010	0	$16,374	$16,374	0%	$12,484	131.2%
10-31-2008	0	$17,050	$17,050	0%	$11,260	151.0%

Schedule 2:

The following schedule is being presented to provide detail information on a program basis for the owners of the Housing Revenue Bond program's obligations

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2013 and 2012 (in thousands)

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 392,331	$ 304,014
Investments	12,793	17,852
Receivables:		
Mortgage loans	61,658	92,464
Accrued interest	18,376	19,956
Other	179	713
Total Receivables	80,213	113,133
Other assets	-	26
Total Current Assets	**485,337**	**435,025**
Noncurrent Assets:		
Restricted cash and cash equivalents	444,182	440,503
Restricted investments	347,257	521,616
Purpose investments (note 2C)	149,365	154,044
Restricted receivables:		
Mortgage loans	3,959,557	3,683,618
Loan participation receivable - The City of NY (note 6)	761,982	764,068
Accrued interest	590	370
Other	407	-
Total restricted receivables	4,722,536	4,448,056
Primary government/component unit receivable (payable)	(10,189)	(13,241)
Other assets	9,769	10,010
Total Noncurrent Assets	**5,662,920**	**5,560,988**
Total Assets	**$ 6,148,257**	**$ 5,996,013**
Deferred Outflows of Resources		
Interest rate cap	1,944	1,586
Total Deferred Outflows of Resources	**$ 1,944**	**$ 1,586**

Schedule 2 (cont'd):

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2013 and 2012 (in thousands)

	2013	2012
Liabilities and Net Position		
Current Liabilities:		
Bonds payable (net)	$ 264,105	$ 346,895
Accrued interest payable	63,428	61,900
Payable to mortgagors	1,431	1,355
Restricted earnings on investments	372	1,002
Accounts and other payables	5,454	68,351
Total Current Liabilities	**334,790**	**479,503**
Noncurrent Liabilities:		
Bonds payable (net) (note 10)	4,162,556	3,959,004
Payable to The City of New York:		
Loan participation due to The City of New York (note 12)	761,982	764,068
Others due to The City of New York	62,353	84,960
Payable to mortgagors	9,130	36,456
Unearned revenues, amounts received in advance and other liabilities	27,465	10,602
Due to the United States Government	6	16
Total Noncurrent Liabilities	**5,023,492**	**4,855,106**
Total Liabilities	**5,358,282**	**5,334,609**
Net Position:		
Restricted for bond obligations	791,919	662,990
Total Net Position	**791,919**	**662,990**
Total Liabilities and Net Position	**$ 6,150,201**	**$ 5,997,599**

See accompanying notes to the basic financial statements.

Schedule 2 (cont'd):

Housing Revenue Bond Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years ended October 31, 2013 and 2012 (in thousands)

	2013	2012
Operating Revenues		
Interest on loans	$ 174,746	$ 161,444
Fees and charges	19,953	37,471
Income on loan participation interests	895	2,266
Other	1,110	7
Total Operating Revenues	**196,704**	**201,188**
Operating Expenses		
Interest and amortization of bond premium and discount	131,539	125,810
Trustees' and other fees	7,466	4,458
Bond issuance costs	7,358	8,138
Total Operating Expenses	**146,363**	**138,406**
Operating Income (Loss)	**50,341**	**62,782**
Non-operating Revenues (Expenses)		
Earnings on investments	17,582	18,054
Unrealized gains (losses) on investments	(9,293)	626
Loss on early retirement of debt	(126)	-
Other non-operating revenues (expenses), net	(1,954)	845
Total Non-operating Revenues	**6,209**	**19,525**
Income (Loss)	**56,550**	**82,307**
Operating transfers to Corporate Services Fund	(19,739)	(21,553)
Capital transfers	92,118	118,215
Change in Net Position	**128,929**	**178,969**
Total net position - beginning of year	662,990	484,021
Total Net Position - End of Year	**$ 791,919**	**$ 662,990**

See accompanying notes to the basic financial statements.

APPENDIX D

ACTIVITIES OF THE CORPORATION

The Corporation is engaged in the various activities and programs described below.

I. BOND PROGRAMS. The Corporation issues bonds and notes to fund mortgage loans for multi-family residential developments under the programs described below. The multi-family residential developments financed under the General Resolution are described below in "Section C – Housing Revenue Bond Program." As of May 31, 2014, the Corporation had bonds outstanding in the aggregate principal amount of approximately $9,435,172,546. All of the bonds are separately secured, except for the bonds issued under the General Resolution which are equally and ratably secured by the assets pledged under the General Resolution. None of the assets pledged under the bond programs described in "Section A–Multi-Family Program," "Section B–Military Housing Revenue Bond Program," "Section D–Liberty Bond Program," "Section E–Capital Fund Revenue Bond Program" and "Section F–Secured Mortgage Revenue Bond Program" provide security under the General Resolution, and none of the bonds under these programs is secured by the General Resolution.

A. *Multi-Family Program*. The Corporation established its Multi-Family Program to develop privately-owned multi-family housing, all or a portion of which is reserved for low income tenants. The following describes the Corporation's activities under its Multi-Family Program.

(1) Rental Projects; Fannie Mae or Freddie Mac Enhanced: The Corporation has issued tax-exempt and/or taxable bonds which either (i) are secured by mortgage loan payments, which payments are secured by obligations of Fannie Mae under various collateral agreements, (ii) are secured by a Direct Pay Credit Enhancement Instrument issued by Fannie Mae or (iii) are secured by a Direct Pay Credit Enhancement Agreement with Federal Home Loan Mortgage Corporation ("Freddie Mac").

(2) Rental Projects; Letter of Credit Enhanced: The Corporation has issued tax-exempt and/or taxable bonds to finance a number of mixed income projects and entirely low income projects, which bonds are secured by letters of credit issued by investment-grade rated commercial lending institutions.

(3) Residential Housing; Credit Enhanced: The Corporation has issued bonds to provide financing for residential facilities for hospital staff and for post-secondary students, faculty and staff which bonds are secured by letters of credit issued by investment-grade rated institutions.

(4) Senior Housing; Letter of Credit Enhanced: The Corporation has issued tax-exempt obligations to finance a mortgage loan for low-income senior housing, which obligations are secured by letters of credit issued by investment-grade rated commercial lending institutions.

(5) Rental Projects; Not Rated: The Corporation has issued bonds to provide financing for rental projects, which bonds are not rated by a rating agency and were not publicly offered.

B. *Military Housing Revenue Bond Program*. Under this program, the Corporation has issued taxable obligations in order to fund a portion of the costs of the design, demolition, renovation, construction and operation of housing units in residential family housing areas located at Fort Hamilton.

C. *Housing Revenue Bond Program*. Under its Housing Revenue Bond Program, the Corporation may issue bonds payable solely from and secured by the assets held under the General Resolution which include a pool of mortgage loans, some of which are construction loans (which pool contains FHA-insured mortgage loans, REMIC-insured mortgage loans, SONYMA-insured mortgage loans, GNMA mortgage-backed securities, other mortgage loans and participation interests in mortgage loans), the revenues received on account of all such loans and securities, and other assets pledged under such resolution and any supplemental resolution for a particular series of bonds. Certain of the projects, which secure a portion of the mortgage loans, receive the benefits of subsidy payments.

D. *Liberty Bond Program*. In accordance with Section 301 of the Job Creation and Worker Assistance Act of 2002, the Corporation has issued tax-exempt and taxable bonds, each secured by a letter of credit, to finance the development of multi-family housing within an area of lower Manhattan designated in such legislation as the "Liberty Zone."

E. *Capital Fund Revenue Bond Program*. Under this program, the Corporation has issued tax-exempt obligations in order to assist the New York City Housing Authority with the execution of a multi-year construction initiative that will address critical capital improvement needs of their aging housing portfolio.

F. *Secured Mortgage Revenue Bond Program*. Under this program, the Corporation may issue bonds to finance loans evidence by a note and secured by a mortgage for privately owned multi-family housing. Such mortgage loans or the related bonds are required to be subject to supplemental security as defined in the applicable bond resolution. As of May 31, 2014, five (5) series of bonds have been issued under the Secured Mortgage Revenue Bond Program.

The following table summarizes bonds outstanding under these bond programs as of May 31, 2014:

	No. of Units	Bonds Issued	Bonds Outstanding	Year of Issue
MULTI-FAMILY PROGRAM				
Multi-Family Rental Housing Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced				
Related-Tribeca Tower	440	$55,000,000	$55,000,000	1997
One Columbus Place Development	729	$150,000,000	$142,300,000	1998
100 Jane Street Development	148	$17,875,000	$16,050,000	1998
Brittany Development	272	$57,000,000	$56,900,000	1999
Related-West 89th Street Development	265	$53,000,000	$53,000,000	2000
Queenswood Apartments	296	$10,800,000	$10,800,000	2001
Related-Lyric Development	285	$91,000,000	$89,000,000	2001
James Tower Development	201	$22,200,000	$19,515,000	2002
The Foundry	222	$60,400,000	$55,100,000	2002
Related Sierra Development	212	$56,000,000	$56,000,000	2003
West End Towers	1,000	$135,000,000	$135,000,000	2004
Related Westport Development	371	$124,000,000	$123,800,000	2004

	No. of Units	Bonds Issued	Bonds Outstanding	Year of Issue
Atlantic Court Apartments	321	$104,500,000	$96,800,000	2005
Progress of Peoples Developments	1,008	$83,400,000	$47,925,000	2005
Royal Charter Properties East, Inc. Project	615	$98,775,000	$89,200,000	2005
The Nicole	149	$65,000,000	$60,300,000	2005
Rivereast Apartments	196	$56,800,000	$53,300,000	2006
Seaview Towers	462	$32,000,000	$20,330,000	2006
155 West 21st Street Development	110	$52,700,000	$49,900,000	2007
Ocean Gate Development	542	$48,500,000	$20,375,000	2007
West 61st Street Apartments	211	$68,000,000	$62,025,000	2007
Linden Plaza	1527	$73,900,000	$66,030,000	2008
Gateways Apartments	365	$22,190,000	$21,260,000	2009
Lexington Courts (Met Paca)	229	$25,500,000	$21,900,000	2009
The Balton	156	$29,750,000	$29,750,000	2009
1133 Manhattan Avenue Development	210	$46,000,000	$46,000,000	2012
Multi-Family Mortgage Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced				
West 48th Street Development	109	$22,500,000	$20,000,000	2001
First Avenue Development	231	$44,000,000	$44,000,000	2002
Renaissance Court	158	$35,200,000	$35,200,000	2004
Nagle Courtyard Apartments	100	$9,000,000	$4,200,000	2004
Ogden Avenue Apartments	130	$10,500,000	$4,760,000	2004
Peter Cintron Apartments	165	$14,400,000	$7,840,000	2004
Aldus Street Apartments	164	$14,200,000	$8,100,000	2004
Courtlandt Avenue Apartments	167	$15,000,000	$7,905,000	2004
Hoe Avenue Apartments	136	$11,900,000	$6,660,000	2004
Louis Nine Boulevard Apartments	95	$9,500,000	$7,300,000	2004
270 East Burnside Avenue Apartments	114	$13,000,000	$6,400,000	2005
Highbridge Apartments	296	$32,500,000	$13,600,000	2005
Morris Avenue Apartments	210	$22,700,000	$14,700,000	2005
Ogden Avenue Apartments II	59	$5,300,000	$2,500,000	2005
White Plains Courtyard Apartments	100	$9,900,000	$4,900,000	2005
89 Murray Street Development	232	$49,800,000	$49,800,000	2005
33 West Tremont Avenue Apartments	84	$8,450,000	$3,490,000	2005

	No. of Units	Bonds Issued	Bonds Outstanding	Year of Issue
1904 Vyse Avenue Apartments	96	$9,650,000	$4,335,000	2005
Reverend Ruben Diaz Gardens Apartments	111	$13,300,000	$6,400,000	2006
Villa Avenue Apartments	111	$13,700,000	$5,990,000	2006
Bathgate Avenue Apartments	89	$12,500,000	$4,435,000	2006
Spring Creek Apartments I and II	582	$24,000,000	$24,000,000	2006
Linden Boulevard Apartments	300	$14,000,000	$12,950,000	2006
Markham Gardens Apartments	240	$25,000,000	$16,000,000	2006
245 East 124th Street	185	$40,000,000	$35,400,000	2008
Hewitt House Apartments	83	$11,000,000	$4,100,000	2008
Bruckner by the Bridge	419	$68,500,000	$36,800,000	2008
Elliot Chelsea Development	168	$41,440,000	$40,750,000	2010
West 26th Street Development	204	$78,700,000	$78,700,000	2011-12
Multi-Family Mortgage Revenue Bonds – Rental Projects; Letter of Credit Enhanced				
Related-Upper East	262	$70,000,000	$70,000,000	2003
Brookhaven Apartments	95	$9,100,000	$8,000,000	2004
East 165th Street Development	136	$13,800,000	$7,665,000	2004
Manhattan Court Development	123	$17,500,000	$17,500,000	2004
Marseilles Apartments	135	$13,625,000	$11,525,000	2004
Parkview Apartments	110	$12,605,000	$5,935,000	2004
Thessalonica Court Apartments	191	$19,500,000	$17,100,000	2004
15 East Clarke Place Apartments	102	$11,600,000	$5,430,000	2005
1090 Franklin Avenue Apartments	60	$6,200,000	$2,320,000	2005
2007 La Fontaine Avenue Apartments	88	$8,500,000	$3,825,000	2005
Grace Towers Apartments	168	$11,300,000	$10,100,000	2005
La Casa del Sol	114	$12,800,000	$4,650,000	2005
Parkview II Apartments	88	$10,900,000	$4,255,000	2005
Urban Horizons II Development	128	$19,600,000	$5,565,000	2005
500 East 165th Street Apartments	128	$17,810,000	$7,255,000	2006
1405 Fifth Avenue Apartments	80	$14,190,000	$14,190,000	2006
Beacon Mews Development	125	$23,500,000	$23,500,000	2006
Granite Terrace Apartments	77	$9,300,000	$4,060,000	2006
Granville Payne Apartments	103	$12,250,000	$5,560,000	2006

	No. of Units	Bonds Issued	Bonds Outstanding	Year of Issue
Intervale Gardens Apartments	66	$8,100,000	$3,115,000	2006
Target V Apartments	83	$7,200,000	$6,600,000	2006
550 East 170th Street Apartments	98	$14,300,000	$5,500,000	2007
Boricua Village Apartments	85	$28,300,000	$10,915,000	2007
Cook Street Apartments	152	$26,600,000	$4,580,000	2007
Susan's Court	125	$24,000,000	$24,000,000	2007
The Dorado Apartments	58	$8,750,000	$3,470,000	2007
The Plaza	383	$30,000,000	$11,500,000	2007
Las Casas Development	227	$36,880,000	$19,200,000	2008
Sons of Italy Apartments	106	$7,670,000	$7,570,000	2009
Beekman Tower[3]	N/A	$431,100,000	$335,100,000	2009-2010
101 Avenue D Apartments	78	$25,000,000	$25,000,000	2010
461 Dean Street Development	363	$45,000,000	$45,000,000	2012
50th Avenue Development	619	$136,960,000	$136,960,000	2013
Residential Revenue Bonds – Letter of Credit Enhanced				
Montefiore Medical Center Project	116	$8,400,000	$6,400,000	1993
Queens College Residences	144	$69,865,000	$67,965,000	2009
College of Staten Island	133	$67,800,000	$67,800,000	2012
Multi-Family Mortgage Revenue Bonds – Rental Projects; Not Rated				
Queens Family Courthouse Apartments	277	$120,000,000	$40,000,000	2007
Borden Avenue Development[5]	306	$25,057,546	$25,057,546	2013-2014
250 Ashland Development[6]	586	$250,000	$250,000	2013
City Point Tower One	251	$62,000,000	$62,000,000	2013-2014
MILITARY HOUSING REVENUE BOND PROGRAM				
Fort Hamilton Housing	228	$47,545,000	$45,790,000	2004
HOUSING REVENUE BOND PROGRAM[•]				
Multi-Family Housing Revenue Bonds	114,508	$8,505,075,000	$3,996,020,000	1993-2014
Multi-Family Housing Revenue Bonds – Federal New Issue Bond Program[†]		$500,000,000	$364,380,000	2009

	No. of Units	Bonds Issued	Bonds Outstanding	Year of Issue
Multi-Family Housing Revenue Bonds – 2006 Series J-I[††]	296	$100,000,000	$100,000,000	2007
LIBERTY BOND PROGRAM				
Multi-Family Mortgage Revenue Bonds				
90 Washington Street[1]	398	$74,800,000	$74,800,000	2005
The Crest[2]	476	$143,800,000	$138,800,000	2005
2 Gold Street[1]	650	$217,000,000	$207,400,000	2006
20 Exchange Place[2]	366	$210,000,000	$197,500,000	2006
90 West Street[1]	410	$112,000,000	$112,000,000	2006
201 Pearl Street Development[1]	189	$90,000,000	$89,200,000	2006
Beekman Tower[3]	904	$203,900,000	$203,900,000	2008
CAPITAL FUND REVENUE BOND PROGRAM *New York City Housing Authority Program*[4]	N/A	$656,085,000	$656,085,000	2013
SECURED MORTGAGE REVENUE BOND PROGRAM *Multi-Family Secured Mortgage Revenue Bonds*	1,352	$112,095,000	$104,105,000	2005-2013
TOTAL	142,026	$14,778,542,546	$9,435,172,546	

• Information for all series of bonds that the Corporation has issued under its Housing Revenue Bond Program from 1993 through 2014 as described in Section C above.

† The Corporation has pledged certain amounts held under the General Resolution to secure both the Multi-Family Housing Revenue Bonds and the Multi-Family Housing Revenue Bonds - Federal New Issue Bond Program; however, amounts held under the Supplemental Resolutions for the Multi-Family Housing Revenue Bonds - Federal New Issue Bond Program are not pledged to secure the Multi-Family Housing Revenue Bonds.

†† The Corporation has issued $100,000,000 principal amount of its Multi-Family Housing Revenue Bonds, 2006 Series J-1 (the "2006 Series J-1 Bonds") under the General Resolution. On July 13, 2012, the 2006 Series J-1 Bonds became a Series of Bonds that is separately secured from all other Bonds issued and to be issued under the General Resolution such that no revenues or assets pledged under the General Resolution are available for the payment of 2006 Series J-1 Bonds and no revenues or assets pledged under the Amended and Restated 2006 Series J-1 Supplemental Resolution will be available for the payment of any Bonds (other than the 2006 Series J-1 Bonds) issued and to be issued under the General Resolution.

1 This project was also financed under the "Multi-Family Rental Housing Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced" Program as described in Section A above.

2 This project was also financed under the "Multi-Family Rental Housing Revenue Bonds – Rental Projects; Letter of Credit Enhanced" Program as described in Section A above.

3 This project was financed with separate series of bonds issued under the Multi-Family Program described in section I(A) above and the Liberty Bond Program described in section I(D) above.

4 A portion of the proceeds of the bonds was used to defease and advance refund the prior program bonds. The proceeds were deposited into an escrow account and invested in cash and non-callable direct obligations of the United States of America, the maturing principal of and interest on which, together with such cash, will be sufficient to pay all principal and interest on, and the redemption prices of, the defeased bonds to their maturity or redemption date. All of the defeased bonds will be redeemed by July 15, 2015.

5 The project was financed with draw down bonds. The total bonds issued is expected to be $72,790,000.

[6] This project was financed with draw down bonds. The total bonds issued is expected to be $33,000,000.

II. MORTGAGE LOAN PROGRAMS. The Corporation funds mortgage loans under various mortgage loan programs, including the significant programs described below. These mortgage loans are funded from bond proceeds and/or the Corporation's unrestricted reserves. See "PART I—BOND PROGRAMS" above.

A. *Affordable Housing Permanent Loan Program*. The Corporation established a program to make permanent mortgage loans for projects constructed or rehabilitated, often in conjunction with The City of New York Department of Housing Preservation and Development ("HPD") and other lender loan programs.

B. *Low-Income Affordable Marketplace Program.* The Corporation has established a Low-income Affordable Marketplace Program ("LAMP") to finance the construction or substantial rehabilitation of developments affordable to low-income tenants. LAMP projects are financed primarily with a first mortgage loan funded from tax-exempt bonds proceeds, as of right 4% Federal tax credits and a subordinate mortgage loan funded from the Corporation's reserves. The subordinate loan is provided at 1% interest with fixed minimum payments of at least interest only but may provide for amortization.

C. *Low-Income Affordable Marketplace Preservation Program.* The Corporation has established a Low-income Affordable Marketplace Preservation Program ("LAMP Preservation") to finance the acquisition and moderate rehabilitation of developments affordable to low-income tenants. LAMP Preservation projects are financed with a mortgage loan funded by tax-exempt bonds proceeds and as of right 4% Federal tax credits.

D. *Mitchell-Lama Program*. The Corporation has established the Mitchell-Lama Restructuring Program and the Mitchell Lama Repair Loan Program. The Mitchell Lama Restructuring Program preserves Mitchell-Lama projects as affordable housing by restructuring existing mortgage loans into new mortgage loans which contain an extended maturity date and a lower rate of interest. The Mitchell Lama Repair Loan Program provides Mitchell-Lama projects with additional loans to fund system modernizations, capital improvements or repairs.

E. *Mixed Income Program*. The Corporation has established a Mixed-Income Program to finance the construction or substantial rehabilitation of mixed-income multi-family rental housing. Mixed Income projects are financed with a first mortgage loan funded from tax-exempt bond proceeds, a subordinate mortgage loan funded from the Corporation's reserves and in some cases, as of right 4% Federal tax credits. Typically, the developments reserve 50% of the units for market rate tenants, 30% of the units for moderate to middle income tenants and 20% of the units for low income tenants.

F. *New Housing Opportunities Program*. The Corporation has established a New Housing Opportunities Program ("New HOP") to finance the construction or substantial rehabilitation of developments affordable to low and moderate income tenants. New HOP projects are financed with a first mortgage loan funded from taxable or tax-exempt bonds proceeds and a subordinate mortgage loan funded from the Corporation's reserves. The subordinate loan is provided at 1% interest with fixed minimum payments of at least interest only but may provide for amortization.

III. OTHER LOAN PROGRAMS. In addition to funding mortgage loans, the Corporation funds loans not secured by a mortgage under various programs, including the programs described below.

A. *New Ventures Incentive Program***.** The Corporation participated in the New Ventures Incentive Program ("NewVIP"), a multi-million dollar public-private partnership between the City and member banks established in the fall of 2003. The Corporation originated three NewVIP loans, all of which have been repaid.

B. *Other*. Among other programs, the Corporation has funded a loan to finance the construction of military housing at Fort Hamilton in Brooklyn, New York secured by notes and financed through the issuance of bonds. The Corporation has funded a loan to the New York City Housing Authority ("NYCHA") to provide funds for modernization and to make certain improvements to numerous various public housing projects owned by NYCHA in the City. The Corporation has provided interest-free working capital loans to not-for-profit sponsors of projects through HPD's Special Initiatives Program. The proceeds of such loans are used for rent-up expenses and initial operation costs of such projects. The Corporation also has provided interim assistance in the form of unsecured, interest-free loan to the Neighborhood Partnership Housing Development Fund Company, Inc. to fund certain expenses associated with HPD's Neighborhood Entrepreneurs Program.

IV. LOAN SERVICING. The Corporation services the majority of its own loans and also services loans for others. Such loan servicing activities, which are described below, relate to over 1,448 mortgage loans with an approximate aggregate face amount of $15 billion.

A. *Portfolio Servicing.* The Corporation acts as loan servicer in connection with the permanent mortgage loans made to approximately 692 developments under its bond, mortgage loan and other loan programs (including its Housing Revenue Bond Program) in the approximate aggregate face amount of $9.3 billion.

B. *HPD Loan Servicing*. The Corporation acts as loan servicer in connection with certain construction and permanent housing loan programs of HPD pursuant to several agreements with HPD. As of May 31, 2014, the Corporation was servicing construction and permanent loans made to approximately 567 developments in the approximate aggregate face amount of $2.4 billion.

C. *Loan Servicing Monitoring*. In addition to the Corporation's loan servicing activities, the Corporation monitors the loan servicing activities of other servicers who service approximately 189 mortgage loans made under the Corporation's various bond, mortgage loan and other loan programs in the approximate aggregate face amount of $3.1 billion.

APPENDIX E-1

DEVELOPMENTS AND MORTGAGE LOANS OUTSTANDING UNDER THE PROGRAM

The following tables contain information with respect to the Developments and Mortgage Loans Outstanding under the Program as of January 31, 2014 (except as noted).

Table 1 sets forth the valuation assigned to the Mortgage Loans with respect to each Series of Bonds issued as of January 31, 2014. See "SECURITY FOR THE BONDS—Mortgage Loans" and "—Cash Flow Statements and Cash Flow Certificates."

Table 2 sets forth information with respect to individual Developments and permanent Mortgage Loans financed with the proceeds of each Series of Bonds issued as of January 31, 2014 except the mortgage loans underlying the 2005 Series F Participant Interest, the 2005 Series J Participant Interest, the 2011 Participant Interest and the 2014 Participant Interest and the ML Restructuring Subordinate Mortgage Loans.

Table 3 sets forth information with respect to individual Developments and construction Mortgage Loans. See "THE PROGRAM—Mortgage Loans—Construction Mortgage Loans."

Table 4 sets forth information on an aggregated basis with respect to Developments and permanent Mortgage Loans securing the ML Restructuring Subordinate Mortgage Loans. See "THE PROGRAM—ML Restructuring Mortgage Loans."

Table 5 sets forth information on an aggregated basis with respect to Developments and permanent Mortgage Loans underlying the 2005 Series F Participant Interest and the 2005 Series J Participant Interest. See "THE PROGRAM – 2005 Series F Participant Interest and the 2005 Series J Participant Interest."

Table 6 sets forth information on an aggregated basis with respect to the 2004 Participated Second Lien Loans underlying the 2011 Participant Interest as of January 31, 2014. See "THE PROGRAM—2011 Participant Interest."

Table 7 sets forth information on an aggregated basis with respect to the Developments and permanent mortgage loans underlying the 2014 Series B Participant Interest as of January 31, 2014. See "THE PROGRAM—2014 Series B Participant Interest."

Table 8 sets forth information with respect to the Developments and Mortgage Loans financed with Bonds subsequent to January 31, 2014.

TABLE 1: VALUATION OF MORTGAGE LOANS AS OF JANUARY 31, 2014

Series of Bonds	Value as a Percentage of Outstanding Principal Balance	Outstanding Principal Balance of Mortgage Loans♦	Percentage of Total Outstanding Principal Balance of Mortgage Loans♦	Footnote
1998 Series A	96%	$27,762,709	0.70%	
1998 Series A/1999 Series A	N/A	8,776,414	0.22%	2
1998 Series B/2009 Series J	100%	15,819,269	0.40%	6
1999 Series A	85%	20,738,057	0.52%	
1999 Series B	78%	33,203,350	0.84%	
1999 Series C	77%	4,572,000	0.12%	
1999 Series E/2009 Series J	100%	8,344,747	0.21%	6
2001 Series C	78%	14,485,695	0.37%	1
2002 Series A/2012 Series B	100%	31,542,688	0.80%	
2002 Series B/2012 Series B	83%	5,761,899	0.15%	
2002 Series C	80%	57,557,354	1.45%	
2003 Series B	80%	27,904,258	0.70%	
2003 Series E	80%	21,504,846	0.54%	
2004 Series A	100%	113,646,215	2.87%	
2004 Series B	80%	19,953,504	0.50%	
2004 Series C	80%	39,627,241	1.00%	
2004 Series E	85%	55,245,458	1.39%	4
2004 Series F	70%	31,038,383	0.78%	
2004 Series G	100%	23,239,633	0.59%	
2004 Series H	100%	7,336,894	0.19%	
2004 Series I	100%	23,193,061	0.58%	
2004 Series J	100%	17,583,176	0.44%	
2005 Series A	85%	13,018,186	0.33%	4
2005 Series C	100%	3,899,686	0.10%	
2005 Series D	100%	10,139,906	0.26%	
2005 Series E	100%	2,193,284	0.06%	4
2005 Series F	98%	89,801,196	2.27%	4
2005 Series F-2	75%	54,085,245	1.36%	
2005 Series G	85%	2,027,969	0.05%	
2005 Series J	95%	23,827,376	0.60%	4
2005 Series J-2	75%	9,470,864	0.24%	
2005 Series K	100%	11,574,887	0.29%	
2005 Series L	100%	11,845,760	0.30%	
2006 Series A	80%	257,988,294	6.51 %	
2006 Series C	100%	35,236,211	0.89%	
2006 Series D	96%	7,055,086	0.18%	4
2006 Series G	100%	22,243,267	0.56%	
2006 Series H	100%	22,906,271	0.58%	
2006 Series I	100%	6,215,026	0.16%	
2006 Series J-2	100%	7,708,599	0.19%	
2007 Series A	100%	24,623,127	0.62%	
2007 Series B	100%	30,627,325	0.77%	
2007 Series B/2009 Series G	100%	6,645,256	0.17%	5
2007 Series C	100%	5,186,076	0.13%	
2007 Series D	100%	27,684,937	0.70%	
2007 Series E	100%	22,958,478	0.58%	
2008 Series A	100%	16,390,537	0.41%	
2008 Series A/2009 Series M	100%	31,904,844	0.80%	7
2008 Series C-2/2008 Series J	100%	32,884,267	0.83%	
2008 Series C-2/2008 Series J	N/A	1,301,509	0.03%	8
2008 Series E	80%	78,617,752	1.98%	
2008 Series F	100%	55,596,624	1.40%	3
2008 Series F/2011 Series F	100%	5,140,636	0.13%	3,4
2008 Series H	100%	21,963,197	0.55%	
2008 Series J	100%	9,200,093	0.23%	4
2008 Series K	86%	155,943,803	3.93%	3
2008 Series L	100%	5,294,252	0.13%	4
2008 Series M	100%	30,031,834	0.76%	
2009 Series A	100%	4,916,137	0.12%	
2009 Series C	100%	116,301,066	2.93%	3
2009 Series F	100%	5,700,661	0.14%	
2009 Series I	80%	87,552,155	2.21%	
2009 Series K	100%	72,184,639	1.82%	
2009 Series L-1/2010 Series B	100%	23,500,627	0.59%	3
2010 Series A	100%	28,171,535	0.71%	3
2010 Series C	100%	14,080,787	0.36%	

Series of Bonds	Value as a Percentage of Outstanding Principal Balance	Outstanding Principal Balance of Mortgage Loans♦	Percentage of Total Outstanding Principal Balance of Mortgage Loans♦	Footnote
2010 Series D	100%	31,828,482	0.80%	3
2010 Series G	89%	48,111,379	1.21%	3,4
2010 Series H	90%	86,229,415	2.17%	3
2010 Series J	100%	41,418,338	1.04%	3
2010 Series N	80%	4,144,860	0.10%	
2011 Series B/2010 Series L-1	100%	7,754,570	0.20%	3
2011 Series C/2010 Series L-2-A	100%	14,455,276	0.36%	3
2011 Series D	100%	1,882,870	0.05%	3
2011 Series E/2010 Series L-2-B	100%	58,056,243	1.46%	3
2011 Series F	82%	114,542,369	2.89%	
2011 Series F/2008 Series E	100.00%	2,009,115	0.05%	
2011 Series F/2008 Series E/2004 Series F	100.00%	3,915,359	0.10%	
2011 Series G	100%	107,160,000	2.70%	3
2011 Series H	100%	99,473,227	2.51%	3,4
2011 Series J	100%	80,337,515	2.03%	3
2012 Series B	84%	32,250,000	0.81%	
2012 Series D	100%	180,309,002	4.55%	3
2012 Series D/2012 Series E	100%	5,241,519	0.13%	3
2012 Series E	84%	145,009,888	3.36%	
2012 Series F	100%	39,001,285	0.98%	3
2012 Series G/2012 Series I	75%	27,376,156	0.69%	3, 4
2012 Series H	99%	18,222,471	0.46%	
2012 Series I	90%	54,830,024	1.38%	3
2012 Series K	100%	66,898,181	1.69%	3
2012 Series L/ 2011 Series B/2010 Series L-1	100%	14,890,927	0.38%	
2012 Series L/2010 Series E	100.00%	51,759,148	1.31%	
2012 Series L/2010 Series F	100.00%	20,667,500	0.52%	3
2012 Series L/2010 Series I/2010 Series K	100.00%	2,681,862	0.07%	3
2012 Series L/2011 Series B/2010 Series L	100.00%	28,231,323	0.71%	3
2012 Series L/2010 Series K	100.00%	3,732,386	0.09%	
2012 Series L/2011 Series E	100.00%	3,143,259	0.08%	3
2012 Series M	100.00%	10,236,859	0.26%	3
2013 Series A	84%	61,811,200	1.56%	9
2013 Series B	100.00%	98,791,195	2.49%	3
2013 Series B/2010 Series K	100.00%	5,723,994	0..14%	3
2013 Series B/2011 Series E	100.00%	2,033,627	0.05%	3
2013 Series B/2012 Series M	100.00%	51,492,612	1.30%	3
2013 Series D	82.85%	174,174,631	4.39%	
2013 Series E	100.00%	50,425,317	1.27%	3
2013 Series F	N/A	0	0	10
N/A	N/A	2,974,776	0.08%	
TOTAL♦♦	**92.06%**	**3,967,704,277**	**100.00%**	

♦ May not add due to rounding.

♦♦For applicable mortgage loan valuations for Mortgage Loans financed subsequent to January 31, 2014 see "Appendix E-1-Table 8: Developments and Mortgage Loans Outstanding under the Program – Developments and Mortgage Loans Financed under the Program Subsequent to January 31, 2014"

(1) Although these Bonds have been retired, the Mortgage Loans financed with such Series of Bonds remain pledged under the Resolution.

(2) The 1998 Series A/1999 Series A Mortgage Loan has not been assigned a valuation.

(3) Subsequent to January 31, 2014, the Corporation expects to make advances from Construction Mortgage Loans (see Table 4 in this Appendix).

(4) The Outstanding Principal Balance of Mortgage Loans for the 2004 Series E Bonds, the 2005 Series A Bonds, the 2005 Series E Bonds, the 2005 Series F Bonds, the 2006 Series D Bonds, the 2008 Series F/2011 Series F Bonds, the 2008 Series J Bonds, the 2008 Series L Bonds, the 2010 Series G Bonds, the 2011 Series H Bonds and the 2012 Series G/2012 Series I Bonds does not include the 2004 Series E Second Mortgage Loans, the 2005 Series A Second Mortgage Loans, the 2005 Series E Second Mortgage Loans, the 2005 Series F Second Mortgage Loans, the 2005 Series J Second Mortgage Loans, the 2006 Series D Second Mortgage Loans, the 2008 Series J Third Mortgage Loans, the 2008 Series L Second Mortgage Loan, the 2010 Series G Third Mortgage Loan, the 2008 Series F/2011 Series F Second Mortgage Loan, the 2011 Series H-2-B/2011 Series H-3-B Second Mortgage Loan and the 2012 Series G/2012 Series I Second Mortgage Loan. See "The Program— ML Restructuring Mortgage Loans."

(5) The 2009 Series G Bonds redeemed $24,175,000 of the 2007 Series B-2 Bonds.

(6) The 2009 Series J Bonds redeemed $17,450,000 of the 1998 Series B Bonds and $8,525,000 of the 1999 Series E Bonds.

(7) The 2009 Series M Bonds redeemed $30,945,000 of the 2008 Series A-1 Bonds.

(8) The 2008 Series C Third Mortgage Loan is a surplus cash note and has not been assigned a valuation.

(9) The 2013 Series A Mortgage Loan is expected to be assigned a valuation of 100% upon closing of the permanent 2013 Series A Mortgage Loan.

(10) Subsequent to January 31, 2014, the Corporation expects to finance construction and permanent mortgage loans.

TABLE 2: DEVELOPMENTS AND PERMANENT MORTGAGE LOANS OUTSTANDING UNDER THE PROGRAM AS OF JANUARY 31, 2014

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
N/A	LAMP/Certificate Program		2009 Series I				(S) 3,960,000	3,960,000	1.00%	3/31/2006	4/1/2036		Category 1		
N/A	LAMP/Certificate Program	1001 Martin Luther King, Jr. Blvd	2003 Series E	Bronx	89	99%	3,933,546	4,480,000	5.75%	3/9/2006	12/22/2035		Category 9	SATISFACTORY	
REMIC	PLP	1002 Garrison Avenue	2004 Series J	Bronx	20	100%	(S) 222,120	487,000	7.00%	3/13/2003	4/1/2019		Category 8	SATISFACTORY	(1)
N/A	N/A	101 Avenue D	2010 Series G	Manhattan	78	100%	(S) 2,471,493	2,535,000	1.00%	6/10/2013	6/1/2043		Category 1	N/A	
N/A	New HOP		2008 Series E				(S) 2,129,666	2,330,000	1.00%	7/23/2004	4/30/2034		Category 1		
REMIC	New HOP	1061 E73 St. a/k/a 1961 Ralph Avenue	2002 Series C	Brooklyn	72	99%	8,155,205	9,190,000	8.00%	7/23/2004	5/1/2034		Category 8	SATISFACTORY	(1)
N/A	LAMP		2009 Series I				(S) 4,448,252	4,510,000	1.00%	12/9/2008	1/1/2039		Category 1		
REMIC	LAMP	1068 Gerard Avenue	2005 Series L	Bronx	82	98%	3,399,734	3,665,000	5.75%	12/9/2008	1/1/2039		Category 8	SATISFACTORY	(1)
N/A	LAMP		2013 Series D				(S) 4,950,000	4,950,000	1.00%	10/15/2009	6/28/2039		Category 1		
REMIC	LAMP	1085 Washington Ave	2007 Series B	Bronx	90	96%	5,360,868	5,690,000	5.85%	10/15/2009	10/31/2039		Category 9	SATISFACTORY	(1)
REMIC	New HOP	11 Broadway	2011 Series H	Brooklyn	160	98%	31,675,058	31,700,000	5.50%	11/14/2013	11/14/2048		Category 9	ABOVE AVERAGE	(1)
N/A	PLP	1120-22 Madison St	2008 Series K	Brooklyn	16	100%	426,320	670,000	3.00%	12/23/1999	1/1/2030		Category 8	SATISFACTORY	
N/A	New HOP		2010 Series H				(S) 945,000	945,000	1.00%	3/30/2012	8/31/2037		Category 1		
REMIC	New HOP	116 West 116th Street	2008 Series E	Manhattan	21	100%	2,455,681	2,575,000	7.00%	3/30/2012	8/31/2037		Category 8	SATISFACTORY	(1)
Fannie Mae	ML Restructuring, Section 236	1199 Plaza	2005 Series F	Manhattan	1,594	99%	39,123,405	58,530,903	6.50%	9/23/2005	10/31/2035	8/1/2025	Category 11	SATISFACTORY	(5)(10)
N/A	PLP	1203 Fulton Ave & 575 East 168th Street	2008 Series K	Bronx	37	95%	300,970	538,754	1.00%	2/17/2005	2/17/2024		Category 1	BELOW AVERAGE	
N/A	LAMP		2013 Series D				(S) 6,765,000	6,765,000	1.00%	8/21/2009	6/29/2038		Category 1		
REMIC	LAMP	1211 Southern Blvd	2006 Series C	Bronx	123	98%	6,421,733	6,835,000	5.85%	8/21/2009	6/29/2038		Category 8	SATISFACTORY	(1)
N/A	LAMP/Certificate Program		2009 Series I				(S) 3,207,993	3,350,000	1.00%	1/30/2005	2/1/2035		Category 1		
N/A	LAMP/Certificate Program	1240 Washington Ave	2003 Series B	Bronx	100	100%	4,246,073	5,025,000	5.30%	1/30/2005	2/1/2035		Category 8	SATISFACTORY	
N/A	PLP	128-36 Edgecombe	2008 Series E	Manhattan	47	94%	503,399	1,000,000	8.00%	2/26/1998	9/1/2023		Category 8	SATISFACTORY	
REMIC	N/A		2012 Series D				1,744,657	1,770,000	5.35%	6/28/2012	6/30/2042		Category 8		(1)
REMIC	N/A	1290 & 1326 Grand Concourse	2008 Series K	Bronx	102	98%	3,819,183	3,870,000	5.83%	6/28/2012	6/30/2042		Category 8	SATISFACTORY	(1)
N/A	PLP	1296 Sheridan Avenue	2008 Series E	Bronx	59	100%	(S) 1,564,818	2,537,000	1.00%	6/4/1997	7/1/2027		Category 1	SATISFACTORY	
N/A	New HOP		2008 Series K				(S) 1,845,000	1,845,000	1.00%	10/3/2006	12/24/2035		Category 1		
REMIC	New HOP	130-136 West 112th Street	2004 Series C	Manhattan	41	100%	4,932,841	5,450,000	6.75%	10/3/2006	12/24/2035		Category 8	SATISFACTORY	(1)
N/A	Certificate Program	1314 Nelson Avenue	2003 Series E	Bronx	115	99%	4,023,610	4,830,000	5.75%	1/7/2004	2/1/2034		Category 8	SATISFACTORY	
REMIC	LAMP	1334 Louis Nine	2008 Series A	Bronx	123	99%	12,237,822	12,495,000	6.10%	8/10/2011	5/5/2045		Category 9	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 1,616,646	1,775,000	1.00%	2/1/2001	3/31/2031		Category 1		
REMIC	New HOP	137-02 Northern Blvd	1999 Series B	Queens	71	100%	5,908,480	7,200,000	8.00%	2/1/2001	3/31/2031		Category 10	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 1,477,884	1,612,500	1.00%	3/24/2006	4/1/2036		Category 1		
REMIC	New HOP	138 East 112th Street	2004 Series C	Manhattan	43	95%	5,559,062	6,210,000	6.75%	3/24/2006	4/1/2036		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 1,165,697	1,415,000	1.00%	4/4/2001	6/1/2031		Category 1		
REMIC	New HOP		1999 Series B				4,287,713	5,190,000	8.00%	4/4/2001	6/1/2031		Category 10		(1)
REMIC	New HOP	140-26 Franklin Avenue	2010 Series H	Queens	54	94%	218,518	261,000	8.50%	4/4/2001	6/1/2031		Category 10	ABOVE AVERAGE	(1)
N/A	New HOP	1400 Fifth Avenue	2008 Series E	Manhattan	129	100%	(S) 1,378,525	1,920,000	1.00%	11/16/2004	10/31/2029		Category 1	BELOW AVERAGE	
N/A	New HOP	1405 Fifth Avenue Apts	2013 Series D	Manhattan	81	100%	(S) 6,075,000	6,075,000	1.00%	10/23/2012	11/1/2042		Category 1	ABOVE AVERAGE	
N/A	New HOP		2008 Series E				(S) 1,367,147	1,470,000	1.00%	10/6/2004	7/1/2034		Category 1		
REMIC	New HOP	141-24 & 141-28 84th Drive	2002 Series C	Queens	49	96%	5,929,548	6,760,000	7.50%	10/6/2004	7/1/2034		Category 8	SUPERIOR	(1)
SONYMA	LAMP Preservation	1428 Fifth Avenue	2009 Series K	Manhattan	120	100%	14,906,651	15,420,000	6.00%	5/4/2011	10/1/2041		Category 9	SATISFACTORY	
N/A	LAMP		2008 Series K				(S) 5,389,433	5,390,000	1.00%	9/18/2007	10/1/2037		Category 1		
N/A	Section 8/LAMP		2008 Series K				387,516	446,298	3.50%	9/18/2007	10/1/2037	1/21/2036	Category 9		
REMIC	LAMP	1450 Clay Avenue	2004 Series B	Bronx	98	98%	6,258,207	6,885,000	5.95%	9/18/2007	10/1/2037		Category 10	SATISFACTORY	(1)
N/A	PLP	1469-71 Bedford Avenue	2008 Series E	Brooklyn	27	100%	462,038	956,725	6.50%	8/25/2000	9/1/2020		Category 8	SATISFACTORY	(8)
N/A	LAMP		2012 Series E				(S) 9,680,000	9,680,000	1.00%	11/18/2011	12/31/2041		Category 1		
REMIC	LAMP	1490 Dumont Avenue	2009 Series C	Brooklyn	176	99%	5,335,409	5,475,000	6.20%	11/18/2011	12/31/2041		Category 9	SATISFACTORY	(1)
N/A	LAMP	15 East Clarke Place	2012 Series E	Bronx	102	100%	(S) 5,610,000	5,610,000	1.00%	12/10/2009	9/15/2037		Category 1	SATISFACTORY	
N/A	New HOP		2009 Series I				(S) 1,315,653	1,362,000	1.00%	11/15/2007	12/24/2037		Category 1		(8)
REMIC	New HOP	15-21 West 116th Street	2004 Series C	Manhattan	38	92%	5,415,166	5,850,000	7.00%	11/15/2007	12/24/2037		Category 9	SATISFACTORY	(1)(8)
N/A	New HOP		2008 Series K				(S) 4,320,000	4,320,000	1.00%	2/28/2007	5/1/2036		Category 1		
REMIC	New HOP	1514 Sedgwick Avenue	2004 Series C	Bronx	96	96%	9,274,563	10,185,000	6.75%	2/28/2007	5/1/2036		Category 8	SATISFACTORY	(1)
N/A	PLP	1544 Park Ave Assoc	2008 Series E	Brooklyn	34	100%	101,307	460,000	7.25%	5/7/1998	6/1/2016		Category 8	SATISFACTORY	
N/A	PLP	1572 Lexington Ave.	2008 Series E	Manhattan	13	100%	97,437	540,039	7.73%	10/5/1998	10/1/2015		Category 8	SATISFACTORY	
REMIC	PLP	160-66 Morningside Avenue	2004 Series J	Manhattan	29	97%	314,875	694,871	7.00%	5/2/2002	6/30/2019		Category 8	SATISFACTORY	(1)
N/A	PLP	1615 St. John's Place	2008 Series E	Brooklyn	34	94%	690,716	788,000	7.05%	11/1/2004	11/1/2034		Category 1	SATISFACTORY	
REMIC	New HOP	167 Clermont Avenue	1999 Series A	Brooklyn	111	100%	6,562,485	10,340,000	7.50%	10/25/2000	11/1/2030		Category 10	SATISFACTORY	(1)
N/A	PLP	1740 Grand Ave	2008 Series E	Bronx	93	99%	57,366	1,107,738	7.25%	6/3/1998	7/1/2014		Category 8	SATISFACTORY	(9)
N/A	LAMP		2012 Series E				(S) 9,174,549	9,335,000	1.00%	3/10/2010	9/28/2039		Category 1		
REMIC	LAMP	1825 Atlantic	2007 Series B	Brooklyn	150	100%	5,096,306	5,370,000	5.90%	3/10/2010	9/28/2039		Category 9	SATISFACTORY	(1)
REMIC	PLP	1860-62 Lexington Avenue	2004 Series J	Manhattan	15	100%	302,324	475,000	6.85%	5/28/2002	6/30/2026		Category 8	SATISFACTORY	(1)
N/A	PLP	1985 & 1995 Creston Ave.	2008 Series E	Bronx	84	92%	43,092	987,383	6.80%	5/27/1999	6/1/2014		Category 8	BELOW AVERAGE	
N/A	PLP	201 Pulaski St. & 305 Franklin Ave	2008 Series E	Brooklyn	9	100%	364,773	590,712	7.21%	1/26/2000	2/1/2029		Category 8	BELOW AVERAGE	(8)
N/A	PLP	201 W144 St, 216 W116St & 234 Bradhurst Avenue	2008 Series E	Manhattan	61	93%	63,271	959,444	7.55%	7/27/2000	8/1/2014		Category 8	SATISFACTORY	
REMIC	PLP	201 West 146th Street	2004 Series J	Manhattan	12	100%	47,979	133,650	6.40%	11/6/2002	12/31/2017		Category 8	UNSATISFACTORY	(1)
N/A	New HOP		2009 Series I				(S) 1,125,000	1,125,000	1.00%	5/26/2006	6/29/2036		Category 1		
REMIC	New HOP	201 West 148th Street	2004 Series C	Manhattan	25	100%	1,609,992	1,785,000	7.00%	5/26/2006	6/29/2036		Category 8	ABOVE AVERAGE	(1)
N/A	New HOP		2008 Series E				(S) 3,246,516	3,300,000	1.00%	10/28/2003	11/30/2033		Category 1		
REMIC	New HOP	202-18 West 148th Street	2001 Series C	Manhattan	100	100%	5,405,273	6,550,000	6.00%	10/28/2003	11/30/2033		Category 8	SATISFACTORY	(1)
N/A	LAMP		2008 Series E				(S) 3,480,000	3,480,000	1.00%	10/29/2003	11/30/2033		Category 1		
N/A	LAMP	203-15 West 148th Street	2001 Series C	Manhattan	87	99%	2,753,473	3,440,000	6.00%	10/29/2003	11/30/2033		Category 8	SATISFACTORY	
N/A	Certificate Program	2035 Marmion Avenue	2002 Series B/2012 Series B	Bronx	90	100%	2,655,851	3,300,000	6.00%	7/26/2002	8/1/2032		Category 8	SATISFACTORY	
N/A	PLP	2038 5th Avenue	2008 Series E	Manhattan	7	100%	91,985	195,000	7.65%	12/13/1999	1/1/2020		Category 8	SATISFACTORY	
N/A	PLP	205-13 West 145th St	2008 Series E	Manhattan	62	100%	660,025	1,512,431	8.95%	9/9/1999	10/1/2020		Category 8	BELOW AVERAGE	
SONYMA	Section 8/LAMP	2059 Madison Avenue	2009 Series K	Manhattan	54	100%	4,717,539	4,880,000	6.00%	5/10/2011	6/1/2041	11/30/2029	Category 9	ABOVE AVERAGE	

Supple-mental Security	Subsidy Program(S)[†]	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date[††]	Prepayment Category (see Appendix E-2)	Physical Inspection [†††]	Footnote
N/A	LAMP		2013 Series D				(S) 3,465,000	3,465,000	1.00%	12/6/2010	12/27/2046		Category 1		
REMIC	LAMP	2065 Morris Avenue	2007 Series E	Bronx	63	95%	2,536,121	2,605,000	6.20%	12/6/2010	12/27/2046		Category 9	SATISFACTORY	(1)
N/A	Certificate Program	2080 LaFontaine Avenue	2012 Series E	Bronx	74	100%	2,610,617	3,100,000	5.75%	6/22/2004	6/20/2034		Category 8	SATISFACTORY	
N/A	PLP	21-23 &29-31 East 104 Street	2008 Series E	Manhattan	70	93%	406,784	1,144,000	6.92%	4/23/1999	5/1/2018		Category 8	SATISFACTORY	
N/A	New HOP		2008 Series K				(S) 943,674	1,012,500	1.00%	2/16/2005	3/1/2035		Category 1		
REMIC	New HOP	210-214 East 118th Street	1999 Series B	Manhattan	27	100%	2,977,282	3,400,000	6.75%	2/16/2005	3/1/2035		Category 8	SATISFACTORY	(1)
N/A	PLP	215 Audubon Avenue	2008 Series K	Manhattan	47	100%	22,125	265,735	1.00%	2/10/2000	3/1/2015		Category 1	SATISFACTORY	
REMIC	PLP	218 St. James Place	2004 Series J	Brooklyn	12	92%	144,826	250,000	7.02%	3/12/2002	4/30/2028		Category 8	BELOW AVERAGE	(1)
REMIC	PLP	219 Sackman Street	2004 Series J	Brooklyn	38	100%	485,332	939,000	7.95%	1/3/2003	2/28/2020		Category 8	SATISFACTORY	(1)
N/A	New HOP		2009 Series I				(S) 1,583,109	1,600,000	1.00%	6/19/2006	7/1/2034		Category 1		
REMIC	New HOP	221 Parkville Avenue	2002 Series C	Brooklyn	41	98%	4,175,176	4,550,000	8.00%	6/19/2006	7/1/2034		Category 8	ABOVE AVERAGE	(1)
N/A	New HOP		2008 Series E				(S) 3,800,000	3,800,000	1.00%	8/17/2004	2/25/2034		Category 1		
REMIC	New HOP	222-26 & 247-65 West 144th Street	2002 Series C	Manhattan	110	95%	4,782,571	5,820,000	7.75%	8/17/2004	2/25/2034		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 529,432	630,000	1.00%	9/24/2003	10/31/2033		Category 1		
REMIC	New HOP	2232 & 2295-97 First Avenue	2002 Series C	Manhattan	21	100%	1,657,349	1,910,000	8.50%	9/24/2003	10/31/2033		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 855,833	875,000	1.00%	9/19/2005	1/15/2034		Category 1		
REMIC	New HOP	227 Gates Avenue	2002 Series C	Brooklyn	35	91%	2,034,481	2,500,000	8.00%	9/19/2005	6/30/2032		Category 8	BELOW AVERAGE	(1)
N/A	New HOP		2008 Series E				(S) 1,755,630	1,800,000	1.00%	1/15/2004	2/1/2034		Category 1		
REMIC	New HOP	235-47 East 105th Street	2002 Series C	Manhattan	48	98%	2,930,370	3,800,000	8.00%	1/15/2004	2/1/2034		Category 8	ABOVE AVERAGE	(1)
N/A	PLP	236 Greene Ave	2008 Series E	Brooklyn	16	100%	409,832	645,124	7.25%	2/10/1998	3/1/2025		Category 8	BELOW AVERAGE	
N/A	Mixed Income	245 East 124th Street (Tapestry)	2012 Series E	Manhattan	185	100%	(S) 9,617,795	9,745,000	1.00%	11/1/2011	11/1/2046		Category 1	SUPERIOR	
N/A	PLP	2492 Frederick Douglass Boulevard	2008 Series E	Manhattan	27	96%	6,051	152,000	9.00%	4/23/1999	5/1/2014		Category 8	SATISFACTORY	
N/A	New HOP		2009 Series I				(S) 1,438,948	1,440,000	1.00%	2/15/2008	10/1/2036		Category 1		
REMIC	New HOP	250 West 116th Street	2004 Series J	Manhattan	32	100%	2,611,161	2,815,000	7.25%	2/15/2008	10/1/2036		Category 8	SATISFACTORY	(1)
N/A	PLP	252 Wadsworth Avenue	2008 Series E	Manhattan	26	100%	270,328	405,924	6.90%	8/25/2004	9/1/2023		Category 1	SATISFACTORY	
N/A	PLP	263 East Tremont Ave & 1911 Anthony Ave	2008 Series E	Bronx	32	97%	806,050	1,207,706	7.50%	11/8/2000	12/1/2022		Category 8	SATISFACTORY	
N/A	LAMP	270 East Burnside Apartments	2009 Series I	Bronx	114	98%	(S) 123,595	605,000	1.00%	11/17/2008	11/1/2038		Category 1	SATISFACTORY	
REMIC	PLP	270 Rochester Avenue	2004 Series J	Brooklyn	16	100%	310,861	387,000	7.65%	3/3/2003	4/30/2033		Category 8	SATISFACTORY	(1)
N/A	PLP	2733 Frederick Douglass Boulevard	2008 Series E	Manhattan	12	92%	60,848	406,000	6.92%	7/27/1998	8/1/2015		Category 8	SATISFACTORY	
N/A	New HOP		2008 Series K				(S) 2,533,769	3,492,000	1.00%	10/26/2004	11/30/2034		Category 1		
REMIC	New HOP	279 West 117th Street	2002 Series A/2012 Series B	Manhattan	138	99%	16,038,612	18,770,000	6.00%	10/26/2004	11/1/2034		Category 8	SATISFACTORY	(1)
N/A	HTF	2913, 17, 19, 20 & 2922 Eighth Avenue	2012 Series E	Manhattan	41	100%	1,898,782	2,200,000	5.75%	6/20/2005	2/6/2035		Category 8	SATISFACTORY	
REMIC	PLP	30-32 Bradhurst Avenue	2004 Series J	Manhattan	25	100%	600,804	1,070,000	6.55%	2/20/2002	3/31/2022		Category 8	SATISFACTORY	(1)
REMIC	LAMP	3035 White Plains	2007 Series B	Bronx	74	99%	4,123,940	4,284,000	5.85%	2/9/2010	3/31/2045		Category 9	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 2,636,192	3,720,000	1.00%	2/8/2006	6/28/2034		Category 1		
REMIC	New HOP	306-18 West 117th Street	2002 Series A/2012 Series B	Manhattan	94	99%	15,504,076	17,600,000	6.00%	2/8/2006	6/28/2034		Category 8	SATISFACTORY	(1)
REMIC	PLP	309 Alexander Avenue	2004 Series J	Bronx	11	100%	58,757	222,000	7.83%	7/30/2001	8/31/2016		Category 8	BELOW AVERAGE	(1)
N/A	New HOP		2008 Series E				(S) 581,993	642,500	1.00%	6/28/2000	7/1/2030		Category 1		
REMIC	New HOP	32-08 Union Street	1999 Series B	Queens	25	96%	2,230,776	2,770,000	8.00%	6/28/2000	7/1/2030		Category 10	SATISFACTORY	(1)
REMIC	New HOP	3254 White Plains Road	2009 Series C	Bronx	125	100%	9,525,407	9,610,000	6.20%	3/19/2013	7/29/2041		Category 8	SATISFACTORY	(1)
REMIC	PLP	328 & 340 Pleasant Avenue	2004 Series J	Manhattan	10	100%	189,169	629,500	7.87%	7/30/2001	8/31/2019		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 2,806,647	3,034,170	1.00%	9/11/2000	5/1/2031		Category 1		
REMIC	New HOP	3310-22 Palmer Avenue	1998 Series A	Bronx	90	93%	9,807,252	12,068,769	7.50%	9/11/2000	5/1/2031		Category 8	SATISFACTORY	(1)
N/A	PLP	340 South Third Street	2008 Series E	Brooklyn	41	100%	19,199	129,230	1.00%	1/25/2001	2/28/2016		Category 1	SATISFACTORY	
N/A	New HOP		2008 Series E				(S) 605,224	869,000	1.00%	2/22/2002	3/31/2032		Category 1		
REMIC	New HOP	349-53 East 4th Streeet	1999 Series B	Manhattan	33	100%	2,484,872	3,460,000	8.00%	2/22/2002	3/1/2032		Category 10	ABOVE AVERAGE	(1)
N/A	PLP	349-59 Lenox Avenue	2008 Series E	Manhattan	18	100%	52,848	761,000	7.02%	11/24/1999	12/1/2029		Category 8	SATISFACTORY	
REMIC	PLP	36 Crooke Avenue	2004 Series J	Brooklyn	71	100%	544,164	1,108,869	7.26%	4/30/2002	5/31/2021		Category 8	SATISFACTORY	(1)
N/A	PLP	36 West 131st Street	2008 Series E	Manhattan	14	86%	158,589	430,885	7.50%	3/10/2000	4/1/2018		Category 8	SATISFACTORY	
N/A	New HOP		2009 Series I				(S) 1,417,317	1,430,000	1.00%	4/15/2009	4/1/2035		Category 1		
REMIC	New HOP	3800 Putnam Avenue	2002 Series C	Bronx	44	100%	4,084,499	4,310,000	8.00%	4/15/2009	4/1/2035		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 1,215,084	1,820,000	1.00%	12/13/2002	1/31/2033		Category 1		
REMIC	New HOP	3815 Putnam Avenue	1999 Series A	Bronx	91	100%	7,033,901	8,290,000	7.50%	12/13/2002	1/31/2033		Category 10	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 439,927	500,000	3.00%	3/26/1999	4/1/2029		Category 1		(9)
REMIC	New HOP	39-07 208th Street	1998 Series A	Queens	26	100%	1,085,967	2,092,000	7.50%	3/26/1999	4/1/2029		Category 8	BELOW AVERAGE	(2)(9)
N/A	New HOP		2008 Series K				(S) 625,164	669,427	8.00%	8/17/2007	9/1/2037		Category 1		
N/A	New HOP		2008 Series E				(S) 546,524	950,000	1.00%	8/1/2001	8/1/2031		Category 1		
REMIC	New HOP	390-96 East 8th Street	1999 Series B	Manhattan	38	87%	2,881,521	4,047,000	8.06%	8/1/2001	8/1/2031		Category 10	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 1,200,699	1,710,000	1.00%	3/15/2000	4/1/2030		Category 1		
REMIC	New HOP	421 DeGraw Street	1998 Series A	Brooklyn	45	98%	4,443,786	7,713,000	7.50%	3/15/2000	4/1/2030		Category 8	ABOVE AVERAGE	(1)
N/A	LAMP		2009 Series I				(S) 2,593,532	2,640,000	1.00%	8/26/2008	12/28/2037		Category 1		
REMIC	LAMP	45 Malta Street	2005 Series L	Brooklyn	48	100%	2,028,440	2,200,000	5.75%	8/26/2008	12/28/2037		Category 8	SATISFACTORY	(1)
N/A	PLP	455 Decatur Street	2008 Series E	Brooklyn	8	100%	149,042	255,850	7.21%	6/1/2000	7/1/2026		Category 8	ABOVE AVERAGE	
N/A	New HOP		2008 Series E				(S) 439,259	475,000	1.00%	7/3/2003	8/31/2033		Category 1		(9)
REMIC	New HOP	46-19 88th Street	2010 Series H	Queens	17	82%	1,171,501	1,320,000	9.00%	7/3/2003	8/31/2033		Category 8	SATISFACTORY	(1)(9)
N/A	PLP	466-70 West 150th St	2008 Series E	Manhattan	62	95%	388,166	760,314	7.65%	2/25/1999	3/1/2023		Category 8	SATISFACTORY	
REMIC	PLP	4673 Park Avenue	2004 Series J	Bronx	8	100%	110,871	185,000	7.15%	3/14/2003	4/30/2022		Category 8	SATISFACTORY	(1)
N/A	LAMP	500 East 165th Street	2013 Series D	Bronx	128	100%	(S) 7,040,000	7,040,000	1.00%	10/8/2009	7/1/2039		Category 1	SATISFACTORY	
N/A	PLP	500 Nostrand Avenue	2008 Series K	Brooklyn	46	98%	1,668,923	3,212,000	3.31%	9/13/1999	9/1/2029		Category 8	BELOW AVERAGE	
REMIC	N/A		2011 Series F				1,916,411	1,995,000	6.00%	7/27/2011	7/30/2041		Category 8		(1)
REMIC	N/A	520-540 Audubon Avenue	2012 Series L/2011 Series E	Manhattan	138	98%	1,944,744	2,100,000	5.35%	7/27/2011	7/30/2041		Category 8	SATISFACTORY	(1)
N/A	PLP	54 Vermilyea Avenue	2008 Series E	Manhattan	20	100%	64,212	233,075	6.95%	3/30/1998	4/1/2017		Category 8	ABOVE AVERAGE	
N/A	PLP	542 -48 W. 149th Street	2008 Series K	Manhattan	36	97%	1,019,571	1,659,000	3.00%	1/14/1999	2/1/2029		Category 8	SATISFACTORY	
N/A	PLP	55 E. 130th Street	2008 Series K	Manhattan	25	88%	677,994	968,000	3.00%	2/24/2000	3/1/2030		Category 8	SATISFACTORY	
Fannie Mae	LAMP Preservation	55 Pierrepont St	2011 Series G	Brooklyn	189	99%	3,856,730	4,430,000	5.35%	12/22/2011	12/1/2041		Category 8	SATISFACTORY	(6)
N/A	LAMP		2012 Series B				(S) 5,895,000	5,895,000	1.00%	8/25/2011	9/30/2041		Category 1		
REMIC	LAMP	550 Watkins Street	2008 Series M	Brooklyn	104	99%	4,842,437	4,910,000	7.20%	8/25/2011	9/30/2041		Category 9	SATISFACTORY	(1)
N/A	N/A		2013 Series D				2,167,797	2,210,000	1.00%	12/13/2011	1/1/2042		Category 9		
REMIC	N/A	560A Gates Avenue Coop	2013 Series D	Brooklyn	34	100%	730,134	750,000	5.75%	12/13/2011	1/1/2042		Category 9	ABOVE AVERAGE	(1)

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position		Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
REMIC	New HOP	58-12 Queens Blvd	1998 Series A	Queens	122	100%		12,425,704	13,130,198	5.50%	10/1/2010	9/1/2035		Category 8	SATISFACTORY	(1)
N/A	LAMP/Certificate Program		2009 Series I				(S)	3,630,000	3,630,000	1.00%	3/9/2006	4/1/2036		Category 1		
N/A	LAMP/Certificate Program	600 Concord Avenue	2003 Series E	Bronx	83	100%		3,415,512	3,890,000	5.75%	3/9/2006	4/1/2036		Category 8	SATISFACTORY	
N/A	PLP	630 West 135th Street	2008 Series E	Manhattan	31	97%		56,654	234,262	7.28%	9/24/1997	10/1/2016		Category 8	SATISFACTORY	
N/A	New HOP		2008 Series K				(S)	591,511	725,000	1.00%	4/25/2005	12/26/2032		Category 1		
REMIC	New HOP	64-78 West 9th Street	2010 Series H	Brooklyn	26	92%		2,732,407	3,060,000	8.50%	4/25/2005	12/26/2032		Category 8	ABOVE AVERAGE	(1)
N/A	PLP	651 Southern Boulevard	2008 Series K	Bronx	41	98%		40,944	167,250	8.95%	6/27/1997	7/1/2016		Category 8	BELOW AVERAGE	
N/A	Certificate Program	678 Sagamore Street	2001 Series C	Bronx	84	99%		2,801,555	3,400,000	6.00%	5/5/2003	6/30/2033		Category 8	SATISFACTORY	
N/A	PLP	70 Post Avenue	2008 Series E	Manhattan	40	93%		666,924	1,001,451	6.90%	8/25/2004	9/1/2023		Category 1	SATISFACTORY	
REMIC	PLP	70-74 East 116th Street	2004 Series J	Manhattan	23	96%		406,940	712,532	7.95%	5/20/2002	6/30/2021		Category 8	SATISFACTORY	(1)
N/A	PLP	709-15 Lafayette Ave	2008 Series E	Brooklyn	24	100%		382,617	815,000	7.43%	1/20/2000	2/1/2020		Category 8	SATISFACTORY	(8)
REMIC	Section 8	738 St. Marks Rehab	2011 Series H	Brooklyn	21	100%		1,189,834	1,220,000	5.35%	3/27/2012	3/31/2042	7/1/2031	Category 8	ABOVE AVERAGE	(1)
N/A	HTF	75 East 116th Street	2008 Series K	Manhattan	130	99%		5,747,407	6,890,000	7.00%	10/24/2002	9/1/2032		Category 8	SATISFACTORY	
N/A	PLP	83 Post Avenue	2008 Series E	Manhattan	20	100%		95,175	142,915	6.90%	8/25/2004	9/1/2023		Category 1	SATISFACTORY	
N/A	LAMP		2009 Series I				(S)	3,190,000	3,190,000	1.00%	3/27/2009	12/29/2038		Category 1		
REMIC	LAMP	830 Fox Street	2006 Series C	Bronx	58	100%		2,943,225	3,155,000	5.85%	3/27/2009	12/29/2038		Category 8	SATISFACTORY	(1)
REMIC	New HOP	850 Jennings	1998 Series A/1999 Series A	Bronx	103	97%		8,776,414	8,830,000	7.50%	4/23/2013	4/23/2043		Category 8	N/A	(1)
N/A	PLP	865 East 167th Street	2008 Series K	Bronx	52	98%		453,282	903,652	1.00%	2/17/2005	2/17/2022		Category 1	SATISFACTORY	
N/A	New HOP		2010 Series H				(S)	6,300,000	6,300,000	1.00%	8/10/2011	9/30/2041		Category 1		
REMIC	New HOP	870 Jennings	2008 Series K	Bronx	84	95%		11,872,408	12,175,000	7.00%	8/10/2011	9/30/2041		Category 7	SATISFACTORY	(1)
N/A	PLP	887-889 Hunts Point Ave	2008 Series E	Bronx	46	100%		523,938	1,237,161	7.28%	3/22/2000	4/1/2019		Category 8	BELOW AVERAGE	
N/A	New HOP		2008 Series E				(S)	15,704	200,000	1.00%	9/28/2004	10/1/2014		Category 1		
REMIC	New HOP	893-95 Pacific Street	2002 Series C	Brooklyn	16	100%		1,326,421	1,490,000	8.00%	9/28/2004	10/1/2034		Category 8	SATISFACTORY	(1)
N/A	Certificate Program	900 Ogden Avenue	2012 Series E	Bronx	120	98%		3,727,492	4,600,000	5.75%	1/6/2003	2/28/2033		Category 7	SATISFACTORY	
REMIC	LAMP	920 Westchester Avenue	2010 Series D	Bronx	110	96%		7,154,289	7,230,000	5.85%	2/8/2013	9/1/2042		Category 9	N/A	(1)
N/A	New HOP		2008 Series K				(S)	2,704,469	2,880,000	1.00%	1/19/2006	1/19/2036		Category 1		
REMIC	New HOP	9501 Rockaway Beach Blvd	2002 Series C	Queens	72	97%		4,845,038	5,380,000	7.00%	1/19/2006	1/19/2036		Category 8	SATISFACTORY	(1)
N/A	PLP	982 Prospect Avenue	2008 Series E	Bronx	21	100%		158,589	240,732	1.00%	9/8/2004	9/1/2029		Category 1	SATISFACTORY	
N/A	LAMP/HTF		2009 Series I				(S)	5,400,000	5,400,000	1.00%	1/14/2009	2/1/2039		Category 1		
REMIC	LAMP/HTF	Abeken Apartments	2004 Series B	Bronx	120	93%		5,929,645	6,315,000	5.95%	1/14/2009	1/14/2039		Category 8	SATISFACTORY	(1)(7)
LOC-Long Term	LAMP	Albany Crossings	2007 Series E	Brooklyn	92	99%		4,352,652	4,595,000	5.70%	3/5/2010	4/1/2040		Category 9	SATISFACTORY	
N/A	ML Restructuring	Albert Einstein	2004 Series E	Bronx	635	96%		7,739,386	8,918,472	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
N/A	LAMP	Aldus Street Apartments	2008 Series K	Bronx	164	98%	(S)	5,744,678	6,270,000	1.00%	2/14/2007	3/31/2037		Category 1	SATISFACTORY	
N/A	LAMP		2012 Series E				(S)	5,445,000	5,445,000	1.00%	8/26/2010	7/31/2039		Category 1		
REMIC	LAMP	All Saints	2006 Series J-2	Manhattan	99	100%		2,769,480	2,900,000	5.85%	8/26/2010	7/31/2039		Category 9	SATISFACTORY	(1)
REMIC	LAMP	Arista/UAC	2009 Series C	Bronx	290	98%		12,860,624	13,300,000	6.00%	8/30/2011	3/30/2046		Category 9	SATISFACTORY	(1)
REMIC	New HOP	Artimus Site 8	2008 Series F	Manhattan	54	100%		13,132,313	13,445,000	6.70%	11/4/2011	4/1/2041		Category 8	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S)	1,384,252	1,470,000	1.00%	2/28/2006	3/31/2036		Category 1		
REMIC	New HOP	Artimus Vacant Buildings	2002 Series C	Manhattan	41	100%		2,671,231	3,020,000	6.88%	2/28/2006	10/1/2034		Category 8	SATISFACTORY	(1)
FHA 221 (d)(4)	HAC	Astoria	2008 Series E	Queens	62	100%		447,108	2,193,200	8.50%	12/26/1989	5/1/2016		Category 1	SATISFACTORY	
N/A	LAMP		2012 Series E				(S)	10,120,000	10,120,000	1.00%	10/19/2010	11/1/2040		Category 1		
REMIC	LAMP	Astoria Senior Residence	2006 Series H	Queens	184	100%		3,346,767	3,500,000	5.70%	10/19/2010	12/22/2038		Category 9	SATISFACTORY	(1)
REMIC	LAMP/MIRP	Atlantic Commons Cornerstone	2009 Series K	Brooklyn	48	96%		1,963,952	1,980,000	6.00%	4/22/2013	3/26/2042		Category 9	SATISFACTORY	(1)
N/A	ML Repair Loan		2004 Series F				(S)	2,436,149	2,710,718	6.25%	6/26/2007	6/30/2035		Category 7		(5)
N/A	ML Repair Loan		2008 Series E				(S)	6,252,888	6,957,628	6.25%	6/26/2007	6/30/2035		Category 7		(5)
N/A	ML Restructuring	Atlantic Plaza Towers	2005 Series A	Brooklyn	716	99%		4,779,960	5,458,050	6.50%	5/25/2005	6/30/2035		Category 11	SATISFACTORY	(5)
N/A	New HOP		2012 Series E					3,632,347	3,687,500	1.00%	5/19/2011	6/30/2041		Category 9		
REMIC	New HOP	Atlantic Terrace Coop	N/A	Brooklyn	80	100%		2,974,776	3,045,000	7.80%	5/19/2011	6/30/2041		Category 9	ABOVE AVERAGE	(1)(13)
REMIC	LAMP Preservation	Aurea Aparatments	2013 Series B/2011 Series E	Bronx	85	93%		2,033,627	2,050,000	5.35%	5/22/2013	5/31/2043		Category 8	SATISFACTORY	(1)
N/A	New HOP		2010 Series H				(S)	3,250,000	3,250,000	1.00%	7/28/2010	6/26/2040		Category 1		
REMIC	New HOP	Austin Street	2008 Series F	Queens	50	96%		7,056,494	7,350,000	6.70%	7/28/2010	6/26/2040		Category 7	ABOVE AVERAGE	(1)
FHA 223 (f)	ML Restructuring, Section 236	Bay Towers	2012 Series H	Queens	375	97%		1,407,491	5,475,544	8.13%	6/14/1977	7/1/2017		Category 1	SATISFACTORY	(5)
N/A	New HOP		2008 Series K				(S)	1,700,940	2,240,000	1.00%	2/3/2005	3/1/2035		Category 1		
REMIC	New HOP	Beach 94th Street & Holland Avenue	2002 Series C	Queens	92	99%		6,915,945	7,640,000	7.75%	2/3/2005	11/1/2033		Category 8	SATISFACTORY	(1)
N/A	New HOP	Beacon Mews	2010 Series H	Manhattan	125	98%	(S)	5,551,282	5,625,000	1.00%	6/2/2010	4/1/2039		Category 1	SATISFACTORY	
FHA 223 (f)	ML Restructuring	Beekman Staff Residence	2012 Series H	Manhattan	90	81%		296,261	1,226,300	7.25%	7/1/1977	8/1/2017		Category 1	SATISFACTORY	(5)(8)
N/A	New HOP		2013 Series D					3,120,000	3,120,000	1.00%	8/4/2011	9/30/2041		Category 9		
REMIC	New HOP	Bergen Street Coop	2012 Series E	Brooklyn	48	100%		966,558	1,000,000	5.15%	8/4/2011	9/30/2041		Category 9	ABOVE AVERAGE	(1)
N/A	ML Repair Loan		2008 Series E				(S)	1,512,215	1,660,243	6.25%	6/29/2006	12/1/2036		Category 7		(5)
N/A	ML Restructuring	Bethune Tower	2006 Series D	Manhattan	135	98%		1,376,096	1,536,667	6.50%	6/29/2006	7/31/2036		Category 11	SATISFACTORY	(5)
N/A	ML Restructuring and Repair Loan		2008 Series C-2/2008 Series J				(S)	1,301,509	1,532,170	6.00%	5/1/2008	5/1/2048		Category 11		(5)
REMIC	ML Restructuring and Repair Loan	Big Six Towers	2008 Series C-2/2008 Series J	Queens	983	98%		32,884,267	35,020,002	6.43%	5/1/2008	5/1/2048		Category 11	SATISFACTORY	(5)
REMIC	New HOP		2013 Series D					656,250	670,000	6.45%	6/2/2011	6/30/2046		Category 7		(1)
REMIC	New HOP	Boricua A-1	2007 Series D	Bronx	136	94%		15,857,744	16,190,000	6.45%	6/2/2011	6/30/2046		Category 7	SATISFACTORY	(1)
REMIC	New HOP		2012 Series E					489,739	500,000	6.45%	6/2/2011	6/30/2046		Category 7		(1)
REMIC	New HOP	Boricua B	2007 Series D	Bronx	100	96%		11,827,193	12,075,000	6.45%	6/2/2011	6/30/2046		Category 7	SATISFACTORY	(1)
REMIC	New HOP	Boricua Site D	2008 Series K	Bronx	80	100%		10,931,639	11,005,000	6.75%	1/10/2013	8/31/2046		Category 11	SATISFACTORY	(1)
REMIC	LAMP	Boricua Site E	2008 Series A	Bronx	80	99%		4,152,715	4,245,000	5.85%	8/5/2011	9/1/2046		Category 9	SATISFACTORY	(1)
REMIC	New HOP	Boricua Site F	2008 Series K	Bronx	77	97%		10,151,871	10,220,000	6.75%	1/10/2013	8/31/2046		Category 11	SATISFACTORY	(1)
N/A	LAMP	Boricua Village Site C	2013 Series D	Bronx	130	99%		385,000	385,000	1.00%	12/20/2012	9/30/2042		Category 1	SATISFACTORY	
REMIC	Section 8	Boro Park Court	2008 Series K	Brooklyn	131	99%		5,889,558	6,552,195	6.25%	11/29/2006	11/1/2036	8/31/2015	Category 8	SATISFACTORY	(3)
FHA 223 (f)	ML Restructuring	Bridgeview III	2012 Series H	Queens	171	98%		499,876	1,950,900	7.25%	9/8/1977	10/1/2017		Category 1	SATISFACTORY	(5)
N/A	ML Restructuring	Brighton House	2005 Series A	Brooklyn	193	97%		1,313,343	1,499,656	6.50%	5/25/2005	6/30/2035		Category 11	ABOVE AVERAGE	(5)
N/A	LAMP		2011 Series F				(S)	10,438,816	10,500,000	1.00%	9/1/2010	10/30/2040		Category 1		
REMIC	LAMP	Bristol/Hopkinson	2008 Series H	Brooklyn	168	98%		6,679,765	6,970,000	6.15%	9/1/2010	10/1/2040		Category 9	SATISFACTORY	(1)
N/A	N/A		2009 Series A				(S)	1,350,000	1,350,000	1.00%	2/2/2012	2/1/2042		Category 9		
N/A	LAMP		2012 Series E				(S)	4,425,000	4,425,000	1.00%	2/2/2012	2/1/2042		Category 1		
REMIC	LAMP	Broad Street Senior Housing	2009 Series A	Staten Island	105	100%		3,566,137	3,640,000	6.70%	2/2/2012	2/1/2042		Category 9	SATISFACTORY	(1)

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
N/A	PLP	Broadway Terrace	2008 Series E	Manhattan	51	90%	147,842	651,895	3.00%	2/3/2000	3/1/2017		Category 1	SATISFACTORY	
N/A	HTF	Brook Avenue Gardens	2008 Series E	Bronx	79	99%	2,200,418	2,750,000	7.15%	1/26/2001	3/31/2031		Category 8	SATISFACTORY	
N/A	PLP	Brook East	2001 Series C	Bronx	34	100%	678,633	1,000,000	6.00%	3/2/2004	11/6/2028		Category 8	SATISFACTORY	
SONYMA	LAMP	Brook Willis Apartments	2006 Series C	Bronx	121	98%	6,089,710	6,565,000	5.85%	7/21/2011	1/1/2039		Category 9	BELOW AVERAGE	
REMIC	LAMP	BRP Garvey	2009 Series C	Brooklyn	78	100%	2,763,265	2,785,000	6.20%	4/3/2013	9/26/2041		Category 9	ABOVE AVERAGE	(1)
N/A	ML Restructuring	Cadman Plaza North	2004 Series E	Brooklyn	251	98%	1,834,924	2,114,473	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
FHA 223 (f)	ML Restructuring	Cadman Tower Coop	2012 Series H	Brooklyn	422	100%	2,918,982	9,487,100	7.25%	9/11/1978	10/1/2018		Category 1	SATISFACTORY	(5)(8)
N/A	N/A		2013 Series D				(S) 248,286	248,286	1.00%	2/1/2012	2/1/2042		Category 1		
N/A	New HOP		2013 Series D				1,353,371	1,365,000	1.00%	2/1/2012	2/1/2042		Category 9		
REMIC	New HOP	Calvert Lancaster Parcel D	2013 Series D	Manhattan	27	100%	925,993	945,000	7.00%	2/1/2012	2/1/2042		Category 9	ABOVE AVERAGE	(1)
N/A	New HOP		2013 Series D				1,422,803	1,430,000	1.00%	5/23/2012	6/1/2042		Category 8		
REMIC	New HOP	Calvert Lancaster Parcel F	2013 Series D	Manhattan	29	100%	1,096,692	1,115,000	7.00%	5/23/2012	6/1/2042		Category 8	ABOVE AVERAGE	(1)
N/A	ML Restructuring	Cannon Heights	2010 Series H	Bronx	171	100%	2,516,302	2,585,000	6.45%	10/14/2010	11/1/2045		Category 7	SATISFACTORY	(5)
N/A	ML Repair Loan		2008 Series E				(S) 1,559,246	1,620,276	6.25%	11/16/2004	11/30/2035		Category 7		(5)
N/A	ML Repair Loan		2004 Series F				(S) 1,539,703	1,943,724	6.25%	11/16/2004	11/30/2035		Category 7		(5)
N/A	ML Restructuring	Carol Gardens	2004 Series E	Bronx	315	99%	2,643,357	3,046,070	6.50%	12/29/2004	1/31/2035		Category 11	BELOW AVERAGE	(5)
N/A	LAMP		2009 Series I				(S) 51,000	51,000	0.00%	7/15/2009	7/1/2037		Category 1		
N/A	LAMP	Casa del Sol Apartments	2009 Series I	Bronx	114	92%	(S) 6,714,909	6,714,909	1.00%	7/15/2009	7/1/2037		Category 1	SATISFACTORY	
LOC-Long Term	Section 8/LAMP	Casabe House	2006 Series H	Manhattan	125	98%	7,102,136	7,700,000	5.20%	1/8/2009	3/27/2038	2/21/2015	Category 9	SATISFACTORY	
N/A	New HOP		2010 Series H				(S) 3,600,000	3,600,000	1.00%	2/19/2010	3/31/2040		Category 1		
REMIC	New HOP	Casablanca Houses	2006 Series I	Manhattan	32	97%	6,215,026	6,495,000	7.00%	2/19/2010	3/1/2040		Category 7	ABOVE AVERAGE	(1)
N/A	LAMP		2013 Series D				(S) 5,170,000	5,170,000	1.00%	3/30/2010	4/30/2040		Category 1		
REMIC	LAMP	Cedars Projects	2006 Series G	Bronx	95	95%	2,397,409	2,525,000	5.95%	3/30/2010	4/1/2040		Category 9	SATISFACTORY	(1)
N/A	New HOP		2008 Series E				(S) 956,970	1,030,000	1.00%	6/19/2001	6/1/2031		Category 1		
N/A	New HOP	Celebration at Rainbow Hill	1999 Series A	Staten Island	74	97%	7,141,672	8,768,000	7.50%	6/19/2001	6/1/2031		Category 10	SATISFACTORY	
N/A	N/A	Central Harlem Plaza	2008 Series E	Manhattan	241	100%	(S) 5,891,448	6,935,000	1.00%	10/25/2001	11/30/2036		Category 1	SATISFACTORY	
SONYMA	Section 8/LAMP	Churchill House	2008 Series A/2009 Series M	Manhattan	98	97%	6,522,946	6,915,000	6.10%	9/15/2009	10/1/2039	8/31/2028	Category 8	SATISFACTORY	
N/A	New HOP		2010 Series H				(S) 5,750,000	5,750,000	1.00%	12/8/2010	6/30/2039		Category 1		
REMIC	New HOP	Cliffside Properties	2007 Series C	Bronx	84	99%	5,186,076	5,370,000	6.75%	12/8/2010	6/30/2039		Category 7	ABOVE AVERAGE	(1)
FHA 221 (d)(4)	Section 8	Clinton Arms	2010 Series H	Bronx	86	99%	3,503,894	4,962,700	10.36%	12/19/1985	7/1/2025	1/31/2030	Category 4	SATISFACTORY	
REMIC	LAMP	Clinton Parkview Apts	2003 Series B	Manhattan	96	98%	10,102,865	11,295,000	5.30%	9/18/2008	7/29/2035		Category 8	SATISFACTORY	(1)
Freddie Mac	LAMP	Clinton Terrific Tenements	2012 Series L/2010 Series E	Manhattan	88	100%	24,091,241	25,000,000	5.50%	6/29/2010	6/1/2040		Category 9	SATISFACTORY	
N/A	ML Repair Loan		2011 Series F				(S) 3,695,263	3,843,400	6.25%	10/3/2011	10/31/2035		Category 11		(5)
Fannie Mae	ML Restructuring, Section 236	Clinton Tower	2005 Series F	Manhattan	396	97%	8,005,520	12,651,477	6.50%	9/23/2005	10/31/2035	2/1/2025	Category 11	SATISFACTORY	(5)
N/A	New HOP		2013 Series D				(S) 9,405,000	9,405,000	1.00%	10/6/2011	11/30/2041		Category 1		
REMIC	New HOP	Columbia Hicks	2008 Series F	Brooklyn	95	99%	11,289,357	11,570,000	6.70%	10/6/2011	11/30/2041		Category 9	ABOVE AVERAGE	(1)
Freddie Mac	Section 8/LAMP	Concord/Seaside	2010 Series J	Staten Island	430	98%	6,868,538	8,610,000	5.15%	1/5/2011	12/1/2040	2/28/2031	Category 7	ABOVE AVERAGE	(6)
Fannie Mae	ML Restructuring, Section 236	Confucius Plaza Coop	2005 Series F	Manhattan	762	99%	18,831,707	28,663,900	6.50%	9/23/2005	10/31/2035	12/1/2025	Category 11	SATISFACTORY	(5)
N/A	LAMP	Cook Street Apts (Rev D J Kenna Apts)	2013 Series D	Brooklyn	152	99%	(S) 8,360,000	8,360,000	1.00%	5/17/2010	9/1/2040		Category 1	SATISFACTORY	
FHA 223 (f)	ML Restructuring	Corlear Gardens Coop.	2012 Series H	Bronx	118	100%	299,097	972,100	7.25%	9/26/1978	10/1/2018		Category 1	SATISFACTORY	(5)
N/A	LAMP	Courtlandt Ave Apartments	2009 Series I	Bronx	167	98%	(S) 5,342,166	5,885,000	1.00%	10/15/2007	10/15/2037		Category 1	SATISFACTORY	
N/A	LAMP/MIRP		2013 Series D				(S) 3,905,000	3,905,000	1.00%	8/30/2012	9/30/2042		Category 1		(1)
REMIC	LAMP/MIRP	Courtlandt Corners I	2008 Series H	Bronx	71	96%	3,266,097	3,320,000	6.10%	8/30/2012	9/30/2042		Category 9	ABOVE AVERAGE	(1)
N/A	New HOP		2013 Series D				(S) 11,823,554	11,952,007	1.00%	8/30/2012	9/30/2042		Category 1		
REMIC	New HOP	Courtlandt Corners II	2011 Series J	Bronx	252	94%	17,705,897	18,020,000	5.35%	8/30/2012	9/30/2042		Category 9	ABOVE AVERAGE	(1)
N/A	New HOP		2010 Series H				(S) 3,570,000	3,570,000	1.00%	1/25/2012	9/1/2040		Category 1		
REMIC	New HOP	Creston Towers	2008 Series K	Bronx	42	90%	2,068,352	2,110,000	7.10%	1/25/2012	9/1/2040		Category 7	SATISFACTORY	(1)
REMIC	LAMP	Crotona Parkway Apartments	2006 Series H	Bronx	96	97%	5,737,388	5,985,000	5.70%	11/19/2009	12/18/2044		Category 9	SATISFACTORY	(1)
N/A	ML Repair Loan		2004 Series F				(S) 169,215	252,320	6.25%	9/23/2005	9/1/2023		Category 1		(5)
Fannie Mae	ML Restructuring, Section 236	Crown Gardens Coop	2005 Series F	Brooklyn	238	98%	5,321,348	8,241,952	6.50%	9/23/2005	10/31/2035	7/1/2023	Category 11	SATISFACTORY	(5)
FHA 221 (d)(4)	Section 8	Crown Heights Development I	2010 Series H	Brooklyn	36	97%	1,463,801	2,197,400	7.25%	2/19/1985	8/1/2025	11/25/2014	Category 4	SATISFACTORY	
FHA 221 (d)(4)	Section 8	Crown Heights Development II	2010 Series H	Brooklyn	32	100%	1,149,202	1,744,700	6.75%	1/4/1985	8/1/2025	10/4/2014	Category 4	ABOVE AVERAGE	
N/A	LAMP		2012 Series E				(S) 7,920,000	7,920,000	1.00%	8/19/2010	9/1/2040		Category 1		
SONYMA	Section 8/LAMP	Crown Heights Senior Residence	2007 Series E	Brooklyn	144	97%	11,404,457	11,910,000	6.20%	8/19/2010	9/1/2040	12/31/2024	Category 9	SUPERIOR	
N/A	N/A	CUNY Graduate Center Housing	2010 Series C	Manhattan	38	100%	14,080,787	14,370,000	5.65%	11/22/2011	12/31/2046		Category 9	SUPERIOR	(11)
N/A	N/A	Daly Avenue	2008 Series K	Bronx	32	97%	(S) 1,767	160,000	3.00%	2/8/1994	3/1/2014		Category 1	SATISFACTORY	
LOC-Long Term	Section 8/LAMP	Davis Chavis Senior Apartments	2006 Series G	Brooklyn	153	97%	10,644,622	11,650,000	5.45%	5/29/2008	2/1/2038	10/13/2018	Category 9	BELOW AVERAGE	
REMIC	ML Restructuring, Section 236		2011 Series H				9,316,792	9,325,000	5.00%	11/22/2013	6/30/2048		Category 9		(1)(5)
REMIC	ML Restructuring, Section 236		2011 Series H				3,961,510	3,965,000	5.00%	11/22/2013	6/30/2048		Category 9		(1)(5)
N/A	ML Restructuring, Section 236	DCA Apartments	2011 Series H	Brooklyn	216	97%	3,742,792	4,245,000	5.03%	11/22/2013	3/30/2025	3/1/2025	Category 9	SATISFACTORY	(5)
N/A	New HOP		2008 Series E				(S) 960,000	960,000	3.00%	2/21/2001	10/1/2031		Category 1		
SONYMA	New HOP	de Sales Assisted Living Project	1998 Series B/2009 Series J	Manhattan	127	100%	(S) 15,819,269	20,665,000	5.30%	2/21/2001	10/1/2031		Category 8	ABOVE AVERAGE	
REMIC	LAMP Preservation	Decatur II	2008 Series H	Bronx	50	96%	2,269,503	2,330,000	6.10%	11/29/2011	12/31/2042		Category 9	SATISFACTORY	(1)
N/A	New HOP		2010 Series H				(S) 10,370,000	10,370,000	1.00%	1/24/2012	2/28/2042		Category 1		
REMIC	New HOP	Decatur Terrace	2008 Series F	Bronx	122	98%	10,981,297	11,220,000	6.70%	1/24/2012	2/28/2042		Category 9	SATISFACTORY	(1)
N/A	LAMP	Dorado Apartments (Melrose Site D)	2013 Series D	Bronx	58	98%	(S) 3,190,000	3,190,000	1.00%	3/18/2010	6/1/2040		Category 1	SATISFACTORY	
N/A	N/A		2013 Series D				(S) 2,114,319	2,114,319	1.00%	8/9/2012	7/31/2042		Category 1		
REMIC	LAMP		2009 Series K				1,512,587	1,540,000	5.60%	8/9/2012	7/31/2042		Category 9		(1)
REMIC	LAMP	Dr. Betty Shabazz Houses	2003 Series B	Brooklyn	160	98%	6,868,421	7,000,000	5.30%	8/9/2012	7/31/2042		Category 9	SATISFACTORY	(1)
REMIC	New HOP	East 118th Street	2012 Series E	Manhattan	59	100%	2,083,985	2,135,000	7.00%	9/8/2011	10/31/2041		Category 9	SATISFACTORY	(1)
N/A	New HOP	East 119th Street Coop	2008 Series K	Manhattan	111	100%	(S) 4,685,251	4,995,000	1.00%	8/29/2006	9/1/2036		Category 1	SATISFACTORY	
N/A	LAMP	East 165th St Development	2009 Series I	Bronx	136	99%	(S) 612,462	1,100,000	1.00%	3/7/2007	6/1/2036		Category 1	SATISFACTORY	
FHA 223 (f)	ML Restructuring	East Midtown	2012 Series H	Manhattan	746	95%	5,278,992	17,157,400	7.25%	9/14/1978	10/1/2018		Category 1	SATISFACTORY	(5)(9)
Freddie Mac	LAMP Preservation	East River Apartments	2011 Series G	Manhattan	178	97%	4,250,006	4,900,000	5.35%	12/22/2011	12/1/2041		Category 8	SATISFACTORY	(6)
N/A	LAMP		2009 Series I				(S) 4,015,000	4,015,000	1.00%	8/12/2009	8/12/2039		Category 1		
REMIC	LAMP	East Tremont Ave Apts	2006 Series C	Bronx	73	93%	3,091,076	3,290,000	5.85%	8/12/2009	8/12/2039		Category 9	SATISFACTORY	(1)
SONYMA	LAMP	Echo Apartments	2012 Series L/2010 Series E	Manhattan	99	98%	7,542,237	7,700,000	5.50%	6/6/2012	10/30/2041		Category 9	ABOVE AVERAGE	

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
N/A	LAMP		2011 Series F				(S) 5,063,374	5,100,000	1.00%	2/15/2011	3/1/2041		Category 1		
REMIC	LAMP	El Jardin de Seline	2008 Series A/2009 Series M	Bronx	84	98%	5,013,700	5,200,000	6.15%	2/15/2011	3/1/2041		Category 9	SATISFACTORY	(1)
SONYMA	N/A	Ellington on the Park	2011 Series F	Manhattan	134	100%	10,807,948	11,695,000	3.81%	1/28/2010	2/1/2040		Category 8	ABOVE AVERAGE	
N/A	ML Repair Loan		2008 Series E				(S) 4,759,684	5,364,492	6.25%	3/27/2007	1/31/2035		Category 7		(5)
N/A	ML Restructuring	Esplande Gardens	2004 Series E	Manhattan	1,872	99%	12,728,790	14,668,007	6.50%	12/29/2004	1/31/2035		Category 11	BELOW AVERAGE	(5)
FHA 223 (f)	ML Restructuring, Section 236	Essex Terrace	2012 Series H	Brooklyn	104	99%	547,935	1,749,100	8.13%	5/16/1978	6/1/2018		Category 1	SATISFACTORY	(5)
N/A	LAMP		2013 Series D				(S) 3,575,000	3,575,000	1.00%	3/23/2010	4/1/2040		Category 1		
REMIC	LAMP	Fabria Houses	2007 Series B/2009 Series G	Manhattan	65	95%	1,470,320	1,550,000	5.85%	3/23/2010	6/28/2039		Category 9	ABOVE AVERAGE	(1)
LOC-Long Term	Section 8/LAMP	Fania Gersham Apartments	2006 Series C	Manhattan	29	97%	1,832,018	2,050,000	5.35%	5/14/2007	6/29/2037	8/15/2028	Category 9	SUPERIOR	
N/A	PLP	Fifth Avenue Corridor	2008 Series K	Brooklyn	36	100%	172,587	631,000	8.95%	10/17/1997	11/1/2016		Category 8	BELOW AVERAGE	
Fannie Mae	ML Restructuring, Section 236	First Atlantic	2006 Series D	Brooklyn	201	95%	4,859,945	6,882,575	6.50%	6/29/2006	7/31/2036	2/1/2026	Category 11	SATISFACTORY	(5)
N/A	New HOP	Fox Leggett	2012 Series E	Bronx	50	94%	3,332,066	3,350,000	1.13%	3/15/2011	3/31/2041		Category 9	ABOVE AVERAGE	
N/A	PLP/ LAMP	Fox Street	2004 Series B	Bronx	106	98%	1,992,053	3,000,000	7.00%	7/15/2004	8/1/2023		Category 8	SATISFACTORY	
N/A	LAMP		2008 Series K				(S) 1,972,198	1,980,000	1.00%	3/1/2007	10/1/2036		Category 1		
REMIC	LAMP	Freeman Gardens	2004 Series B	Bronx	36	94%	1,172,692	1,305,000	5.95%	3/1/2007	10/1/2036		Category 9	SATISFACTORY	(1)
N/A	HTF	Freeman Simpson	2004 Series C	Bronx	67	100%	1,076,654	1,230,000	7.40%	6/16/2004	6/16/2034		Category 8	SATISFACTORY	
N/A	LAMP		2012 Series E				(S) 4,180,000	4,180,000	1.00%	4/23/2010	5/31/2040		Category 1		
REMIC	LAMP	Friendly Hands	2007 Series B/2009 Series G	Manhattan	76	96%	2,270,172	2,390,000	5.85%	4/23/2010	5/1/2040		Category 9	SATISFACTORY	(1)
FHA 221 (d)(3)	Section 8	Fulton Park Sites 7 & 8	2010 Series H	Brooklyn	209	100%	8,784,205	13,780,700	6.25%	2/18/1986	4/1/2025	12/18/2029	Category 3	SATISFACTORY	
REMIC	New HOP	Genesis Cornerstone	2008 Series K	Manhattan	86	98%	11,498,892	11,630,000	7.40%	3/30/2012	6/29/2041		Category 8	SUPERIOR	(1)
N/A	ML Repair Loan		2008 Series E				(S) 816,868	1,505,860	6.25%	9/13/2006	9/1/2019		Category 7		(5)
N/A	ML Restructuring	Goddard Riverside	2004 Series E	Manhattan	194	98%	2,099,676	2,419,560	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
SONYMA	Section 8/LAMP	Good Neighbor Apartment	2010 Series J	Manhattan	118	97%	4,098,837	4,470,000	5.15%	7/16/2012	12/22/2042	7/31/2015	Category 8	SATISFACTORY	(6)
FHA 223 (f)	Section 236	Goodwill Terrace Apts	2008 Series K	Queens	208	100%	1,406,317	3,606,100	8.50%	7/31/1979	7/31/2019	7/31/2019	Category 1	SATISFACTORY	
N/A	ML Restructuring	Gouverneur Gardens	2005 Series A	Manhattan	782	99%	5,329,684	6,085,757	6.50%	5/25/2005	6/30/2035		Category 11	UNSATISFACTORY	(5)
SONYMA	LAMP Preservation	Greene Avenue Senior Housing	2011 Series G	Brooklyn	150	99%	2,340,000	2,340,000	5.35%	1/28/2014	1/31/2044		Category 9	N/A	(6)
N/A	ML Repair Loan		2005 Series G				(S) 2,027,969	4,840,000	6.25%	9/23/2005	1/31/2018		Category 7		(5)
Fannie Mae	ML Restructuring, Section 236	Hamilton Housing	2005 Series E	Manhattan	176	97%	2,193,284	3,552,085	6.50%	9/23/2005	10/31/2035	10/1/2022	Category 11	SATISFACTORY	(5)
N/A	New HOP		2008 Series K				(S) 1,480,829	1,530,000	2.75%	11/21/2002	12/31/2027		Category 1		(8)
REMIC	New HOP	Harlem Gateway	2010 Series H	Manhattan	50	96%	3,267,528	4,570,000	8.73%	11/21/2002	12/31/2027		Category 8	SATISFACTORY	(1)(8)
N/A	PLP	Harmony House	2004 Series J	Manhattan	55	100%	1,834,719	2,200,000	7.15%	8/29/2002	9/30/2032		Category 8	SATISFACTORY	
REMIC	New HOP	Harriet Tubman	2004 Series G	Manhattan	74	100%	5,203,777	5,920,000	4.25%	10/9/2003	11/30/2028		Category 1	SATISFACTORY	(4)
Freddie Mac	Section 8/LAMP	Haven Plaza	2011 Series G	Manhattan	186	99%	4,741,038	4,840,000	5.50%	12/5/2013	10/1/2043	3/1/2031	Category 9	N/A	(6)
N/A	LAMP	Hewitt House Apartments	2012 Series B	Bronx	83	100%	(S) 4,565,000	4,565,000	1.00%	10/3/2011	10/3/2048		Category 1	ABOVE AVERAGE	
N/A	LAMP	Highbridge Apartments	2009 Series I	Bronx	296	98%	(S) 3,164,140	4,070,000	1.00%	11/17/2008	11/1/2038		Category 1	SATISFACTORY	
N/A	LAMP	Hoe Avenue Apartments	2008 Series K	Bronx	136	99%	(S) 5,838,287	6,270,000	1.00%	2/15/2007	3/31/2037		Category 1	SATISFACTORY	
REMIC	LAMP	Intervale Independent	2013 Series B/2012 Series M	Bronx	48	98%	388,232	780,000	5.35%	8/28/2013	10/31/2043		Category 9	SUPERIOR	(1)
N/A	LAMP		2009 Series I				(S) 2,798,277	2,835,000	1.00%	4/15/2009	5/1/2039		Category 1		
REMIC	LAMP	Jacob's Place	2005 Series C	Bronx	63	97%	1,241,952	1,335,000	5.50%	4/15/2009	6/30/2037		Category 8	SATISFACTORY	(1)
N/A	ML Repair Loan		2004 Series F				(S) 794,050	1,447,795	6.25%	12/29/2004	7/31/2020		Category 7		(5)
N/A	ML Restructuring	Jefferson Towers	2004 Series E	Manhattan	190	100%	1,427,349	1,644,805	6.50%	12/29/2004	1/31/2035		Category 11	ABOVE AVERAGE	(5)
SONYMA	LAMP Preservation/Section 8	Jennings Hall	2009 Series C	Brooklyn	150	96%	5,724,016	6,000,000	6.20%	5/26/2010	4/25/2040	12/29/2020	Category 9	SATISFACTORY	
FHA 223 (f)	ML Restructuring, Section 236	Keith Plaza	2011 Series F	Bronx	310	98%	1,964,920	6,814,687	8.13%	12/29/1977	1/1/2018	1/31/2018	Category 1	SATISFACTORY	(5)
FHA 223 (f)	ML Restructuring, Section 236	Kelly Towers	2011 Series F	Bronx	302	94%	1,304,843	4,525,363	8.13%	12/29/1977	1/1/2018	1/31/2018	Category 1	SATISFACTORY	(5)
GNMA	Section 8/LAMP	Kings County Senior Residence	2005 Series D	Brooklyn	173	98%	10,139,906	12,980,996	2.97%	6/28/2005	1/1/2047	1/31/2017	Category 7	ABOVE AVERAGE	
FHA 223 (f)	ML Restructuring, Section 236	Kingsbridge Apts	2012 Series H	Bronx	91	98%	513,992	1,997,900	8.13%	6/28/1977	7/1/2017		Category 1	SATISFACTORY	(5)
N/A	ML Restructuring	Kingsbridge Arms	2004 Series E	Bronx	105	100%	678,585	781,967	6.50%	12/29/2004	1/31/2035		Category 11	BELOW AVERAGE	(5)
N/A	LAMP		2013 Series D				(S) 587,910	660,000	1.00%	3/5/2010	4/1/2040		Category 1		
LOC-Long Term	LAMP	Kingston Heights	2007 Series E	Brooklyn	132	98%	4,665,248	4,925,000	5.70%	3/5/2010	4/1/2040		Category 9	BELOW AVERAGE	
FHA 221 (d)(4)	Section 8	La Cabana Houses	2010 Series H	Brooklyn	167	100%	6,579,940	9,603,700	9.70%	10/25/1985	7/1/2025	9/30/2025	Category 3	BELOW AVERAGE	
N/A	LAMP		2012 Series I				(S) 5,885,000	5,885,000	1.00%	5/15/2012	5/1/2042		Category 1		
REMIC	LAMP	La Terraza/Melrose Site B-1	2009 Series C	Bronx	107	99%	6,577,207	6,710,000	6.00%	5/15/2012	5/1/2042		Category 9	SUPERIOR	(1)
N/A	LAMP	Las Casas Development	2012 Series B	Bronx	227	100%	(S) 12,485,000	12,485,000	1.00%	12/16/2011	10/30/2040		Category 1	SATISFACTORY	
N/A	LAMP		2012 Series E				(S) 3,245,000	3,245,000	1.00%	9/30/2009	6/29/2038		Category 1		
REMIC	LAMP	Lenox Powell Apartments	2006 Series C	Manhattan	59	100%	2,737,357	2,935,000	5.85%	9/30/2009	6/29/2038		Category 9	SATISFACTORY	(1)
N/A	ML Repair Loan		2011 Series F/2008 Series E/2004 Series F				(S) 3,915,359	4,026,538	6.25%	8/21/2012	1/31/2036		Category 7		(5)
Fannie Mae	ML Restructuring, Section 236	Lincoln Amsterdam	2005 Series J	Manhattan	186	98%	4,964,277	7,490,187	6.50%	12/28/2005	1/31/2036	6/1/2025	Category 11	SATISFACTORY	(5)
N/A	Certificate Program	Linden Mews	2002 Series B/2012 Series B	Brooklyn	36	97%	992,322	1,230,000	6.00%	8/29/2002	9/1/2032		Category 8	SATISFACTORY	
N/A	ML Restructuring, Section 236	Linden Plaza Preservation	2010 Series G	Brooklyn	1,527	96%	(S) 10,426,406	15,000,000	4.95%	4/9/2008	12/1/2022	12/1/2022	Category 1	SATISFACTORY	(5)
N/A	New HOP		2008 Series K				(S) 794,457	825,000	1.00%	2/9/2006	2/1/2036		Category 1		
REMIC	New HOP	Little Larkspur	2008 Series E	Manhattan	14	93%	3,076,059	3,445,000	6.70%	2/8/2006	2/1/2036		Category 8	ABOVE AVERAGE	(1)
SONYMA	Section 8/LAMP	Livonia Terrace	2009 Series C	Brooklyn	173	100%	1,819,615	1,880,000	6.20%	5/31/2011	6/30/2041	5/31/2030	Category 9	SATISFACTORY	
LOC-Long Term	Section 8/LAMP	Logan Gardens	2005 Series K	Manhattan	104	100%	3,897,923	4,230,000	5.25%	12/9/2008	10/1/2036	8/31/2031	Category 8	SATISFACTORY	
N/A	New HOP		2010 Series H				(S) 2,125,000	2,125,000	1.00%	7/12/2011	8/31/2041		Category 1		
REMIC	New HOP	Longwood Gardens	2008 Series K	Bronx	25	96%	2,313,682	2,375,000	7.00%	7/12/2011	8/31/2041		Category 7	SATISFACTORY	(1)
Fannie Mae	LAMP Preservation/Section 8	Longwood Residences	2013 Series B/2012 Series M	Bronx	321	100%	45,076,356	45,225,000	4.30%	6/27/2013	5/1/2018	5/1/2018	Category 9	N/A	
N/A	LAMP	Louie Nine Boulevard Apartments	2008 Series K	Bronx	95	96%	(S) 3,689,779	4,180,000	1.00%	10/15/2007	10/15/2037		Category 1	SATISFACTORY	
N/A	New HOP	Madison Park Apartments	2008 Series E	Manhattan	89	100%	6,480,385	7,500,000	4.25%	10/3/2002	11/30/2027		Category 1	BELOW AVERAGE	
REMIC	New HOP	Madison Plaza	2004 Series G	Manhattan	92	100%	6,589,555	7,360,000	4.50%	7/27/2004	8/1/2029		Category 1	ABOVE AVERAGE	(4)
SONYMA	Section 8/LAMP	Magnolia Plaza	2007 Series B	Brooklyn	102	98%	6,708,148	7,160,000	5.85%	6/4/2009	7/11/2039	6/30/2028	Category 8	SATISFACTORY	
N/A	New HOP	Manhattan Court	2008 Series K	Manhattan	123	100%	(S) 2,821,026	4,046,250	1.00%	12/13/2006	6/1/2036		Category 1	SATISFACTORY	
LOC-Long Term	Section 8/LAMP	Mannie Wilson	2007 Series B	Manhattan	102	99%	9,338,063	9,950,000	5.35%	11/18/2009	12/1/2040	6/26/2026	Category 8	SATISFACTORY	
N/A	LAMP		2012 Series B				(S) 1,550,000	1,550,000	1.00%	5/20/2010	6/30/2045		Category 1		
SONYMA	Section 8/LAMP	Maria Lopez	2008 Series M	Bronx	216	98%	15,464,180	15,875,000	7.20%	5/20/2010	12/23/2045	11/30/2028	Category 9	SATISFACTORY	

Supple-mental Security	Subsidy Program(S)[†]	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date[††]	Prepayment Category (see Appendix E-2)	Physical Inspection [†††]	Footnote
N/A	LAMP		2013 Series D				(S) 1,878,398	1,878,398	1.00%	8/9/2012	7/31/2042		Category 1		
REMIC	LAMP		2009 Series K				4,960,106	5,050,000	5.60%	8/9/2012	7/31/2042		Category 9		(1)
REMIC	LAMP	Medgar Evers Houses	2003 Series B	Brooklyn	308	99%	6,686,899	6,815,000	5.30%	8/9/2012	7/31/2042		Category 9	SATISFACTORY	(1)
N/A	LAMP		2013 Series D				(S) 3,465,000	3,465,000	1.00%	6/23/2010	6/28/2039		Category 1		
REMIC	LAMP	Melrose Commons Site 5	2007 Series B/2009 Series G	Bronx	63	100%	2,904,764	3,050,000	5.85%	6/23/2010	6/28/2039		Category 9	ABOVE AVERAGE	(1)
LOC-Long Term	Section 8/LAMP	Metropolitan Avenue	2006 Series G	Brooklyn	65	100%	2,859,171	3,150,000	5.45%	3/27/2008	2/1/2038	8/7/2017	Category 9	ABOVE AVERAGE	
SONYMA	LAMP Preservation/Section 8	Mid-Bronx Apartments	2012 Series L/ 2011 Series B/2010 Series L-1	Bronx	184	100%	14,890,927	15,100,000	5.35%	12/20/2012	10/31/2042	3/31/2031	Category 9	SATISFACTORY	
LOC-Long Term	Section 8/LAMP	Monsignor Vetro Apartments	2006 Series G	Brooklyn	45	93%	3,449,158	3,800,000	5.45%	3/27/2008	2/1/2038	9/23/2032	Category 9	ABOVE AVERAGE	
N/A	ML Restructuring	Montefiore	2004 Series E	Bronx	399	100%	6,081,089	7,007,537	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
N/A	LAMP		2013 Series D				(S) 5,335,000	5,335,000	1.00%	9/2/2009	12/21/2038		Category 1		
REMIC	LAMP	Monterey Phipps	2006 Series H	Bronx	97	89%	1,399,613	1,490,000	5.70%	9/2/2009	12/21/2038		Category 9	SATISFACTORY	(1)
N/A	LAMP		2009 Series I				(S) 4,200,000	4,200,000	1.00%	10/23/2008	11/1/2038		Category 1		
REMIC	LAMP	Montmac (Unimac II)	2006 Series G	Bronx	111	96%	2,892,907	3,255,000	5.95%	10/23/2008	11/1/2038		Category 8	SATISFACTORY	(1)
REMIC	Section 8		2011 Series F				3,339,204	3,464,100	6.50%	12/22/2010	12/31/2040	8/31/2022	Category 1		(1)
REMIC	Section 8	Morningside One Apartments	2012 Series L/2010 Series K	Manhattan	109	98%	3,732,386	3,900,000	5.50%	12/22/2010	12/31/2040	8/31/2022	Category 7	SATISFACTORY	(1)
REMIC	PLP	Morris Heights	2004 Series J	Bronx	203	98%	447,959	1,896,000	7.40%	4/24/2001	5/31/2016		Category 8	BELOW AVERAGE	(1)
Freddie Mac	Section 8/LAMP	Morris Heights Mews	2010 Series J	Bronx	111	100%	1,393,146	1,755,000	5.15%	11/17/2010	11/1/2040	10/31/2030	Category 7	SATISFACTORY	(6)
N/A	LAMP		2009 Series I				(S) 2,282,887	2,310,000	1.00%	2/26/2009	2/1/2039		Category 1		
REMIC	LAMP	Morrisania Terrace	2005 Series L	Bronx	42	95%	1,321,145	1,420,000	5.75%	2/26/2009	2/1/2039		Category 8	SATISFACTORY	(1)
SONYMA	LAMP Preservation/Section 8	Mother Zion	2010 Series J	Manhattan	76	99%	2,151,181	2,370,000	5.15%	5/30/2012	6/1/2042	7/1/2030	Category 9	ABOVE AVERAGE	(6)
REMIC	LAMP	Navy Green R-1	2010 Series J	Brooklyn	112	100%	1,446,635	1,450,000	5.20%	10/11/2013	10/31/2043		Category 9	ABOVE AVERAGE	(1)(6)
REMIC	LAMP	Navy Green R3	2010 Series D	Brooklyn	101	99%	2,491,390	2,510,000	5.75%	5/22/2013	6/1/2043		Category 9	ABOVE AVERAGE	(1)
N/A	HTF	Nelson Senior Houses	2001 Series C	Bronx	82	99%	2,846,761	3,380,000	6.00%	3/25/2004	6/17/2033		Category 8	SATISFACTORY	
N/A	LAMP		2013 Series D				(S) 3,465,000	3,465,000	1.00%	8/13/2010	12/28/2038		Category 1		
REMIC	LAMP	New Hope Project (Walton)	2006 Series H	Bronx	63	97%	2,646,487	2,775,000	5.70%	8/13/2010	12/28/2038		Category 9	BELOW AVERAGE	(1)
Freddie Mac	LAMP	New Horizons	2012 Series L/2010 Series E	Manhattan	48	100%	9,713,284	10,100,000	5.25%	6/29/2010	6/1/2040		Category 9	SATISFACTORY	
N/A	LAMP		2012 Series B				(S) 4,785,000	4,785,000	1.00%	11/17/2011	12/1/2041		Category 1		
REMIC	LAMP	New Lots Plaza	2008 Series M	Brooklyn	87	100%	3,764,316	3,845,000	7.25%	11/17/2011	12/1/2041		Category 9	SATISFACTORY	(1)
Fannie Mae	LAMP Preservation/Section 8	North Park Apartments	2011 Series B/2010 Series L-1	Manhattan	122	100%	7,754,570	8,760,000	5.35%	4/28/2011	4/1/2041	1/31/2025	Category 8	SATISFACTORY	(6)
N/A	N/A		2009 Series I				(S) 1,543,501	1,543,501	1.00%	9/23/2005	4/30/2016		Category 1		(12)
N/A	ML Repair Loan		2004 Series F				(S) 9,806,693	11,157,846	6.25%	9/23/2005	10/31/2035		Category 7		(5)
N/A	ML Restructuring, Section 236	North Shore Plaza	2005 Series F	Staten Island	536	94%	11,051,438	16,977,913	6.50%	9/23/2005	10/31/2035	12/1/2026	Category 11	BELOW AVERAGE	(5)
SONYMA	N/A	NYCHA Public Housing Preservation I LLC	2009 Series L-1/2010 Series B	Manhattan	14,465	98%	23,500,627	23,590,000	6.30%	9/10/2013	3/3/2046		Category 9	N/A	
REMIC	N/A	NYCHA Public Housing Preservation II LLC	2010 Series A	Brooklyn	5,674	98%	28,171,535	28,325,000	5.10%	9/10/2013	11/1/2041		Category 9	N/A	(1)
N/A	ML Repair Loan	Ocean Gate	2010 Series N	Brooklyn	542	94%	(S) 4,144,860	5,500,000	5.00%	3/1/2011	8/1/2040		Category 7	SATISFACTORY	
Freddie Mac	LAMP Preservation/Section 8	Oceanview	2011 Series G	Queens	328	98%	5,568,425	6,420,000	5.35%	12/22/2011	12/1/2041	9/30/2015	Category 8	SATISFACTORY	(6)
REMIC	LAMP Preservation	Ocelot ECW	2012 Series L/2010 Series I/2010 Series K	Bronx	119	99%	2,681,862	2,685,000	5.15%	11/20/2013	11/24/2043		Category 9	N/A	(1)
N/A	LAMP/HTF		2009 Series I				(S) 2,848,668	2,850,000	1.00%	6/12/2006	7/31/2036		Category 1		
N/A	LAMP/HTF	Olga Mendez	2003 Series E	Manhattan	74	97%	3,593,250	4,070,000	5.75%	6/12/2006	7/31/2036		Category 9	SATISFACTORY	
N/A	New HOP		2008 Series K				(S) 4,086,932	4,545,000	1.00%	5/16/2006	6/30/2036		Category 1		(8)
REMIC	New HOP	Orloff Avenue	1999 Series B	Bronx	101	95%	9,645,121	10,740,000	6.75%	5/11/2006	6/30/2036		Category 8	ABOVE AVERAGE	(1)(8)
N/A	LAMP/HTF		2009 Series I				(S) 3,150,000	3,150,000	1.00%	5/25/2006	6/1/2036		Category 1		
N/A	LAMP/HTF	Palacio del Sol	2003 Series E	Bronx	124	100%	6,538,928	7,420,000	5.75%	5/25/2006	6/22/2036		Category 9	SATISFACTORY	
N/A	LAMP	Parkview II Apartments	2009 Series I	Bronx	88	99%	(S) 3,960,000	3,960,000	1.00%	11/17/2008	12/1/2037		Category 1	SATISFACTORY	
N/A	ML Repair Loan	Penn South	2011 Series F	Manhattan	2,820	100%	(S) 16,638,187	17,000,000	1.00%	6/24/2011	7/31/2041		Category 1	N/A	(5)
REMIC	Section 8/LAMP	Phelps House	2004 Series I	Manhattan	169	100%	11,145,681	12,645,000	5.85%	4/20/2006	6/29/2036	8/9/2018	Category 8	SATISFACTORY	(2)
SONYMA	LAMP Preservation	PRC Westchester	2012 Series D	Bronx	409	100%	25,092,505	25,120,000	5.50%	11/19/2013	12/12/2014		Category 9	N/A	
N/A	LAMP		2012 Series E				(S) 6,731,168	6,820,000	1.00%	10/13/2009	1/1/2038		Category 1		
REMIC	LAMP	Prospect Avenue	2005 Series L	Bronx	124	94%	5,096,441	5,415,000	5.75%	9/13/2009	12/1/2037		Category 1	SATISFACTORY	(1)
N/A	New HOP	Prospect Macy	2013 Series D	Bronx	63	100%	4,178,109	4,182,000	1.09%	5/31/2012	5/31/2042		Category 9	SUPERIOR	
N/A	New HOP	Queens Family Courthouse Apartments	2013 Series D	Queens	277	96%	(S) 15,275,000	15,275,000	1.00%	4/16/2012	6/15/2047		Category 1	ABOVE AVERAGE	
N/A	New HOP		2008 Series K				(S) 2,910,092	2,952,000	1.00%	10/19/2006	6/1/2036		Category 1		
REMIC	New HOP	Ralph Avenue Phase II	2004 Series J	Brooklyn	72	99%	8,950,317	9,810,000	7.25%	10/19/2006	6/1/2036		Category 8	SATISFACTORY	(1)
REMIC	Section 8/LAMP	Rev. Dr. Fletcher C. Crawford	2009 Series K	Bronx	84	100%	3,583,141	3,620,000	6.00%	2/26/2013	12/21/2042	12/21/2042	Category 9	ABOVE AVERAGE	(1)
REMIC	N/A	Revive 103 North	2012 Series L/2011 Series E	Manhattan	30	100%	1,198,515	1,245,000	5.35%	5/17/2011	4/30/2041		Category 8	SATISFACTORY	(1)
N/A	LAMP		2012 Series B				(S) 2,970,000	2,970,000	1.00%	8/25/2011	9/30/2041		Category 1		
REMIC	LAMP	River Rock	2008 Series H	Brooklyn	54	100%	2,285,982	2,355,000	6.10%	8/25/2011	9/30/2041		Category 9	SATISFACTORY	(1)
REMIC	ML Restructuring and Repair Loan	River Terrace	2008 Series J	Manhattan	431	97%	9,200,093	9,695,309	6.31%	7/21/2008	7/1/2038		Category 11	SATISFACTORY	(1)
N/A	ML Restructuring	Riverbend	2004 Series E	Manhattan	626	99%	7,289,180	8,399,679	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
FHA	LAMP	Riverway Apartments	2011 Series D	Brooklyn	115	98%	970,906	1,000,000	2.27%	10/17/2013	10/1/2051		Category 7	SATISFACTORY	(6)
N/A	ML Repair Loan		2008 Series E				(S) 324,320	954,945	6.25%	12/29/2004	10/30/2016		Category 7		(5)
N/A	ML Restructuring	RNA House	2004 Series E	Manhattan	208	99%	1,623,622	1,870,978	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
GNMA	Section 8	Roosevelt Island (aka Manhattan Park)	2004 Series A	Manhattan	1,107	99%	113,646,215	147,150,000	5.30%	6/6/2004	7/15/2030		Category 7	SATISFACTORY	(8)
N/A	ML Repair Loan		2008 Series E				(S) 88,970	275,000	6.25%	8/8/2006	8/31/2016		Category 7		(5)
N/A	ML Restructuring	Rosalie Manning	2006 Series D	Manhattan	109	98%	819,044	914,615	6.50%	8/8/2006	7/1/2036		Category 11	SATISFACTORY	(5)
N/A	LAMP		2013 Series D				(S) 15,345,000	15,345,000	1.00%	8/21/2012	6/26/2041		Category 1		
REMIC	LAMP	Roscoe C. Brown	2008 Series H	Bronx	279	97%	7,461,851	7,585,000	6.10%	8/21/2012	6/26/2041		Category 9	SATISFACTORY	(1)
SONYMA	Section 8/LAMP	Rose Hill	2008 Series A/2009 Series M	Bronx	119	100%	7,882,396	8,280,000	6.10%	4/8/2010	5/1/2040	3/7/2031	Category 9	ABOVE AVERAGE	
FHA 223 (f)	ML Restructuring, Section 236	Ruppert House	2012 Series H	Manhattan	652	98%	5,578,191	16,778,000	8.13%	9/21/1978	10/1/2018	10/1/2018	Category 1	SATISFACTORY	(5)
N/A	ML Restructuring	Scott Tower	2004 Series E	Bronx	352	100%	2,423,353	2,792,548	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
N/A	ML Restructuring, Section 236	Seaview Towers	2011 Series F/2008 Series E	Queens	460	98%	(S) 2,009,115	2,061,309	6.25%	8/24/2012	1/1/2037		Category 7	SATISFACTORY	(5)

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
N/A	ML Repair Loan		2004 Series F				(S) 6,215,519	6,279,746	6.25%	4/27/2011	4/30/2041		Category 7		(5)(10)
Fannie Mae	ML Restructuring, Section 236	Second Atlantic Terminal	2005 Series F	Brooklyn	305	99%	7,467,779	10,809,667	6.50%	9/23/2005	10/31/2035	4/1/2026	Category 11	SATISFACTORY	(5)(10)
REMIC	LAMP	Sedgcliff	2012 Series L/2010 Series E	Bronx	128	95%	5,229,062	5,270,000	5.50%	5/29/2013	5/29/2043		Category 9	SATISFACTORY	(1)
LOC-Long Term	Section 8/LAMP	Selfhelp Houses	2006 Series C	Queens	150	98%	5,428,016	6,000,000	5.35%	12/5/2007	9/29/2022	12/26/2025	Category 9	SATISFACTORY	
REMIC	LAMP/HAC	Selfhelp K4	2006 Series J-2	Queens	159	97%	4,939,120	6,900,000	5.66%	11/12/2008	12/1/2038	2/1/2036	Category 9	SUPERIOR	(1)
N/A	LAMP		2012 Series E				(S) 8,790,902	8,800,000	1.00%	9/27/2011	10/1/2041		Category 1		
SONYMA	LAMP	Serviam Towers	2008 Series M	Bronx	160	100%	5,960,900	6,100,000	7.25%	9/27/2011	10/1/2041		Category 9	ABOVE AVERAGE	
N/A	New HOP		2010 Series H				(S) 10,795,000	10,795,000	1.00%	11/15/2013	9/30/2045		Category 1		
REMIC	New HOP	Shakespeare Place	2008 Series F	Bronx	127	100%	13,137,163	13,145,000	6.70%	11/15/2013	6/30/2045		Category 7	SATISFACTORY	(1)
N/A	LAMP/LIRP		2008 Series K				(S) 6,490,000	6,490,000	1.00%	2/27/2007	3/1/2037		Category 1		
SONYMA	LAMP/LIRP	Silverleaf	2004 Series B	Bronx	118	96%	4,600,907	5,120,000	5.95%	2/27/2007	3/1/2037		Category 9	SATISFACTORY	
N/A	LAMP Preservation/Section 8	Sinclair Apartments	2012 Series K	Manhattan	81	100%	12,872,710	13,000,000	5.45%	12/21/2012	1/1/2043	12/20/2032	Category 8	SATISFACTORY	
Fannie Mae	LAMP Preservation	Southern Boulevard Apartments	2012 Series D	Bronx	370	100%	38,250,699	38,815,000	5.50%	6/28/2012	7/1/2044		Category 9	SATISFACTORY	
N/A	Certificate Program	Spring Creek IV	2002 Series B/2012 Series B	Brooklyn	83	99%	2,113,726	2,620,000	6.00%	8/29/2002	9/1/2032		Category 8	SATISFACTORY	
FHA 223 (f)	ML Restructuring	St Martins Tower	2012 Series H	Manhattan	179	98%	881,655	2,865,500	7.25%	9/25/1978	10/1/2018		Category 1	SATISFACTORY	(5)
REMIC	New HOP	St. Ann's ABH	2009 Series C	Bronx	166	99%	25,539,194	25,830,000	6.20%	4/16/2012	6/25/2040		Category 9	SATISFACTORY	(1)
N/A	LAMP	St. Ann's Apartments	2008 Series E	Bronx	58	90%	397,333	1,449,229	2.65%	1/10/2003	2/28/2018		Category 1	SATISFACTORY	
REMIC	LAMP	St. Ann's CDE	2009 Series C	Bronx	314	100%	21,119,366	21,435,000	6.00%	4/16/2012	6/25/2047		Category 9	SATISFACTORY	(1)
REMIC	LAMP	St. Ann's Terrace FG	2010 Series D	Bronx	161	97%	7,827,365	7,925,000	5.50%	1/24/2013	9/29/2042		Category 9	SATISFACTORY	(1)
SONYMA	LAMP Preservation/Section 8	St. Luke's Housing for the Elderly	2011 Series J	Bronx	81	100%	5,214,123	5,220,000	5.35%	11/12/2013	12/31/2043	8/17/2017	Category 9	N/A	
REMIC	LAMP	St. Peter's Avenue Apartments	2006 Series C	Bronx	58	100%	4,388,872	4,520,000	5.85%	5/13/2010	7/1/2039		Category 9	SATISFACTORY	(1)(7)
REMIC	New HOP	Stapleton Court	2010 Series D	Staten Island	92	99%	7,555,838	7,615,000	5.50%	5/14/2013	6/29/2042		Category 8	SATISFACTORY	(1)
N/A	N/A	State Renaissance Court	2009 Series I	Brooklyn	158	99%	(S) 777,153	3,510,000	1.00%	9/10/2008	6/1/2037		Category 1	SATISFACTORY	
N/A	ML Repair Loan		2004 Series F				(S) 9,919,747	11,229,999	6.25%	12/28/2005	1/31/2036		Category 7		(5)
N/A	ML Restructuring, Section 236	Stevenson Commons	2005 Series J	Bronx	947	98%	18,863,098	29,012,737	6.50%	12/28/2005	1/31/2036	1/1/2026	Category 11	SATISFACTORY	(5)
N/A	New HOP	Strivers Gardens	2008 Series K	Manhattan	170	100%	(S) 1,632,356	3,380,000	1.00%	4/27/2005	5/31/2030		Category 1	ABOVE AVERAGE	
N/A	ML Repair Loan		2004 Series F				(S) 110,654	356,895	6.25%	3/10/2005	6/30/2035		Category 7		(5)
N/A	ML Repair Loan		2008 Series E				(S) 882,022	1,638,105	6.25%	3/10/2005	6/30/2035		Category 7		(5)
N/A	ML Restructuring	Strycker's Bay	2005 Series A	Manhattan	234	99%	1,595,199	1,821,496	6.50%	5/25/2005	6/30/2035		Category 11	SATISFACTORY	(5)
N/A	New HOP	Susan's Court (454 Manhattan Avenue)	2013 Series D	Manhattan	125	98%	(S) 4,940,000	4,940,000	1.00%	8/17/2010	11/1/2039		Category 1	SATISFACTORY	
Fannie Mae	ML Restructuring, Section 236	Tanya Towers	2008 Series L	Manhattan	138	96%	5,294,252	6,468,592	6.00%	1/30/2009	2/28/2039	2/1/2024	Category 11	SATISFACTORY	(5)
N/A	Section 8/LAMP	Target V Apartments	2009 Series I	Bronx	83	99%	(S) 628,977	670,000	1.00%	9/5/2008	2/1/2038	7/31/2027	Category 1	SATISFACTORY	
N/A	New HOP	The Aspen	2008 Series K	Manhattan	231	98%	(S) 1,511,140	2,750,000	1.00%	7/15/2005	11/1/2035		Category 1	SATISFACTORY	
SONYMA	LAMP Preservation/Section 8	The Bridge	2009 Series F	Manhattan	81	96%	5,700,661	5,820,000	6.10%	4/12/2012	4/1/2041	3/5/2030	Category 9	SATISFACTORY	
REMIC	LAMP/LIRP	The Ciena Hobbs Court	2009 Series C	Manhattan	340	99%	19,098,070	19,175,000	6.00%	8/27/2013	12/30/2041		Category 9	ABOVE AVERAGE	(1)
N/A	LAMP		2012 Series E				(S) 4,400,000	4,400,000	1.00%	10/19/2012	12/22/2041		Category 1		
REMIC	LAMP	The Dempsey	2009 Series K	Manhattan	80	100%	1,596,673	1,620,000	6.00%	10/19/2012	12/22/2041		Category 9	SUPERIOR	(1)
REMIC	LAMP	The Douglass	2009 Series C	Manhattan	70	100%	5,938,892	6,000,000	6.00%	8/22/2012	9/30/2049		Category 9	SUPERIOR	(1)
REMIC	New HOP	The Hamilton	2004 Series G	Manhattan	77	100%	5,401,633	6,080,000	4.50%	1/29/2004	1/1/2029		Category 1	SUPERIOR	(4)
N/A	N/A		2013 Series D				5,365,179	5,395,000	1.00%	5/1/2013	6/30/2043		Category 9		
REMIC	N/A	The Shelton aka St. Phillips Co-op	2013 Series D	Brooklyn	83	86%	1,819,724	1,830,000	7.20%	5/1/2013	6/30/2043		Category 9	SATISFACTORY	(1)
N/A	New HOP		2012 Series E				(S) 4,050,000	4,050,000	1.00%	2/9/2012	3/31/2042		Category 1		
REMIC	New HOP	The Tiffany	2009 Series K	Bronx	54	96%	4,093,252	4,190,000	6.00%	2/9/2012	3/31/2042		Category 8	ABOVE AVERAGE	(1)
N/A	New HOP	The Washington	2004 Series G	Manhattan	104	100%	6,044,668	6,760,000	4.50%	6/3/2004	6/1/2029		Category 1	BELOW AVERAGE	
REMIC	LAMP	Tiffany Street	2008 Series A/2009 Series M	Bronx	84	96%	4,097,009	4,240,000	6.10%	4/7/2010	5/1/2045		Category 9	SATISFACTORY	(1)
N/A	Section 236		2012 Series I				2,793,024	3,210,000	4.25%	8/28/2012	5/31/2021	3/1/2021	Category 9		
REMIC	N/A	Tilden Towers II	2012 Series I	Bronx	266	90%	6,950,026	6,970,000	6.25%	8/28/2012	9/30/2047		Category 9	SATISFACTORY	(1)
N/A	ML Restructuring, Section 236		2010 Series G				(S) 4,652,748	6,550,000	5.50%	10/28/2010	11/1/2042	11/30/2027	Category 7		(5)
N/A	ML Restructuring, Section 236	Tivoli Towers	2010 Series G	Brooklyn	320	86%	29,620,809	30,720,000	5.35%	10/28/2010	11/1/2042	12/1/2017	Category 7	BELOW AVERAGE	(5)
FHA 223 (f)	Section 236	Tower West	2008 Series K	Manhattan	217	100%	1,558,403	3,996,100	8.50%	7/11/1979	7/11/2019	7/11/2019	Category 1	SATISFACTORY	(9)
N/A	PLP	TPT Findlay Avenue	2008 Series K	Bronx	20	95%	721,468	814,697	5.50%	3/15/2010	4/1/2030		Category 8	SATISFACTORY	
N/A	N/A	Tremont Vyse I	2009 Series I	Bronx	24	100%	(S) 12,727	20,549	1.00%	6/17/2007	9/1/2023		Category 1	SATISFACTORY	
N/A	N/A		2008 Series K				(S) 36,705	59,183	1.00%	2/8/1994	3/1/2014		Category 1		
N/A	N/A	Tremont Vyse III	2008 Series K	Bronx	30	100%	(S) 1,656	150,000	3.00%	7/20/2007	9/1/2023		Category 1	SATISFACTORY	
N/A	ML Restructuring	Tri Faith	2004 Series E	Manhattan	148	98%	1,317,887	1,518,666	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
N/A	New HOP		2008 Series E				(S) 1,184,576	1,275,000	1.00%	11/28/2000	12/1/2030		Category 1		
N/A	New HOP		2008 Series K				(S) 816,376	929,831	8.00%	8/17/2007	12/1/2030		Category 1		
REMIC	New HOP	Triangle Court Phase I	1999 Series B	Manhattan	51	96%	2,787,586	3,820,000	7.58%	11/28/2000	12/1/2030		Category 10	SATISFACTORY	(2)
REMIC	New HOP		2008 Series E				973,213	1,028,712	1.00%	3/21/2013	8/1/2027		Category 9		(1)
REMIC	New HOP	Triangle Court Phase II	2010 Series H	Manhattan	40	100%	2,585,836	2,692,085	5.28%	3/21/2013	8/1/2027		Category 9	SATISFACTORY	(1)
N/A	New HOP		2008 Series K				(S) 2,633,543	3,152,500	1.00%	9/26/2005	10/1/2035		Category 1		
REMIC	New HOP	Triangle Court Phase III	2012 Series E	Manhattan	97	96%	12,153,887	14,000,000	5.75%	9/26/2005	10/1/2035		Category 8	SATISFACTORY	(1)
Freddie Mac	LAMP Preservation/Section 8	Trinity Apartments	2011 Series D	Bronx	75	100%	911,964	1,170,000	5.35%	6/29/2011	7/1/2041	7/1/2031	Category 8	SATISFACTORY	(6)
N/A	ML Restructuring	Trinity House	2010 Series G	Manhattan	200	97%	939,924	939,924	5.53%	11/21/2013	10/1/2028		Category 1	SATISFACTORY	(5)
N/A	New HOP		2009 Series I				(S) 1,575,000	1,575,000	1.00%	7/30/2009	5/30/2037		Category 1		
REMIC	New HOP	Twin Pine Apartments	2004 Series C	Bronx	32	100%	2,807,881	2,965,000	6.75%	7/30/2009	5/30/2037		Category 8	SATISFACTORY	(1)
LOC-Long Term	Section 8/LAMP	Two Bridges Senior Apts.	2005 Series K	Manhattan	109	99%	7,676,964	8,500,000	5.25%	12/7/2007	3/29/2037	6/30/2033	Category 8	ABOVE AVERAGE	
N/A	New HOP		2012 Series I				(S) 14,705,000	14,705,000	1.00%	5/9/2012	12/23/2041		Category 1		
REMIC	New HOP	University Ave Consolidated III	2009 Series K	Bronx	173	98%	13,287,219	13,620,000	6.00%	5/9/2012	12/23/2041		Category 8	ABOVE AVERAGE	(1)
SONYMA	LAMP	University Macombs	2004 Series I	Bronx	210	97%	12,047,380	13,675,000	5.85%	5/15/2007	6/1/2037		Category 8	SATISFACTORY	
N/A	LAMP	Urban Horizons II	2013 Series D	Bronx	128	94%	(S) 7,040,000	7,040,000	1.00%	4/9/2010	12/1/2037		Category 1	SATISFACTORY	
REMIC	New HOP	Via Verde Apartment Corporation	2013 Series D	Bronx	36	100%	5,744,971	5,825,000	2.23%	8/21/2012	8/31/2042		Category 9	SUPERIOR	(1)
REMIC	New HOP	Via Verde Rental Associates LP	2013 Series D	Bronx	76	95%	3,258,406	3,280,000	7.70%	3/21/2013	4/1/2043		Category 1	SUPERIOR	(1)
N/A	New HOP/HTF		2009 Series I				(S) 2,000,000	2,000,000	1.00%	5/21/2009	7/1/2036		Category 1		
SONYMA	New HOP/HTF	Village Care Apartments	1999 Series E/2009 Series J	Manhattan	85	100%	8,344,747	9,790,000	6.35%	5/21/2009	7/1/2036		Category 8	ABOVE AVERAGE	
N/A	ML Restructuring	Village East	2004 Series E	Manhattan	434	100%	3,727,080	4,219,371	6.50%	12/29/2004	9/30/2036		Category 11	ABOVE AVERAGE	(5)
REMIC	LAMP	Walton Henwood	2008 Series A/2009 Series M	Bronx	105	100%	5,365,984	5,515,000	6.10%	12/1/2010	1/1/2046		Category 9	SATISFACTORY	(1)

Supple-mental Security	Subsidy Program(S)†	Development Name	Applicable Series Resolution	Borough	No. of Units	Occupancy Rate	Outstanding Mortgage Balance (S)=Subordinate Lien Position	Original Mortgage Amount	Mortgage Interest Rate	Mortgage Loan Closing Date	Final Mortgage Maturity	HAP/TAC/ §236 Contract Expiration Date††	Prepayment Category (see Appendix E-2)	Physical Inspection †††	Footnote
N/A	New HOP		2013 Series D				3,036,815	3,120,000	1.00%	5/20/2011	7/31/2041		Category 9		
REMIC	New HOP	Washington Bridge View	2013 Series D	Bronx	48	96%	875,920	900,000	7.20%	5/20/2011	7/31/2041		Category 9	SATISFACTORY	(1)
N/A	ML Repair Loan		2008 Series E				(S) 122,921	956,843	6.25%	12/8/2004	12/8/2014		Category 7		(5)
N/A	ML Repair Loan		2004 Series F				(S) 46,653	363,157	6.25%	12/8/2004	12/8/2014		Category 7		(5)
N/A	ML Restructuring	Washington Square SE	2004 Series E	Manhattan	175	99%	1,679,716	1,935,618	6.50%	12/29/2004	1/31/2035		Category 11	SATISFACTORY	(5)
N/A	HTF	Wavecrest Apartments II	1999 Series C	Queens	123	98%	4,572,000	5,600,000	6.00%	1/23/2003	10/31/2031		Category 8	SATISFACTORY	
SONYMA	Section 8/LAMP	West 135th Street	2009 Series K	Manhattan	198	98%	21,563,518	22,360,000	6.00%	3/10/2011	9/29/2041	5/31/2024	Category 9	UNSATISFACTORY	
N/A	PLP	West 148th Street Cluster	2008 Series E	Manhattan	117	97%	1,846,979	2,900,000	6.90%	9/29/2004	9/29/2022		Category 1	SATISFACTORY	
N/A	LAMP		2009 Series I				(S) 4,675,000	4,675,000	1.00%	4/1/2009	6/30/2038		Category 1		
REMIC	LAMP	West 153rd Street	2006 Series C	Manhattan	85	98%	2,304,205	2,470,000	5.85%	4/1/2009	6/30/2038		Category 8	SATISFACTORY	(1)
N/A	LAMP		2012 Series E				(S) 5,110,000	5,110,000	1.00%	5/19/2011	6/30/2041		Category 1		
REMIC	LAMP	West Side Bronx	2008 Series A/2009 Series M	Bronx	147	97%	3,022,809	3,125,000	6.10%	5/19/2011	6/30/2041		Category 9	SATISFACTORY	(1)
N/A	LAMP		2009 Series I				(S) 3,766,889	3,850,000	1.00%	1/29/2009	1/29/2039		Category 1		
REMIC	LAMP	Westchester Avenue	2005 Series C	Bronx	70	93%	2,657,734	2,870,000	5.50%	1/29/2009	1/29/2039		Category 8	SATISFACTORY	(1)
GNMA	Section 8/LAMP	Wien House	2004 Series H	Manhattan	100	100%	7,336,894	9,327,309	5.35%	12/29/2004	1/1/2046	8/8/2030	Category 8	ABOVE AVERAGE	
N/A	New HOP		2012 Series E				(S) 15,615,000	15,615,000	1.00%	9/28/2010	9/16/2040		Category 1		
SONYMA	New HOP	Williamsburg Edge	2007 Series A	Brooklyn	347	99%	24,623,127	25,690,000	6.20%	9/28/2010	9/16/2040		Category 7	SATISFACTORY	
N/A	ML Restructuring	Woodstock Terrace	2004 Series E	Bronx	319	100%	1,951,465	2,248,769	6.50%	12/29/2004	1/31/2035		Category 11	ABOVE AVERAGE	(5)
N/A	New HOP		2008 Series K				(S) 2,848,413	2,925,000	1.00%	11/14/2004	10/30/2034		Category 1		
REMIC	New HOP	Yorkside Towers I/ 90-05 161st Street	2002 Series C	Queens	90	99%	8,049,519	9,100,000	7.50%	11/14/2004	10/30/2034		Category 8	ABOVE AVERAGE	(1)
N/A	New HOP		2008 Series K				(S) 3,375,000	3,375,000	1.00%	11/22/2005	12/31/2035		Category 1		
REMIC	New HOP	Yorkside Towers II	2004 Series C	Queens	90	99%	8,951,082	10,065,000	6.75%	11/22/2005	12/31/2035		Category 8	SATISFACTORY	(1)
N/A	LAMP		2013 Series D				(S) 4,620,000	4,620,000	1.00%	9/30/2010	10/1/2040		Category 1		
REMIC	LAMP	YWCA Third Avenue	2006 Series H	Brooklyn	84	98%	2,673,880	2,800,000	5.70%	9/30/2010	6/28/2039		Category 9	SATISFACTORY	(1)
Total					**78,201**		**2,731,004,898**	**3,094,604,213**							

† Unless otherwise noted, Section 8 refers to the Section 8 New Construction/Substantial Rehabilitation Program.
†† Where there is more than one expiration date, the Development was completed in two or more stages. Subsequent to January 31, 2013, expiration dates for expiring contracts have been extended unless the Mortgagor has prepaid the Mortgage Loan.
††† Physical inspection ratings determined by the Corporation are as follows: SUP = Superior: AA = Above Average: S = Satisfactory: BA = Below Average: and U = Unsatisfactory (see Appendix E-3).
(1) REMIC Insurance is for twenty (20%) of the Mortgage Loan for this Development.
(2) REMIC Insurance is for twenty-five (25%) of the Mortgage Loan for this Development.
(3) REMIC Insurance is for fifty (50%) of the Mortgage Loan for this Development.
(4) REMIC Insurance is for fifty-one (51%) of the Mortgage Loan for this Development.
(5) The Mortgagor of this Development is regulated by HPD pursuant to the Mitchell-Lama Law.
(6) The loan amount set forth here represents the portion of each Mortgage Loan that is financed with a portion of the proceeds of the 2010 Series J Bonds, 2010 Series L Bonds, 2011 Series B Bonds, 2011 Series D Bonds, and/or 2011 G Bonds, as applicable. The remainder of each Mortgage Loan is being financed with a portion of the proceeds of the NIBP Series 1 Bonds in the following amounts: $44,060,000 for the Concord/Seaside Development, $8,870,000 for the Morris Heights Mews Development, $27,240,000 for the North Park Apartments Development, $8,760,000 for the Trinity Apartments Development, $23,440,000 for the 55 Pierrepont Street Development, $26,700,000 for the East River Apartments Development, $34,980,000 for the Oceanview Development, $13,580,000 for the Good Neighbor Apartments Development, $7,110,000 for the Mother Zion Development, $5,510,000 for the Navy Green R-1 Development, $6,000,000 for the Riverway Apartments Development, $10,960,000 for the Greene Avenue Senior Citizens Development and $25,160,000 for the Haven Plaza Development.
(7) The Mortgagor of this Development is over 90 days delinquent in payment of debt service on this Mortgage Loan due to temporary financial difficulties that are in the process of being cured.
(8) The Mortgagor of this Development has notified the Corporation of its intention to prepay this mortgage loan.
(9) The Mortgagor of this Development has prepaid this Mortgage Loan.
(10) The Mortgagor of this Development has received a Notice of Violation/Default of its 236 Contract from HUD because of its low inspection rating.
(11) Until such time as SONYMA insurance becomes effective for this Mortgage Loan, The City University of New York will be obligated to pay any debt service and fees due to the Corporation that have not been paid by the Borrower on or before their due date pursuant to the terms of a Support Agreement.
(12) This loan has been deferred. The borrower is obligated to pay the accrued interest.
(13) The Mortgage Loan described in the table was acquired with Recoveries of Principal or other payments available under the General Resolution. Payments, including Recoveries of Principal, relating to the outstanding Mortgage Loan may be used to redeem Bonds of any Series (except to the extent the Supplemental Resolution for a Series of Bonds prohibits such redemption) or may be deposited in the Bond Proceeds Account or Revenue Account if the Corporation files a Cash Flow Statement with the Trustee.

TABLE 3: DEVELOPMENTS AND CONSTRUCTION MORTGAGE LOANS OUTSTANDING UNDER THE PROGRAM AS OF JANUARY 31, 2014

Anticipated Permanent Mortgage Loan Supplemental Security	Subsidy Program	Development Name	Applicable Series Resolution	Borough	No. of Units	Advances Made to Date (S) = Subordinate Lien Position	Construction Mortgage Loan Amount	Construction Loan Interest Rate	Anticipated Amount of Permanent Mortgage Loan	Permanent Mortgage Interest Rate	Anticipated Permanent Mortgage Loan Closing Date	Final Permanent Mortgage Maturity	Prepayment Category (Appendix E-2)	Construction Mortgage Loan Supplemental Security (Construction LOC)	Footnote
REMIC	LAMP/Certificate Program	1016 Washington Avenue	2013 Series B	Bronx	65	7,359,116	16,400,000	3.01%	4,900,000	5.50%	12/27/15	12/27/45	Category 9	JPMorgan Chase	
REMIC	Mixed Income	161st Street Apartments	2012 Series F	Queens	101	8,120,099	16,320,000	3.79%	9,160,000	5.50%	03/03/15	03/03/45	Category 9	Goldman Sachs Bank	
REMIC	LAMP	1778-1800 Southern Boulevard	2010 Series D	Bronx	64	6,799,600	6,800,000	5.15%	6,800,000	5.85%	09/30/14	11/01/42	Category 9	JPMorgan Chase	
REMIC	LAMP	27 E. 169th Street (East Clarke)	2011 Series G	Bronx	106	10,031,699	13,960,000	3.52%	980,000	5.35%	08/28/14	08/28/44	Category 9	Citibank	(4)(7)
N/A	N/A	456 Washington	2013 Series B	Manhattan	22	2,155,087	7,500,000	Variable	0	N/A	06/27/16	N/A	Category 14	TD Bank	(1)
REMIC	New HOP	482 Franklin Avenue	2012 Series K	Brooklyn	93	4,578,946	16,060,000	4.65%	16,060,000	5.35%	03/21/15	03/31/46	Category 8	JPMorgan Chase	
SONYMA	LAMP Preservation/Section 8	Albert Goodman Apartments	2013 Series E	Bronx	252	18,938,268	19,750,000	4.12%	12,300,000	6.10%	12/18/15	12/19/45	Category 9	Bank of New York Mellon	
SONYMA	Section 8/LAMP	Arthur Avenue Residence	2013 Series E	Bronx	108	2,068,373	19,435,000	2.99%	3,315,000	6.10%	06/19/16	06/19/46	Category 9	JPMorgan Chase	
SONYMA	Section 8/LAMP	Barrier Free Living Residences	2013 Series B/2012 Series M	Bronx	121	6,028,023	20,500,000	2.71%	3,965,000	5.35%	01/03/16	01/03/46	Category 9	Citibank	(5)
REMIC	LAMP	Berean Apartments	2011 Series J	Brooklyn	107	14,121,140	17,000,000	3.46%	4,700,000	5.35%	04/20/14	10/23/44	Category 9	Capital One Bank	(2)
N/A	LAMP Preservation	Beulah Year 15 Portfolio	2013 Series B	Bronx	263	10,162,447	24,000,000	Variable	0	N/A	09/27/15	N/A	Category 14	JPMorgan Chase	(1)
SONYMA	Section 8/LAMP	Borinquen Court	2011 Series H	Bronx	145	9,643,671	13,500,000	3.72%	5,895,000	5.35%	06/13/14	09/13/44	Category 9	JPMorgan Chase	
REMIC	New HOP	Bradford	2012 Series L/2010 Series F	Brooklyn	105	20,667,500	20,720,000	4.80%	4,130,000	5.50%	03/28/14	03/29/43	Category 9	Goldman Sachs Bank	
REMIC	LAMP Preservation	Bryant Avenue Apartments	2011 Series H	Bronx	99	9,738,259	10,265,000	3.68%	4,230,000	5.35%	06/23/14	12/30/44	Category 9	Citibank	(5)
SONYMA	LAMP Preservation/Section 8	CABS Housing	2011 Series G	Brooklyn	72	5,470,000	5,470,000	3.82%	770,000	5.35%	06/22/14	01/01/44	Category 9	JPMorgan Chase	(7)
SONYMA	LAMP Preservation/Section 8	Capitol Hall	2012 Series K	Manhattan	202	10,091,946	22,875,000	2.86%	6,100,000	5.25%	06/27/15	06/24/45	Category 9	JPMorgan Chase	
SONYMA	LAMP Preservation/Section 8	Carmel Apartments	2013 Series B	Staten Island	100	5,041,449	9,860,000	3.87%	6,600,000	5.50%	06/27/15	06/27/45	Category 9	JPMorgan Chase	
REMIC	New HOP	Compass Residences 1A	2013 Series E	Bronx	110	505,796	8,270,000	5.40%	8,270,000	6.10%	06/23/16	06/23/46	Category 9	Wells Fargo Bank	
REMIC	LAMP		2013 Series E			691,744	5,480,000	5.40%	5,480,000	6.10%	06/23/16	06/23/46	Category 9	Wells Fargo Bank	(9)
N/A	LAMP	Compass Residences 1B	2013 Series E	Bronx	127	2,464,018	19,520,000	Variable	0	N/A	06/23/16	N/A	Category 9	Wells Fargo Bank	(9)
REMIC	LAMP	Coney Island Commons	2011 Series G	Brooklyn	195	30,148,985	32,330,000	3.36%	1,330,000	5.35%	07/01/14	12/31/44	Category 9	Citibank	(4)(7)
N/A	LAMP	Council Towers VII	2012 Series K	Bronx	79	6,258,815	12,855,000	2.50%	0	N/A	01/29/15	N/A	Category 13	N/A	(1)(8)
REMIC	LAMP	Courtlandt Crescent	2011 Series G	Bronx	217	31,631,319	33,915,000	3.35%	1,285,000	5.35%	09/29/14	10/31/44	Category 9	Citibank	(4)(7)
REMIC	LAMP Preservation	Creston Avenue	2012 Series M	Bronx	122	10,236,859	14,200,000	3.14%	5,780,000	5.50%	05/23/15	05/23/45	Category 9	JPMorgan Chase	
N/A	LAMP Preservation	Creston Heights	2013 Series B	Bronx	125	3,672,535	10,625,000	2.00%	0	N/A	10/01/15	N/A	Category 14	Capital One Bank	(1)(2)
REMIC	New HOP	Crossroads Plaza	2012 Series K	Bronx	126	5,903,574	15,040,000	4.55%	15,040,000	5.25%	01/20/15	06/20/45	Category 8	JPMorgan Chase	
REMIC	LAMP	Crossroads Plaza II	2013 Series E	Bronx	136	2,407,650	27,500,000	3.77%	12,000,000	6.10%	07/28/16	07/28/46	Category 9	Wells Fargo Bank	
SONYMA	Section 236	Crotona V	2012 Series D/2012 Series E	Bronx	87	5,241,519	5,830,000	4.55%	5,830,000	5.46%	06/28/14	06/28/44	Category 9	N/A	
SONYMA	LAMP Preservation/Section 8	Daly IV	2013 Series E	Bronx	273	4,218,429	16,960,000	4.45%	12,240,000	6.10%	08/19/15	08/19/45	Category 9	JPMorgan Chase	
REMIC	LAMP Preservation	ENY Resyndication	2013 Series E	Brooklyn	468	7,049,117	53,000,000	2.90%	7,240,000	6.10%	03/27/16	03/27/46	Category 9	Goldman Sachs Bank	
REMIC	LAMP	Forest House	2013 Series B/2010 Series K	Bronx	124	3,824,194	19,510,000	3.01%	3,935,000	5.15%	03/29/14	11/01/44	Category 9	Bank of New York Mellon	
N/A	ML Restructuring		2008 Series F/2011 Series F			130,792	2,000,000	5.00%	2,000,000	5.70%	01/31/16	01/31/46	Category 7	N/A	(10)
SONYMA	ML Restructuring	Franklin Plaza Apartments	2009 Series F/2011 Series F	Manhattan	1,635	5,009,844	31,732,000	5.00%	9,205,485	5.70%	01/31/16	01/31/46	Category 7	N/A	(10)
REMIC	LAMP		2012 Series K			1,245,356	9,610,000	4.80%	9,610,000	5.50%	07/30/15	07/30/45	Category 9	Wells Fargo Bank	(9)
N/A	LAMP	Gateway Elton II	2012 Series K	Brooklyn	175	2,690,929	20,765,000	Variable	0	N/A	07/30/15	N/A	Category 9	Wells Fargo Bank	(1)(9)
REMIC	LAMP	Gateway Elton Street	2010 Series J	Brooklyn	197	25,460,000	25,460,000	3.27%	2,670,000	5.15%	05/21/14	04/22/44	Category 9	Bank of America	(7)
SONYMA	LAMP Preservation/Section 8	George Hardy St Francis Apartments	2012 Series F	Bronx	204	15,217,800	22,000,000	3.65%	13,980,000	5.15%	10/11/14	10/31/45	Category 9	Citibank	(5)
REMIC	LAMP	Harlem RBI	2012 Series F	Manhattan	89	3,496,677	13,520,000	2.87%	2,540,000	5.15%	05/20/15	05/20/45	Category 9	JPMorgan Chase	
REMIC	LAMP	Harlem River Point North	2011 Series E/2010 Series L-2-B	Manhattan	172	29,299,800	29,300,000	3.49%	8,670,000	5.35%	09/29/14	03/29/44	Category 9	Wells Fargo Bank	
REMIC	LAMP	Harlem River Point South Apartments	2012 Series D	Manhattan	140	15,910,167	20,650,000	3.09%	5,290,000	5.50%	01/01/15	12/28/44	Category 9	Citibank	(5)
REMIC	LAMP	Highbridge Overlook	2011 Series J	Bronx	155	16,877,532	23,000,000	3.33%	4,600,000	5.35%	11/01/14	11/01/44	Category 9	JPMorgan Chase	
REMIC	LAMP Preservation/Section 8	Hoewood Point	2012 Series D	Bronx	80	7,785,343	9,300,000	3.14%	2,570,000	5.50%	12/28/14	12/28/44	Category 9	JPMorgan Chase	
FHA Risk Share	ML Restructuring, Section 236	Kent Village	2011 Series G	Brooklyn	534	6,976,300	7,020,000	3.30%	7,020,000	4.60%	04/15/14	08/08/48	Category 8	N/A	(7)
SONYMA	Section 8/LAMP	Kingsbridge Court	2011 Series G	Bronx	98	2,145,499	2,240,000	4.30%	880,000	5.35%	09/01/14	02/16/44	Category 9	JPMorgan Chase	(7)
REMIC	LAMP	Lebanon West Farms	2012 Series D	Bronx	141	7,436,614	23,450,000	3.00%	5,125,000	5.50%	12/28/14	12/28/44	Category 9	Citibank	(5)
REMIC	LAMP	Lindenguild Hall	2011 Series E/2010 Series L-2-B	Bronx	104	17,699,600	17,700,000	3.39%	4,220,000	5.35%	06/14/14	01/29/44	Category 9	Bank of America	
REMIC	LAMP		2013 Series E			452,749	11,330,000	4.75%	11,330,000	6.10%	10/15/16	10/15/46	Category 9	JPMorgan Chase	(9)
N/A	LAMP	Livonia Commons	2013 Series E	Brooklyn	283	1,305,499	32,670,000	Variable	0	N/A	10/15/16	N/A	Category 9	JPMorgan Chase	(9)
REMIC	LAMP	LMLD Citywide	2012 Series D	Manhattan	662	20,164,830	41,000,000	3.27%	20,420,000	5.25%	03/28/14	12/28/43	Category 9	Goldman Sachs Bank	
REMIC	LAMP	Macedonia Plaza	2011 Series J	Queens	143	18,789,710	26,380,000	3.59%	9,440,000	5.35%	01/27/15	01/27/45	Category 9	Capital One Bank	(2)
REMIC	LAMP	Maple Mesa Apartments	2011 Series J	Bronx	59	7,629,112	9,715,000	3.60%	3,515,000	5.35%	08/30/14	08/30/44	Category 9	Capital One Bank	(2)
REMIC	LAMP Preservation	MBD Silva Taylor	2012 Series D	Bronx	361	29,431,747	31,500,000	2.94%	6,020,000	5.50%	09/26/14	09/28/44	Category 9	Wells Fargo Bank	
REMIC	N/A	Metro North Gardens	2012 Series L/2010 Series E	Manhattan	48	5,183,324	5,300,000	4.65%	5,300,000	5.35%	04/30/15	01/31/42	Category 8	N/A	
SONYMA	LAMP	MetroEast 99th Street	2012 Series F	Manhattan	176	12,166,708	28,490,000	3.63%	13,950,000	5.50%	12/26/14	12/26/44	Category 9	Citibank	(5)
FHA Risk Share	ML Restructuring, Section 236	MINS Plaza	2011 Series H	Bronx	84	5,344,399	6,195,000	3.22%	6,195,000	4.69%	07/30/15	06/13/48	Category 8	N/A	
REMIC	LAMP	Morris Court	2012 Series D	Bronx	201	26,955,256	34,500,000	3.97%	22,050,000	5.50%	12/28/14	12/28/44	Category 9	JPMorgan Chase	
REMIC	LAMP	Mother Arnetta Crawford Apartments	2013 Series B	Bronx	84	3,949,367	13,250,000	3.15%	3,720,000	5.50%	12/27/15	12/27/45	Category 9	Bank of America	(3)
N/A	ML Restructuring, Section 236		2012 Series I			(S) 24,496,973	26,705,000	3.50%	26,705,000	3.50%	02/09/16	07/01/24	Category 9	N/A	
FHA Risk Share	ML Restructuring	Ocean Village	2013 Series A	Queens	1,093	61,811,200	72,020,000	5.30%	72,020,000	6.00%	02/09/16	05/01/45	Category 9	N/A	
FHA Risk Share	ML Restructuring, Section 236	OUB Houses	2011 Series H	Bronx	361	24,860,912	27,075,000	3.61%	27,075,000	4.58%	07/30/15	11/13/48	Category 8	N/A	
REMIC	LAMP	Park West Apartments	2013 Series B	Bronx	134	11,109,318	22,500,000	3.39%	8,730,000	5.50%	12/28/15	12/27/45	Category 9	Capital One Bank	(2)

Anticipated Permanent Mortgage Loan Supplemental Security	Subsidy Program	Development Name	Applicable Series Resolution	Borough	No. of Units	Advances Made to Date (S) = Subordinate Lien Position	Construction Mortgage Loan Amount	Construction Loan Interest Rate	Anticipated Amount of Permanent Mortgage Loan	Permanent Mortgage Interest Rate	Anticipated Permanent Mortgage Loan Closing Date	Final Permanent Mortgage Maturity	Prepayment Category (Appendix E-2)	Construction Mortgage Loan Supplemental Security (Construction LOC)	Footnote
SONYMA	LAMP Preservation/Section 8	PRC Shakespeare	2013 Series B	Bronx	414	28,221,330	36,420,000	4.02%	26,270,000	5.50%	02/27/15	02/27/45	Category 9	JPMorgan Chase	
SONYMA	LAMP Preservation/Section 8	Prince Hall Apartments	2013 Series E	Manhattan	98	7,563,119	10,150,000	4.95%	8,810,000	6.10%	10/01/15	10/01/45	Category 9	JPMorgan Chase	
REMIC	LAMP	Prospect Court	2011 Series E/2010 Series L-2-B	Bronx	59	11,056,843	11,475,000	3.58%	4,060,000	5.35%	04/29/14	10/31/44	Category 9	Capital One Bank	(2)
N/A	LAMP Preservation	Randolph Houses South	2013 Series E	Manhattan	168	50,100	47,000,000	2.50%	0	N/A	06/23/16	N/A	Category 14	TD Bank	
REMIC	LAMP	Richmond Place	2011 Series C/2010 Series L-2-A	Queens	117	14,455,276	17,500,000	3.48%	5,100,000	5.35%	04/28/14	11/01/43	Category 9	Bank of America	
REMIC	LAMP/Certificate Program	Rubin Wolf Apartments	2013 Series B	Bronx	69	5,318,724	17,000,000	3.02%	3,860,000	5.50%	12/27/15	12/27/45	Category 9	Bank of America	(3)
SONYMA	LAMP Preservation/Section 8	Scheuer Gardens	2013 Series B	Bronx	116	6,387,281	11,400,000	3.92%	7,800,000	5.50%	03/27/15	03/27/45	Category 9	JPMorgan Chase	
SONYMA	LAMP Preservation/Section 8	Scheuer Plaza	2013 Series B	Bronx	100	7,712,694	12,215,000	3.93%	8,410,000	5.50%	03/27/15	03/27/45	Category 9	JPMorgan Chase	
REMIC	LAMP	Self Help KVII	2013 Series B/2010 Series K	Queens	92	1,899,800	13,075,000	3.40%	5,475,000	5.15%	03/22/14	11/01/44	Category 9	JPMorgan Chase	
REMIC	LAMP		2013 Series B			1,233,112	6,090,000	4.80%	6,090,000	5.50%	02/27/16	02/27/46	Category 9	Wells Fargo Bank	(9)
N/A	LAMP	Soundview Family	2013 Series B	Bronx	120	3,565,697	17,610,000	Variable	0	N/A	02/27/16	N/A	Category 9	Wells Fargo Bank	(1)(9)
SONYMA	Section 8/LAMP	Soundview Senior	2013 Series E	Bronx	86	1,771,154	17,300,000	3.73%	7,335,000	6.10%	07/19/16	07/19/46	Category 9	Wells Fargo Bank	
SONYMA	LAMP Preservation	St. Lucy's Apartments	2012 Series D	Manhattan	100	7,537,186	8,775,000	2.97%	2,945,000	5.50%	06/28/14	12/28/43	Category 9	Citibank	(5)
FHA Risk Share	Section 8/LAMP	The Woodlands	2012 Series K	Bronx	101	5,762,484	22,000,000	3.48%	9,400,000	5.50%	06/28/15	12/27/45	Category 9	Wells Fargo Bank	
N/A	ML Restructuring	Tracey Towers	2012 Series G/2012 Series I	Bronx	871	27,376,156	40,890,000	4.70%	40,890,000	5.40%	08/29/15	08/29/50	Category 7	N/A	
REMIC	Section 8/LAMP	Utica Place	2012 Series K	Brooklyn	87	8,421,229	13,340,000	3.02%	4,490,000	5.25%	05/23/15	05/23/45	Category 9	Bank of America	(2)(6)
REMIC	LAMP	Webster Commons Building A	2012 Series K	Bronx	135	5,609,973	22,900,000	3.35%	10,915,000	5.25%	06/22/15	06/21/45	Category 9	Capital One Bank	(2)
REMIC	New HOP	Webster Commons Building B	2013 Series B	Bronx	95	2,903,038	8,570,000	4.65%	8,570,000	5.35%	09/27/15	09/27/45	Category 8	Capital One Bank	(2)
REMIC	LAMP	Webster Commons Building E	2013 Series E	Bronx	80	939,301	11,250,000	3.82%	5,120,000	6.10%	02/19/16	02/19/46	Category 9	Capital One Bank	(2)
SONYMA	LAMP Preservation/Section 8	West Farms Square	2012 Series L/2010 Series B/2010 Series L	Bronx	526	28,231,323	44,860,000	4.05%	28,640,000	5.35%	08/09/14	05/09/43	Category 9	JPMorgan Chase	
REMIC	LAMP	Westchester Point	2012 Series K	Bronx	141	3,462,218	20,925,000	3.38%	10,260,000	5.25%	11/23/15	08/21/45	Category 9	Capital One Bank	(2)
Total					**15,202**	**855,781,575**	**1,592,572,000**		**687,625,485**						

(1) The "Anticipated Permanent Mortgage Loan Closing Date" indicates the anticipated end of the construction loan period.
(2) The Construction LOC is confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of Atlanta.
(3) The Construction LOC was confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of Atlanta. Subsequent to January 31, 2014 the Corporation has released the irrevocable standby letter of credit confirmation for these Construction LOCs.
(4) The Construction LOC is confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of New York.
(5) The Construction LOC was confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of New York. Subsequent to January 31, 2014 the Corporation has released the irrevocable standby letter of credit confirmation for these Construction LOCs.
(6) The Mortgagor of this Development has notified the Corporation that it may wish to prepay approximately $600,000 of its 2012 Series K Mortgage Loan prior to ten years after the closing of the permanent loan and the Corporation is willing to permit such a prepayment.
(7) The loan amount set forth here represents the portion of each Mortgage Loan that is financed with a portion of the proceeds of the 2010 Series J Bonds, 2011 Series D Bonds, and/or 2011 Series G Bonds as applicable. The remainder of each Mortgage Loan is being financed with a portion of the proceeds of the NIBP Series 1 Bonds in the following amounts: $9,360,000 for the Gateway Elton Development, $7,170,000 for the Coney Island Commons Development, $7,350,000 for the Courtlandt Crescent Development, $3,730,000 for the CABS Housing Development, $5,000,000 for the 27 E. 169th Street (East Clarke) Development, $39,640,000 for the Kent Village Development and $4,180,000 for the Kingsbridge Court Development.
(8) HUD 202 funds will provide cash collateral as Bond proceeds are advanced.
(9) This Development has one (1) Mortgage Loan which is funded with two or more series of Bonds.
(10) The Mortgage Loan initially financed with the proceeds of the Bonds issued pursuant to this Series Resolution is no longer outstanding. The Mortgage Loan described in the table was acquired with Recoveries of Principal or other payments relating to the initial Mortgage Loan. Payments, including Recoveries of Principal, relating to the outstanding Mortgage Loan may be used to redeem Bonds of any Series (except to the extent the Supplemental Resolution for a Series of Bonds prohibits such redemption) or may be deposited in the Bond Proceeds Account or Revenue Account if the Corporation files a Cash Flow Statement with the Trustee.

TABLE 4: ML RESTRUCTURING SUBORDINATE MORTGAGE LOANS OUTSTANDING UNDER THE PROGRAM AS OF JANUARY 31, 2014

Supplemental Security	Subsidy Program(s)	Applicable Series Resolution	Number of Mortgage Loans	Number of Units	Outstanding Mortgage Balance	Original Mortgage Amount	Mortgage Interest Rate	Final Mortgage Maturity
N/A	ML Restructuring	2004 Series E	15	6,309	$121,722,469.94	$121,722,469.94	0.00%	03/31/35-12/31/36
N/A	ML Restructuring	2005 Series A	4	1,918	$29,115,882.35	$29,115,882.35	0.00%	09/30/35
N/A	ML Restructuring	2005 Series E	1	176	$2,599,799.69	$2,599,799.69	0.00%	10/31/36
N/A	ML Restructuring	2005 Series F	6	3,832	$41,419,792.62	$41,419,792.62	0.00%	10/31/36
N/A	ML Restructuring	2005 Series J	2	1,134	$10,215,086.28	$10,215,086.28	0.00%	01/31/36
N/A	ML Restructuring	2006 Series D	3	442	$6,025,012.44	$6,025,012.44	0.00%	10/31/36-12/01/36
N/A	ML Restructuring	2008 Series F/2011 Series F	1	1,752	$24,196,596.00	$24,196,596.00	0.00%	03/31/39
N/A	ML Restructuring	2008 Series J	1	983	$12,289,720.19	$12,289,720.19	0.00%	05/31/48
N/A	ML Restructuring	2008 Series L	1	138	$2,660,760.00	$2,660,760.00	0.00%	02/28/39
N/A	ML Restructuring	2010 Series G	1	320	$4,578,300.00	$4,050,000.00	4.00%	11/01/42
N/A	ML Restructuring	2011Series H	1	216	$10,245,806	$10,245,806.00	0.00%	07/01/48
N/A	ML Restructuring	N/A	1*	462	$10,912,765.75	$10,314,968.00	1.00%	01/31/37
N/A	ML Restructuring	2012 Series G/2012 Series I	1	871	$147,801,790.83	$147,801,790.83	0.00%	10/11/2050

* Surplus cash flow note requiring annual payments.

TABLE 5: MORTGAGE LOANS UNDERLYING THE 2005 SERIES F PARTICIPANT INTEREST AND THE 2005 SERIES J PARTICIPANT INTEREST OUTSTANDING UNDER THE PROGRAM AS OF JANUARY 31, 2014†

Supplemental Security	Applicable Series Resolution	Number of Mortgage Loans	Number of Units	Aggregate Outstanding Mortgage Balance♦	Aggregate Original Mortgage Amount	Weighted Average Mortgage Interest Rate	Final Mortgage Maturity
N/A	2005 Series F	5*	1,547	$54,085,245.22	$26,922,372	4.86%	8/01/27-10/01/28
N/A	2005 Series J	2**	380	$9,470,864.49	$4,044,844	5.88%	10/01/28

† The Corporation owns a participation interest in these loans. See "THE PROGRAM–2005 Series F Participant Interest and the 2005 Series J Participant Interest" in Part II of the Official Statement. Since January 31, 2014, the Corporation has received regularly scheduled payments on the mortgage loans. The Corporation has assigned a valuation of 75% to such mortgage loans under the 2012 Series I Supplemental Resolution.

* Original number of mortgage loans = 12

** Original number of mortgage loans = 11

♦ Includes accrued interest.

TABLE 6: 2004 PARTICIPATED SECOND LIEN LOANS HELD AS ASSETS UNDERLYING THE 2011 PARTICIPANT INTEREST AS OF JANUARY 31, 2014[†]

Supplemental Security	Subsidy Program(s)	Number of Mortgage Loans	Number of Units	Aggregate Outstanding Mortgage Balance[▼]	Aggregate Original Mortgage Amount	Weighted Average Mortgage Interest Rate	Weighted Average Remaining Time to Maturity	Weighted Average Remaining Time to Section 236 Contract Expiration
N/A	Section 236	9	2,503	$59,373,400.48	$38,846,014.93	8.07%	13.73 years	11.59 years

[†] The Corporation owns a 100% participation interest in the 2004 Participated Second Lien Loans and the associated Section 236 Contracts. See "THE PROGRAM – 2011 Participant Interest" in Part II of the Official Statement. For purposes of valuation under the General Resolution, the 2011 Participant Interest constitutes a "Mortgage Loan" and the underlying 2004 Participated Second Lien Loans are assigned a valuation of 75% under the 2011 Series F-1 Supplemental Resolution and the 2011 Series F-2 Supplemental Resolution. Since January 31, 2014, the Corporation has received regularly scheduled payments on the mortgage loans.

[▼] Includes accrued interest.

TABLE 7: DEVELOPMENTS AND PERMANENT MORTGAGE LOANS UNDERLYING THE 2014 SERIES B PARTICIPANT ITEREST AS OF JANUARY 31, 2014

2014 SERIES B PURCHASED MORTGAGE LOANS AND 2014 SERIES B TRUST MORTGAGE LOANS AS OF JANUARY 31, 2014*

Type	Supplemental Security	Subsidy Program(s)	Number of Mortgage Loans	Number of Units	Aggregate Outstanding Mortgage Balance	Weighted Average Mortgage Interest Rate†	Weighted Average Remaining Years to Maturity	Percentage Self-Amortizing Loans	Percentage Senior Position Loans(4)	Prepayment Category (see Appendix E-2)
Purchased	N/A	Section 8 Mod	5	82	$484,938	1.00%	6.9	100.00%	41.24%	1
Purchased	N/A	HoDAG/PLP	3	383	11,930,017	1.00	13.2	15.01	94.71	1
Purchased	N/A	PLP	165	6,762	158,573,154	1.00	11.6	23.18	41.37	1
Purchased	N/A	N/A***	5	2,302	7,034,839	2.00	23.5	1.33	17.86	1
Purchased	N/A	Article 8-A	34	1,634	9,429,185	3.00	11.3	83.20	6.78	1
Purchased	N/A	Article 8-A▼	54	3,936	8,955,500	2.33	11.5	89.11	38.12	13
	SUB-TOTAL**		**266**	**15,099**	**$196,407,633**	**1.19%**	**12.12**	**27.98%**	**41.96%**	
Trust	N/A	PLP	27	2,174	$54,715,700	1.17%	8.2	29.17%	98.65%	1
Trust	N/A	N/A***	14	2,019	6,864,961	5.75	4.0	33.21	100.00	1
	SUB-TOTAL**		**41**	**4,193**	**$61,580,661**	**1.68%**	**7.78**	**29.62%**	**98.80%**	
	TOTAL**		**307**	**19,292**	**$257,988,294**	**1.31%**	**11.08**	**28.37%**	**55.52%**	

† The cash flow on the Class B-1 Sheridan Trust II Certificate is based on the weighted average mortgage interest rate on the 2014 Series B Trust Mortgage Loans (net of servicing and trustee fees). The payments on the Class B-1 Sheridan Trust II Certificate began on September 26, 2005.

* On May 1, 2014, the 2006 Series A Bonds were retired and the Corporation issued the 2014 Series B Bonds. Upon the issuance of the 2014 Series B Bonds, the "2006 Participant Interest" was re-designated as the "2014 Series B Participant Interest". Since January 31, 2014, the Corporation has received regularly scheduled payments on the mortgage loans. Subsequent to January 31, 2014, seven (7) mortgage loans with an aggregate outstanding principal balance of $6,138,808 have been prepaid. In addition, subsequent to January 31, 2014, the Corporation has received six (6) notifications with respect to mortgage loans underlying the 2014 Series B Participant Interest with an aggregate outstanding principal balance of $1,768,191.

** May not add due to rounding.

***All of the mortgagors of these mortgage loans are regulated by HPD pursuant to the Mitchell-Lama Law.

▼ One underlying mortgage loan with an outstanding principal balance of $4,933,663 is payable only upon default or if the borrower opts to exit the Mitchell-Lama Program after a 20 year lockout period ending June 30, 2030 and is otherwise forgivable at maturity.

TABLE 8: DEVELOPMENTS AND MORTGAGE LOANS OUTSTANDING UNDER THE PROGRAM DEVELOPMENTS AND MORTGAGE LOANS FINANCED UNDER THE PROGRAM SUBSEQUENT TO JANUARY 31, 2014

Table 8. Developments and Construction Mortgage Loans financed or acquired subsequent to January 31, 2014. The information below is as of the issuance or remarketing of the applicable Bonds.

Date of Issue/Remarketing	Anticipated Permanent Mortgage Loan Supplemental Security	Applicable Series Resolution	Subsidy Program	Development Name	Borough	Construction Loan Amount	Anticipated Permanent Mortgage Loan Amount	Anticipated Construction Mortgage Loan Supplemental Security (Construction LOC)	Mortgage Loan Valuation
May 1, 2014	Fannie Mae	2014 Series A/2013 Series F	LAMP Preservation and Section 8	Carnegie Park	Manhattan	$28,600,000	$28,600,000	N/A	100%
May 1, 2014	SONYMA	2013 Series F	LAMP Preservation and Section 8	Plaza Borinquen	Bronx	$12,600,000	$8,390,000	PNC Bank, National Association	100%

MORTGAGE LOAN PREPAYMENT PROVISIONS

One of the following categories of prepayment provisions applies to the voluntary prepayment of principal with respect to each of the outstanding Mortgage Loans. Appendix E-1 denotes which one of the prepayment provisions applies to each outstanding Mortgage Loan. The following chart summarizes the applicability of each prepayment category as of January 31, 2014. The chart does not include information with respect to the ML Restructuring Subordinate Mortgage Loans.

Prepayment Category	Number of Mortgage Loans	Outstanding Principal Balance of Mortgage Loans*	Percentage of Total Outstanding Principal Balance of Mortgage Loans*
Category 1	460	$1,053,939,368	26.56%
Category 2	0	0	0.00%
Category 3	2	15,364,144	0.39%
Category 4	3	6,116,897	0.15%
Category 5	0	0	0.00%
Category 6	0	0	0.00%
Category 7	46	370,374,096	9.33%
Category 8	151	593,808,307	14.97%
Category 9	185	1,584,451,770	39.93%
Category 10	11	47,795,729	1.20%
Category 11	38	264,599,481	6.67%
Category 12	0	0	0.00%
Category 13	55	15,214,315	0.38%
Category 14	4	16,040,169	0.40%
TOTAL	955	3,967,704,277	100.00%

* May not add due to rounding.

In general, any prepayment described below is subject to the payment of certain fees and charges, and any prepayment premium or penalty described below will not constitute a Pledged Receipt or Recovery of Principal. In addition, prior written notice of any optional prepayment to the Corporation or the Mortgage Banker, as applicable, generally is required.

Category 1. Prepayments of the principal amount of the Mortgage Loan may be made at any time.

Category 2. Prepayments of the principal amount of the Mortgage Loan require the prior approval of FHA.

Category 3. Prepayments of the principal amount of the Mortgage Loan require the prior approval of FHA and the Corporation, and may not be made prior to the later of (i) 21 years after the date on which any units in the Development are first occupied or (ii) the date on which assistance under the HAP Contract relating to the Development is terminated.

Category 4. Prepayments of the principal amount of the Mortgage Loan require the prior approval of FHA and the Corporation, and may not be made prior to the later of (i) 22 years and 4 months after the date on which any unit in the Development is first occupied or (ii) the date on which assistance under the HAP Contract relating to the Development is terminated.

Category 5. Prepayments of the principal amount of the Mortgage Loan require the prior approval of FHA and the Corporation, and may not be made prior to the later of (i) sixteen (16) years and three (3) months after the date on which any unit in the Development is first occupied or (ii) the date on which assistance under the HAP Contract relating to the Development is terminated.

Category 6. Prepayments of the principal amount of the Mortgage Loan require the prior approval of the Corporation and may not be made prior to the date on which assistance under the HAP Contract relating to the Development is terminated.

Category 7. Prepayments of the principal amount of the Mortgage Loan may not be made prior to approximately ten (10) years after the closing of the Mortgage Loan.

Category 8. Prepayments of the principal amount of the Mortgage Loan may not be made prior to approximately six (6) to ten (10) years after the closing of the Mortgage Loan, and is subject to the payment of a premium for a specified period of time.

Category 9. Prepayments of the principal amount of the permanent Mortgage Loan may not be made prior to approximately ten (10) years after the closing of the Mortgage Loan and is subject to the payment of a premium for a specified period of time.

In addition, the Mortgagor is required to make a mandatory prepayment of a portion of the Mortgage Loan, without any premium, approximately two (2) to five (5) years after the closing of the Mortgage Loan (which mandatory prepayment may be made prior to such time). The amount of a Mortgage Loan subject to such mandatory prepayment represents the difference between the Construction Mortgage Loan Amount and the Anticipated Permanent Mortgage Loan Amount. See "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program—Developments and Construction Mortgage Loans Outstanding under the Program as of January 31, 2014."

Category 10. Prepayments of the principal amount of the Mortgage Loan may not be made prior to fifteen (15) years after the date of the making of the permanent financing for the Mortgage Loan, and is subject to the payment of a premium for a specified period of time.

Category 11. Prepayments of the principal amount of the Mortgage Loan may not be made prior to approximately fifteen (15) years after the closing of the Mortgage Loan.

Category 12. Prepayments of the principal amount of the Mortgage Loan may not be made prior to twenty (20) years after the date of the making of the permanent financing for the Mortgage Loan, and is subject to the payment of a premium for a specified period of time.

Category 13. No prepayments of the Mortgage Loan are permitted.

Category 14. Prepayments of the principal amount of the Mortgage Loan, which Mortgage Loans generally have a term of 5 years or less, may not be made prior to the date the allocable Bonds that financed the Mortgage Loan are redeemable.

PERMANENT MORTGAGE LOAN PHYSICAL INSPECTION RATINGS

The Corporation conducts an annual site review of each Development to monitor its physical condition; however, HUD Assisted Developments and Developments with FHA-insured Mortgage Loans having a superior inspection rating need only be inspected by the Corporation every three (3) years and Developments with Permanent Mortgage Loans made recently may not have been inspected by the Corporation. The Corporation does not conduct an annual site review for Developments that the Corporation holds only a subordinate lien mortgage, the NYCHA Public Housing Preservation I LLC Development and the NYCHA Public Housing Preservation II LLC Development. During this review, the Corporation undertakes various procedures to monitor both the exterior and interior physical condition of the Developments. The exterior review includes an inspection of exterior walls and foundations, roofs, exterior walkways, security systems, and gas, water and sewage systems. The Corporation's interior review includes an inspection of floors, stairs, interior walkways, community space, electrical and plumbing fixtures, heating and air conditioning systems, and boiler facilities. In addition, the Corporation inspects, among other things, each Development's play areas, elevators, and fire and safety safeguards.

The Corporation's inspection ratings for the Developments, which incorporate HUD's inspection ratings for FHA-insured mortgage loans, include five rating levels: superior (HUD score: 90-100), above average (HUD score: 80-89), satisfactory (HUD score: 60-79), below average (HUD score: 46-59) and unsatisfactory (HUD score: 0-45). Any FHA-insured Mortgage Loan or HUD Assisted Developments with a below average or unsatisfactory physical inspection rating may be subject to foreclosure by HUD (see "THE PROGRAM—FHA-Insured Mortgage Loans and HUD Assisted Developments with Low Inspection Ratings"). Appendix E-1 denotes which one of the four rating levels applies to each outstanding inspected Development. The following chart summarizes the applicability of each physical inspection rating level as of January 31, 2014. A significant majority of the mortgage loans underlying the 2014 Series B Mortgage Loan are not inspected by the Corporation; such mortgage loans not inspected by the Corporation are not included in this chart. In addition, the table excludes information with respect to the ML Restructuring Subordinate Mortgage Loans other than those Developments with other Mortgage Loans under the Open Resolution.

Physical Inspection	Number of Mortgage Loans*	Outstanding Principal Balance of Mortgage Loans	Percentage of Total Outstanding Principal Balance of Mortgage Loans
Superior	79	$198,745,323	6.85%
Above Average	93	458,106,142	15.79%
Satisfactory	540	2,056,761,526	70.91%
Below Average	50	157,147,526	5.42%
Unsatisfactory	8	29,589,735	1.02%
TOTAL**	770	2,900,350,260	100.00%

Superior

This rating is assigned based on a physical inspection that reveals no fire and safety violations; no roof or boiler leakage; no structural deficiencies; strict implementation of maintenance practices; virtually no minor deficiencies; adequate funds available to make necessary repairs; and overall attractive physical plant with highly presentable public and utility areas.

* Developments with Permanent Mortgage Loans made recently may not yet have been inspected by the Corporation.

** May not add due to rounding.

Above Average

This rating is assigned based on a physical inspection that reveals no major deficiencies and very few and only minor deficiencies. These deficiencies would be easily correctable by the maintenance staff. The Development would have no structural deficiencies and no health or safety violations. The common, utility and public areas would be secure, clean, and well lit.

Satisfactory

This rating is assigned based on a physical inspection that reveals only minor violations in the Development which the Corporation believes management will cure; no structural deficiencies; no fire and safety violations; and basic adherence to maintenance practices. The public areas would be secure and presentable.

Below Average

This rating is assigned based on a physical inspection that reveals multiple minor deficiencies, several major deficiencies or a critical deficiency. A critical deficiency is a violation that affects the health and safety of the residents and can affect the habitability of parts of the development. Critical deficiencies include an inoperable fire alarm control system; other fire and safety hazards; inoperable elevators; and/or structural deficiencies. Failure to correct all deficiencies or failure to fully comply with the Corporation's inspection process and/or reporting requirements after a satisfactory review may result in a below average rating on a subsequent review.

Unsatisfactory

This rating is assigned based on a physical inspection that reveals repeat violations including those covered under a below average rating; hazardous conditions throughout the Development including structural damage, leaking roofs and boilers; unattractive public and/or utility areas; and/or failure to correct deficiencies despite written warnings on at least two (2) occasions.

APPENDIX E-4

CROSS-CALL PROVISIONS AND RELATED INFORMATION

The following table sets forth for each Series of Bonds: the original par amount, the outstanding par amount, the maximum interest rate, the final maturity, whether cross-calls into a Series are permitted, and whether cross-calls out of a Series are permitted. As used herein, the term "cross-calls" refers to the redemption of Bonds of one Series from amounts representing Recoveries of Principal derived from or with respect to Mortgage Loans attributable to a different Series of Bonds. This table is not intended by the Corporation to be entirely inclusive of the information necessary for a Bondholder to determine the likelihood of redemptions due to cross-calls or otherwise with respect to a particular Series of Bonds. Many factors may affect the Corporation's decision to cross-call including, but not limited to, economic factors and certain limitations under Federal tax law.

Series of Bonds	Original Par Amount	Outstanding Par Amount[1]	Maximum Interest Rate	Final Maturity	Cross-Calls Into Series Permitted	Cross-Calls Out of Series Permitted
1998 Series A	$ 57,800,000	$ 100,000	6.84%	05/01/30	No	Yes
1998 Series B	21,380,000	100,000	5.25%	11/01/31	No	No
1999 Series A-1	49,100,000	9,185,000	6.06%	11/01/22	No	Yes
1999 Series B-2	30,200,000	15,800,000	7.32%	05/01/22	No	Yes
1999 Series C	9,800,000	115,000	5.70%	11/01/31	Yes	Yes
1999 Series E	10,715,000	100,000	6.25%	05/01/36	No	No
2002 Series A	36,370,000	150,000	5.50%	11/01/34	Yes	Yes
2002 Series B	7,150,000	150,000	5.50%	11/01/32	Yes	Yes
2002 Series C	49,500,000	42,830,000	15.00%[2]	05/01/34	No	Yes
2003 Series B-2	33,175,000	100,000	4.60%	11/01/36	Yes	Yes
2003 Series E-2	28,690,000	100,000	5.05%	11/01/36	Yes	Yes
2004 Series A	147,150,000	112,940,000	5.25%	11/01/30	No	No
2004 Series E-1	39,595,000	39,595,000	4.95%	11/01/33	No[3]	No[3]
2004 Series E-2	28,700,000	8,980,000	5.75%	11/01/24	No[3]	No[3]
2004 Series F	33,970,000	17,350,000	5.70%	05/01/35	No	No
2004 Series G	10,680,000	9,995,000	5.63%	11/01/29	No	Yes
2004 Series H	9,395,000	8,605,000	5.25%	05/01/46	Yes	Yes
2004 Series I-2	26,320,000	22,760,000	5.20%	11/01/38	Yes	Yes
2004 Series J	27,900,000	18,280,000	5.70%	11/01/36	No	Yes
2005 Series A-1	9,735,000	9,735,000	4.60%	05/01/35	No[3]	No[3]
2005 Series C	17,015,000	3,845,000	4.80%	05/01/37	No	No
2005 Series D	13,145,000	5,380,000	4.80%	05/01/47	No	No
2005 Series E	3,900,000	2,380,000	4.75%	11/01/35	No[3]	No[3]
2005 Series F-1	65,410,000	65,410,000	4.75%	11/01/35	No[3]	No[3]
2005 Series F-2	80,935,000	28,175,000	5.43%	11/01/17	No[3]	No[3]
2005 Series G	4,840,000	2,070,000	4.15%	11/01/18	Yes	Yes
2005 Series J-1	20,495,000	20,495,000	4.85%	05/01/36	No[3]	No[3]
2005 Series K	12,730,000	11,535,000	5.00%	11/01/37	Yes	Yes
2005 Series L	37,145,000	11,865,000	5.05%	11/01/39	Yes	Yes
2006 Series B	31,900,000	29,385,000	5.35%	05/01/49	No	No
2006 Series C	81,635,000	36,375,000	5.125%	05/01/40	Yes	Yes
2006 Series D-1	2,510,000	2,510,000	4.95%	11/01/36	No[3]	No[3]
2006 Series G-1	25,665,000	23,640,000	4.875%	11/01/39	Yes	Yes
2006 Series H-1	25,005,000	23,735,000	4.70%	11/01/40	Yes	Yes
2006 Series I	6,700,000	6,375,000	5.96%	11/01/40	No	No
2006 Series J-2-A	10,900,000	10,360,000	4.85%	11/01/40	Yes	Yes
2006 Series J-2-C	17,925,000	17,035,000	5.20%	11/01/40	Yes	Yes
2007 Series A	25,690,000	24,695,000	5.52%	05/01/41	No	No
2007 Series B-1	34,610,000	33,040,000	5.25%	11/01/45	Yes	Yes
2007 Series C	5,370,000	5,135,000	6.56%	11/01/40	No	No
2007 Series D	$28,265,000	26,335,000	5.95%	11/01/39	No	No
2007 Series E-1	24,035,000	22,935,000	5.45%	11/01/40	Yes	Yes
2008 Series A-1-A	46,610,000	15,665,000	5.45%	11/01/46	Yes	Yes
2008 Series A-2	3,405,000	3,135,000	5.00%	11/01/18	Yes	Yes
2008 Series C-2	14,760,000	4,040,000	5.69%	11/01/18	No[3]	No[3]

Series of Bonds	Original Par Amount	Outstanding Par Amount[1]	Maximum Interest Rate	Final Maturity	Cross-Calls Into Series Permitted	Cross-Calls Out of Series Permitted
2008 Series E	100,000,000	93,315,000	15.00%[2]	11/01/37	No	No
2008 Series F	86,825,000	76,085,000	15.00%[2]	05/01/41	No	No
2008 Series H-1	8,060,000	7,730,000	5.50%	11/01/28	Yes	Yes
2008 Series H-2-A	14,540,000	14,540,000	5.35%	05/01/41	Yes	Yes
2008 Series J	34,590,000	34,035,000	8.00%[2]	11/01/43	No[3]	No[3]
2008 Series K	106,945,000	94,405,000	8.00%[2]	11/01/43	No	No
2008 Series L	10,515,000	4,160,000	6.50%	11/01/43	No[3]	No[3]
2008 Series M	30,730,000	28,710,000	6.875%	11/01/38	Yes	Yes
2009 Series A	17,450,000	2,940,000	4.20%	11/01/19	Yes	Yes
2009 Series C-1	118,200,000	111,775,000	5.70%	11/01/46	Yes	Yes
2009 Series F	9,000,000	5,720,000	4.85%	05/01/41	Yes	Yes
2009 Series I-1	50,000,000	50,000,000	6.42%	11/01/39	No	No
2009 Series I-2	25,000,000	25,000,000	9.45%[2]	11/01/39	No	No
2009 Series J	25,975,000	22,365,000	4.80%	05/01/39	Yes	Yes
2009 Series K	108,785,000	73,030,000	4.95%	11/01/39	Yes	Yes
2009 Series L-1	23,590,000	23,415,000	4.95%	11/01/43	Yes	Yes
2009 Series M	30,945,000	30,705,000	5.15%	11/01/45	Yes	Yes
2010 Series A-1	25,325,000	25,325,000	4.90%	11/01/41	Yes	Yes
2010 Series A-2	3,000,000	2,760,000	4.974%	05/01/19	Yes	Yes
2010 Series C	14,815,000	14,515,000	4.95%	05/01/47	Yes	Yes
2010 Series D-1-A	43,475,000	31,960,000	5.00%	11/01/42	Yes	Yes
2010 Series E	10,570,000	4,445,000	3.85%	11/01/19	Yes	No
2010 Series F	4,130,000	3,930,000	4.75%	11/01/22	Yes	No
2010 Series G	50,765,000	43,135,000	4.75%	05/01/41	No[3]	No[3]
2010 Series H	74,575,000	64,150,000	9.00%[2]	11/01/40	No	No
2010 Series J-1	21,560,000	17,865,000	5.00%	11/01/22	Yes	No
2010 Series J-2	25,510,000	22,790,000	2.15%	11/01/14	Yes	No
2010 Series K-1	5,165,000	5,105,000	5.25%	11/01/32	Yes	No
2010 Series K-2	23,175,000	15,575,000	2.05%	11/01/14	Yes	No
2010 Series L-1	12,620,000	12,620,000	5.00%	11/01/26	Yes	Yes
2010 Series L-2-A	12,400,000	12,400,000	2.70%	11/01/15	Yes	Yes
2010 Series L-2-B	37,600,000	37,600,000	1.90%	11/01/15	Yes	Yes
2010 Series N	5,675,000	3,930,000	4.25%	05/01/21	Yes	Yes
2011 Series B-1	21,240,000	3,310,000	3.65%	11/01/18	Yes	No
2011 Series C	1,980,000	1,980,000	4.50%	11/01/22	Yes	No
2011 Series D	23,645,000	3,830,000	3.37%	11/01/20	Yes	No
2011 Series E	72,030,000	20,600,000	4.93%	11/01/36	Yes	No
2011 Series F-1	31,000,000	19,695,000	3.47%	11/01/18	No[3]	No[3]
2011 Series F-2	56,460,000	56,460,000	9.00%[2]	11/01/40	No[3]	No[3]
2011 Series F-3	12,540,000	12,540,000	9.00%[2]	11/01/40	Yes	Yes
2011 Series G-1	63,630,000	63,630,000	2.50%	11/01/15	Yes	No
2011 Series G-2-A	38,925,000	26,540,000	1.20%	11/01/14	Yes	No
2011 Series G-2-B	7,235,000	4,530,000	1.39%	05/01/17	No[3]	No[3]
2011 Series G-3	22,180,000	17,110,000	1.32%	05/01/15	Yes	No
2011 Series H-1	6,035,000	6,035,000	2.50%	05/01/15	Yes	No
2011 Series H-2-A	22,890,000	22,890,000	4.40%	05/01/31	Yes	No
2011 Series H-2-B	15,970,000	15,970,000	4.40%	05/01/31	No[3]	No[3]
2011 Series H-3-A	8,620,000	8,620,000	1.32%	05/01/15	Yes	No
2011 Series H-3-B	11,685,000	11,305,000	2.51%	11/01/22	No[3]	No[3]
2011 Series J-1	38,345,000	38,345,000	4.80%	11/01/44	Yes	Yes
2011 Series J-2	25,550,000	25,205,000	2.55%	11/01/22	Yes	Yes
2011 Series J-3	16,940,000	16,940,000	1.65%	11/01/15	Yes	Yes
2011 Series J-4	21,580,000	18,500,000	1.65%	11/01/15	Yes	Yes
2012 Series B	42,650,000	37,315,000	3.93%	11/01/25	No	Yes
2012 Series D-1-A	48,725,000	48,725,000	4.30%	11/01/45	Yes	Yes
2012 Series D-1-B	85,450,000	84,585,000	4.30%	11/01/45	Yes	Yes
2012 Series D-2-A	71,855,000	71,855,000	1.15%	11/01/15	Yes	Yes
2012 Series D-2-B	17,780,000	15,000,000	1.15%	11/01/15	Yes	Yes
2012 Series D-2-C	25,000,000	18,000,000	1.15%	11/01/15	Yes	Yes
2012 Series E	72,000,000	67,955,000	4.40%	11/01/32	No	Yes
2012 Series F	80,330,000	80,330,000	3.90%	05/01/45	Yes	Yes

Series of Bonds	Original Par Amount	Outstanding Par Amount[1]	Maximum Interest Rate	Final Maturity	Cross-Calls Into Series Permitted	Cross-Calls Out of Series Permitted
2012 Series G	31,960,000	31,960,000	3.90%	05/01/45	No[3]	No[3]
2012 Series H	21,995,000	16,780,000	1.60%	11/01/18	Yes	Yes
2012 Series I	89,175,000	80,745,000	4.489%	11/01/44	No[3]	No[3]
2012 Series K-1-A	155,750,000	155,550,000	4.00%	11/01/45	Yes	Yes
2012 Series K-1-B	12,855,000	12,855,000	0.80%	11/01/15	Yes	Yes
2012 Series K-2	20,765,000	20,765,000	15.00%[2]	11/01/16	Yes[5]	Yes[5]
2012 Series L-1	12,390,000	12,390,000	3.90%	11/01/42	Yes	Yes
2012 Series L-2-A	102,825,000	102,190,000	4.00%	05/1/44	Yes	Yes
2012 Series L-2-B	2,060,000	2,060,000	3.60%	05/01/26	Yes	Yes
2012 Series M-1-A	19,830,000	19,830,000	1.15%	11/01/17	Yes	Yes
2012 Series M-1-B	4,000,000	4,000,000	1.15%	11/01/17	Yes	Yes
2012 Series M-2	9,745,000	9,745,000	4.00%	11/01/47	Yes	Yes
2012 Series M-3	10,525,000	10,525,000	4.65%	11/01/47	Yes	Yes
2013 Series A-1	55,855,000	55,855,000	5.20%	11/01/45	Yes	Yes
2013 Series A-2	16,165,000	16,165,000	5.20%	11/01/45	Yes	Yes
2013 Series B-1-A	131,880,000	131,880,000	4.60%	11/01/45	Yes	Yes
2013 Series B-1-B	74,700,000	74,400,000	4.60%	11/01/45	Yes	Yes
2013 Series B-1-C	1,125,000	1,125,000	1.10%	11/01/16	Yes	Yes
2013 Series B-2	7,500,000	7,500,000	10.00%[2]	05/01/18	Yes[5]	Yes[5]
2013 Series B-3	24,000,000	24,000,000	10.00%[2]	05/01/18	Yes[5]	Yes[5]
2013 Series B-4	17,610,000	17,610,000	10.00%[2]	05/01/18	Yes[5]	Yes[5]
2013 Series D-1	40,135,000	40,135,000	3.78%	05/01/28	Yes	Yes
2013 Series D-2	55,000,000	55,000,000	8.00%[2]	11/01/38	Yes	Yes
2013 Series E-1-A	118,660,000	118,660,000	4.90%	11/01/38	Yes	Yes
2013 Series E-1-B	57,060,000	57,060,000	4.95%	11/01/43	Yes	Yes
2013 Series E-1-C	78,025,000	78,025,000	4.95%	11/01/46	Yes	Yes
2013 Series E-2	32,670,000	32,670,000	10.00%[2]	11/01/18	Yes[5]	Yes[5]
2013 Series E-3	19,520,000	19,520,000	10.00%[2]	11/01/18	Yes[5]	Yes[5]
2013 Series F	13,415,000	9,205,000	0.20%[4]	11/01/47	No	No
2013 Series F-1	29,080,000	29,080,000	4.50%	11/01/47	Yes	Yes
2013 Series F-2	4,210,000	4,210,000	1.25%[4]	11/01/18	Yes	Yes
2014 Series A	8,170,000	8,170,000	4.35%	11/01/44	Yes	Yes
2014 Series B-1	100,000,000	100,000,000	3.69%	11/01/24	Yes	Yes
2014 Series B-2	50,000,000	50,000,000	7.50%[2]	11/01/33	Yes	Yes

[1] As of May 31, 2014.
[2] This Series of Bonds currently bears interest at a variable rate.
[3] Cross-calls into this Series of Bonds are only permitted from, and cross-calls out of this Series are only permitted to, any Series of Mitchell-Lama Restructuring Bonds issued or to be issued.
[4] This Series of Bonds currently bears interest at the Term Rate set forth above and may be converted to another interest rate mode or redeemed on or before the end of its Term Rate Term.
[5] So long as there is a Liquidity Facility in place, the Corporation has covenanted not to cross-call into or out of the Series.

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APPENDIX F-1

CERTAIN INVESTMENTS UNDER THE GENERAL RESOLUTION

The following tables set forth for each Series of Bonds: the type of investment, the investment agreement, the counterparties to the respective investment agreements with the Corporation and the Trustee (which includes Bank of America, N.A. ("Bank of America"), Bayerische Landesbank Gironzentrale, New York Branch ("Bayerische"), Credit Agricole through its New York Branch ("Credit Agricole"), Daiwa Securities America ("Daiwa"), Flushing Commercial Bank ("Flushing Commercial Bank"), HSBC Securities (USA) Inc. ("HSBC Securities"), JPMorgan Chase Bank, N.A. ("JP Morgan"), Mizuho Securities USA ("Mizuho"), New York Community Bank ("New York Community Bank"), Rabobank International ("Rabobank"), Royal Bank of Canada ("RBC"), Signature Bank ("Signature"), Societe Generale, New York Branch ("Societe Generale"), Wachovia Bank, N.A. ("Wachovia") and Westdeutsche Landesbank Girozentrale, New York Branch ("West LB")), the amount of investment (except with respect to the Revenue Account), and the interest rate and the maturity date for such investments, for the Debt Service Reserve Account, the Bond Proceeds Account and certain of the amounts deposited in the Revenue Account as of January 31, 2014.

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Debt Service Reserve Account

Investment	Amount	Interest Rate	Maturity Date
West LB Time Deposit Repurchase Agreement	1,190,000	6.160%	10/31/18
Bayerische Time Deposit Agreement	2,397,140	5.800%	05/01/30
Bayerische Time Deposit Agreement	715,000	5.280%	11/01/31
Bayerische Time Deposit Agreement	3,571,000	5.150%	05/01/37
Bayerische Time Deposit Agreement	365,000	6.110%	06/01/36
Bank of America Time Deposit Agreement	6,130,000	5.580%	11/01/42
Rabobank Time Deposit Agreement	3,825,000	4.500%	11/01/33
U. S. Treasury Bonds	2,531,000	7.125%	02/15/23
New York City General Obligation Bonds	1,566,776	2.670%	12/01/14
New York City General Obligation Bonds	1,551,000	3.100%	03/01/15
New York City General Obligation Bonds	3,135,000	2.530%	10/01/15
Federal Farm Credit Bank	2,911,000	2.330%	01/23/23
Federal Farm Credit Bank	13,125,000	2.370%	07/17/23
Federal Farm Credit Bank	7,545,100	2.700%	12/24/25
Federal Home Loan Bank	14,742,559	2.840%	12/27/24
Federal Home Loan Bank	10,000,000	2.950%	06/12/23
Federal Home Loan Bank	4,190,000	2.700%	08/07/2020
Signature Money Market †	7,627,410	N/A	-
NY Community Bank Money Market	2,176,646	N/A	-
Funding Agreement ††	498,750	N/A	11/01/27
Repurchase Agreement	20,000	0.020%	02/03/2014
Total	**89,813,381**		

† The Corporation is currently investing these amounts in short-term Investment Securities which are at least 102% collateralized and held by a third party.

†† To meet the Debt Service Reserve Account Requirement with respect to the 2006 Series A Bonds, the Corporation entered into a Funding Agreement with the Trustee. On May 1, 2014, the 2006 Series A Bonds were retired and the 2014 Series B-1 Bonds and the 2014 Series B-2 Bonds were issued. To meet the Debt Service Reserve Account Requirement with respect to the 2014 Series B-1 Bonds and the 2014 Series B-2 Bonds, the Corporation entered into a Funding Agreement with the Trustee. The payment obligation under such Funding Agreement is a general obligation of the Corporation.

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<u>Bond Proceeds Account</u>

Series of Bonds	Investment	Investment Provider	Amount	Interest Rates	Maturity Date
2004 Series C-2†	Money Market	NY Community Bank	$1,443,454	VAR	-
2006 Series E†	Money Market	NY Community Bank	361,800	VAR	-
2007 Series B-2†	Money Market	Signature	183,285	VAR	-
2008 Series B†	Money Market	NY Community Bank	325,871	VAR	-
2008 Series F†	Money Market	Flushing Commercial Bank	12,079	VAR	-
2008 Series F†	Money Market	NY Community Bank	15,037,617	VAR	-
2010 Series D-1-A†	Money Market	Flushing Commercial Bank	401	VAR	-
2010 Series F†	Money Market	Flushing Commercial Bank	50,413	VAR	-
2010 Series F†	Money Market	Signature	2,087	VAR	-
2010 Series J-1†	Money Market	Signature	1,010	VAR	-
2010 Series J-2†	Money Market	Flushing Commercial Bank	79,815	VAR	-
2010 Series J-2†	Money Market	Signature	7,147	VAR	-
2010 Series J-3†	Money Market	Signature	7,837	VAR	-
2010 Series K-1†	Money Market	Signature	103,347	VAR	-
2010 Series K-2†	Money Market	Flushing Commercial Bank	368,444	VAR	-
2010 Series L-1†	Money Market	New York Community Bank	792	VAR	-
2010 Series L-1	Repurchase Agreements	Diawa	41,200	VAR	02/03/14
2010 Series L-2-A†	Money Market	New York Community Bank	156,175	VAR	-
2010 Series L-2-A†	Money Market	Signature	2,000,000	VAR	-
2010 Series L-2-B†	Money Market	New York Community Bank	283,749	VAR	-
2011 Series B-1†	Repurchase Agreements	Diawa	159,300	VAR	08/01/13
2011 Series C†	Money Market	New York Community Bank	888,434	VAR	-
2011 Series E†	Money Market	New York Community Bank	253,764	VAR	-
2011 Series E†	Money Market	Flushing Commercial Bank	54,925	VAR	-
2011 Series F-1†	Money Market	New York Community Bank	5,794,164	VAR	-
2011 Series F-2†	Money Market	Signature	118,962	VAR	-
2011 Series F-2†	Money Market	Flushing Commercial Bank	7,752,124	VAR	-

2011 Series G-1	Open Time Deposit Agreement	Credit Agricole	4,288,447	0.970%	06/30/15
2011 Series G-2-A	Open Time Deposit Agreement	Credit Agricole	546,577	0.970%	06/30/15
2011 Series G-2-B	Open Time Deposit Agreement	Credit Agricole	43,700	0.970%	06/30/15
2011 Series G-3	Open Time Deposit Agreement	Credit Agricole	3,652,532	0.970%	06/30/15
2011 Series H-1	Open Time Deposit Agreement	Credit Agricole	310,009	0.970%	06/30/15
2011 Series H-2-A	Open Time Deposit Agreement	Credit Agricole	1,611,860	0.970%	06/30/15
2011 Series H-2-A†	Money Market	Flushing Commercial Bank	55	VAR	-
2011 Series H-2-B	Open Time Deposit Agreement	Credit Agricole	1,238,931	0.970%	06/30/15
2011 Series H-3-A†	Money Market	Flushing Commercial Bank	112,506	VAR	-
2011 Series H-3-A	Open Time Deposit Agreement	Credit Agricole	2,349,891	0.970%	06/30/15
2011 Series H-3-B	Open Time Deposit Agreement	Credit Agricole	374,050	0.970%	06/30/15
2011 Series J-1	Open Time Deposit Agreement	Credit Agricole	4,681,868	0.970%	06/30/15
2011 Series J-2	Open Time Deposit Agreement	Credit Agricole	5,707,496	0.970%	06/30/15
2011 Series J-3†	Money Market	Flushing Commercial Bank	82,731	VAR	-
2011 Series J-3	Open Time Deposit Agreement	Credit Agricole	4,791,482	0.970%	06/30/15
2011 Series J-4	Open Time Deposit Agreement	Credit Agricole	3,414,213	0.970%	06/30/15
2012 Series D-1-A†	Money Market	New York Community Bank	4,036,339	VAR	-
2012 Series D-1-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	1,715,371	1.150%	01/30/18
2012 Series D-1-B†	Money Market	Signature	2,834,147	VAR	-
2012 Series D-1-B	FHLMC (Federal Home Loan Mort. Corp.)	N/A	2,995,464	1.150%	01/30/18
2012 Series D-2-A†	Money Market	Signature	9,572,388	VAR	-
2012 Series D-2-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	5,040,000	1.150%	01/09/18
2012 Series D-2-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	3,263,450	1.150%	01/30/18
2012 Series D-2-B†	Money Market	Signature	1,165,457	VAR	-
2012 Series D-2-C†	Money Market	New York Community Bank	3,560,707	VAR	-
2012 Series E†	Repurchase Agreements	Diawa	753,100	0.040%	02/03/14
2012 Series F†	Money Market	New York Community Bank	18,972,379	VAR	-
2012 Series F	FFCB (Federal Farm Credit Bank)	N/A	4,250,000	2.050%	02/01/22

2012 Series F	Fannie Mae	N/A	3,336,667	2.500%	04/17/23
2012 Series F	FHLMC (Federal Home Loan Mort. Corp.)	N/A	4,803,293	1.150%	01/30/18
2012 Series G†	Money Market	New York Community Bank	8,063,721	VAR	-
2012 Series G	Fannie Mae	N/A	3,336,667	2.500%	04/17/23
2012 Series I†	Money Market	New York Community Bank	18,298,296	VAR	-
2012 Series I	New York City General Obligation Bonds	N/A	4,000,000	VAR	08/01/29
2012 Series K-1-A	FFCB (Federal Farm Credit Bank)	N/A	4,250,000	2.050%	02/01/22
2012 Series K-1-A	FFCB (Federal Farm Credit Bank)	N/A	5,000,000	2.450%	03/06/23
2012 Series K-1-A	FFCB (Federal Farm Credit Bank)	N/A	10,000,000	2.240%	01/30/23
2012 Series K-1-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	10,012,000	2.875%	06/26/23
2012 Series K-1-A	Fannie Mae	N/A	6,368,000	2.125%	01/30/24
2012 Series K-1-A†	Money Market	Signature	59,657,296	VAR	-
2012 Series K-1-A†	Money Market	New York Community Bank	2,442,536	VAR	-
2012 Series K-1-A	Repurchase Agreements	Daiwa	27,000	VAR	02/02/14
2012 Series K-1-B†	Money Market	New York Community Bank	6,596,185	VAR	-
2012 Series K-2	Fannie Mae	N/A	5,000,000	2.500%	02/22/23
2012 Series K-2†	Money Market	New York Community Bank	13,073,971	VAR	-
2012 Series L-2-A†	Money Market	Signature	800	VAR	-
2012 Series L-2-A†	Repurchase Agreements	Daiwa	188,600	VAR	02/03/14
2012 Series L-2-B†	Repurchase Agreements	Daiwa	18,200	VAR	02/03/14
2012 Series M-1-A†	Money Market	New York Community Bank	11,595,837	VAR	-
2012 Series M-1-B†	Money Market	New York Community Bank	611,845	VAR	-
2012 Series M-2†	Money Market	New York Community Bank	5,132,364	VAR	-
2013 Series B-1-A	Farmer Mac	N/A	8,500,000	3.100%	06/27/23
2013 Series B-1-A†	Money Market	New York Community Bank	23,390,988	VAR	-
2013 Series B-1-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	5,000,000	3.000%	07/03/23
2013 Series B-1-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	10,000,000	2.200%	07/24/18

2013 Series B-1-A	FHLMC (Federal Home Loan Mort. Corp.)	N/A	12,222,422	1.150%	01/30/18
2013 Series B-1-B†	Money Market	Signature	351,445	VAR	-
2013 Series B-1-B†	Money Market	New York Community Bank	11,922,209	VAR	-
2013 Series B-1-B	FHLMC (Federal Home Loan Mort. Corp.)	N/A	5,000,000	3.000%	07/03/23
2013 Series B-1-B	FHLMC (Federal Home Loan Mort. Corp.)	N/A	5,000,000	1.150%	01/30/18
2013 Series B-1-C†	Money Market	Signature	1,095,072	VAR	-
2013 Series B-2†	Money Market	Signature	5,344,912	VAR	-
2013 Series B-3†	Money Market	New York Community Bank	3,139,110	VAR	-
2013 Series B-3†	Money Market	Signature	9,582,701	VAR	-
2013 Series B-3	Repurchase Agreements	Daiwa	1,117,900	VAR	02/03/14
2013 Series B-4†	Money Market	New York Community Bank	4,558,830	VAR	-
2013 Series B-4†	Money Market	Signature	9,086,699	VAR	-
2013 Series B-4	Repurchase Agreements	Daiwa	398,700	VAR	02/03/14
2013 Series C	Repurchase Agreements	Daiwa	38,100	VAR	02/03/14
2013 Series D-1†	Money Market	Signature	40,135,000	VAR	-
2013 Series D-2†	Money Market	New York Community Bank	5,000,000	VAR	-
2013 Series D-1†	Money Market	Signature	17,430,855	VAR	-
2013 Series A-1†	Money Market	New York Community Bank	10,208,800	VAR	-
2013 Series E-1-A†	Money Market	JP Morgan Chase	24,665,344	VAR	-
2013 Series E-1-A†	Money Market	JP Morgan Chase	24,663,146	VAR	-
2013 Series E-1-A†	Money Market	JP Morgan Chase	24,056,678	VAR	-
2013 Series E-1-A†	Money Market	New York Community Bank	19,983,634	VAR	-
2013 Series E-1-B†	Money Market	JP Morgan Chase	12,650,459	VAR	-
2013 Series E-1-B†	Money Market	JP Morgan Chase	12,649,332	VAR	-
2013 Series E-1-B†	Money Market	JP Morgan Chase	11,089,437	VAR	-

2013 Series E-1-B†	Money Market	New York Community Bank	9,996,896	VAR	-
2013 Series E-1-C†	Money Market	Flushing Commercial Bank	1,350,000	VAR	-
2013 Series E-1-C†	Money Market	JP Morgan Chase	16,835,392	VAR	-
2013 Series E-1-C†	Money Market	JP Morgan Chase	16,833,893	VAR	-
2013 Series E-1-C†	Money Market	JP Morgan Chase	15,999,740	VAR	-
2013 Series E-1-C†	Money Market	New York Community Bank	10,000,000	VAR	-
2013 Series E-2†	Money Market	JP Morgan Chase	31,364,501	VAR	-
2013 Series E-3†	Money Market	JP Morgan Chase	16,996,378	VAR	-
2013 Series E-3	Repurchase Agreements	Daiwa	59,600	VAR	02/03/14
2013 Series F	FHLB (Federal Home Loan Bank)	N/A	20,340,000	0.125%	12/16/14
2013 Series F	Freddie Mac	N/A	22,199,000	0.000%	12/15/14
Total			**$788,923,796**		

† The Corporation is currently investing these amounts in short-term Investment Securities which are at least 102% collateralized and held by a third party.

Revenue Account[†]

Series of Bonds	Investment	Investment Provider	Interest Rate	Maturity Date
1998 Series A	Time Deposit Agreement	Bayerische	5.800%	05/01/30
1998 Series B	Time Deposit Agreement	Bayerische	5.280%	11/01/31
1999 Series A-1	Time Deposit Agreement	Bayerische	5.150%	05/01/37
1999 Series C	Time Deposit Agreement	Bayerische	5.665%	11/01/31
1999 Series E	Time Deposit Agreement	Bayerische	6.110%	06/01/36
2001 Series A	Time Deposit Agreement	Bank Of America	5.580%	11/01/42
2002 Series A	Time Deposit Agreement	Bayerische	2.650%	12/01/15
2002 Series B	Time Deposit Agreement	Bayerische	2.650%	12/01/15
2002 Series C	Time Deposit Agreement	Bayerische	2.650%	12/01/15
2002 Series E-2	Time Deposit Agreement	Bayerische	1.760%	12/01/15
2002 Series F	Time Deposit Agreement	Bayerische	1.760%	12/01/15
2003 Series B-2	Time Deposit Agreement	Societe Generale	3.500%	11/01/34
2003 Series E-2	Time Deposit Agreement	Rabobank	2.020%	11/01/33
2004 Series A	Time Deposit Agreement	RBC	4.270%	07/15/30

[†] The Corporation invests all other amounts in the Revenue Account in various short-term Investment Securities including without limitation: U.S. Treasury Notes, Repurchase Agreements and Deposit Agreements.

APPENDIX F-2

INTEREST RATE CAP AGREEMENTS

Notional Amount[1]	Counterparty	Index	Strike Rate	Ceiling Rate	Effective Date	Termination Date
$132,714,345	Goldman Sachs Mitsui Marine Derivative Products, L.P.	Three-Month LIBOR[2]	7.35%	14.85%	12/2/2005	11/1/2032
$ 88,385,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	Three-Month LIBOR[2]	7.35%	14.85%	5/1/2007	5/1/2027

[1] As of January 31, 2014. The notional amounts amortize over time.
[2] "Three-Month LIBOR" has the meaning attributed to such term in the related cap agreement.

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APPENDIX G

DESCRIPTION OF SUPPLEMENTAL SECURITY AND SUBSIDY PROGRAMS

SUPPLEMENTAL SECURITY

FHA Insurance Program

General. The following describes briefly the multi-family mortgage insurance program administered by HUD, acting through FHA, pursuant to Sections 220, 221(d)(3), 221(d)(4) or 223(f) of the National Housing Act, as amended (the "National Housing Act"), and is qualified in its entirety by reference to the National Housing Act and the regulations thereunder. The applicable FHA regulations regarding such Sections of the National Housing Act are contained in Part 200, Part 220 and Part 221 of Title 24 of the Code of Federal Regulations and, with certain exceptions, incorporate by reference the provisions of Subpart A, Part 207 of Title 24 of the Code of Federal Regulations concerning eligibility requirements of mortgages covering multi-family housing under Section 207 of the National Housing Act and the provisions of Subpart B, Part 207 of Title 24 of the Code of Federal Regulations concerning the contract rights and obligations of the mortgagee with respect to mortgages insured under Section 207 of the National Housing Act. In the event of a conflict between the documents governing the FHA-insured Mortgage Loans, the National Housing Act or the FHA rules, regulations and program requirements and the Resolutions, the documents governing the FHA-insured Mortgage Loans or provisions of the National Housing Act and FHA rules, regulations and program requirements will be controlling. FHA Insurance benefits under the program are available only if the mortgagee of record is an FHA-approved mortgagee. The Corporation has been an FHA-approved mortgagee under the FHA Insurance program since 1972.

FHA regulations define a default under an FHA-insured mortgage (including the note incorporated therein) as: (1) a failure to make any payments due under such mortgage or (2) a failure to perform any other mortgage covenant (which includes covenants in the regulatory agreement executed in connection with such FHA-insured mortgage) if the mortgagee, because of such failure, has accelerated the debt. In the event that there is a default beyond applicable notice and grace periods under the FHA regulatory agreement and FHA so requests, the mortgagee, at its option, may declare the whole indebtedness due and payable. Furthermore, the FHA regulations provide that upon notice of a violation of a mortgage covenant, FHA reserves the right to require the mortgagee to accelerate payment of the outstanding principal in order to protect FHA's interests. A mortgagee is entitled to receive the benefits of the mortgage insurance after the mortgagor has defaulted and such default (as defined in the FHA regulations) has continued for a period of thirty (30) days subject to certain requirements.

It is the responsibility of the mortgagee to notify FHA in the event of such a default by the mortgagor under the mortgage note or mortgage. FHA regulations further require the mortgagee to make an election, within forty-five (45) days after the date on which the mortgagee becomes eligible to receive FHA Insurance benefits, (i) to assign the mortgage to FHA or (ii) to acquire title to and convey the project property to FHA, unless such time period is extended by FHA.

The mortgagee is required to submit all required documentation within forty-five (45) days of the date the mortgage is assigned to FHA unless the time is extended by FHA. The documentation required to be supplied to FHA includes the mortgage note, the mortgage, the security agreement, the financing statements, the title policy, the hazard policy and other instruments, together with assignments of such documents to FHA. If the election is not made or the documents are not delivered within the forty-five (45) days allowed, FHA will not pay the mortgagee interest on sums outstanding from the date the election should have been made or the date the required documents should have been submitted to FHA, whichever is applicable, to the date when the mortgage insurance claim is finally paid, unless FHA has agreed to extend the period with interest.

The FHA Insurance benefits received in the event of any claim under the FHA Insurance contract will be subject to certain deductions. The mortgagee will be entitled to settlement of the insurance claim in cash (or, if elected by the mortgagee, in FHA debentures), upon assignment of the mortgage, in an amount equal to 99% of the amount of the principal balance of a defaulted mortgage loan outstanding as of the date of default, after adjustment for certain expenses and for deposits or assets held by the mortgagee for the benefit of the development and not assigned to FHA. However, the Corporation has covenanted in the applicable Supplemental Resolutions to receive insurance claim settlements in cash. FHA Insurance benefits include the payment of interest at the FHA debenture rate on the amount of the insurance claim from the date of default to the date the claim is paid (or such earlier date by which the mortgagee is required to file the election to assign the mortgage or complete submissions as described above, if the mortgagee fails to take such action on a timely basis). The interest rate on the FHA debentures is the rate in effect as of the date of the commitment for FHA Insurance or as of the date of initial endorsement of the note by FHA, whichever is higher. In the case of a monetary default, the date of default is deemed to be the date on which payment on the mortgage loan originally should have been received. Since interest is paid one month in arrears on the FHA-insured Mortgage Loans, the Corporation, in the event of a claim for FHA Insurance benefits, will not be reimbursed for interest which has accrued in the previous month and was due and payable on the date of default.

In connection with a claim for FHA Insurance benefits, FHA may require delivery to it of certain cash items. Cash items are defined to include, among other things, any cash held by or on behalf of the mortgagee which has not been applied to reduce the mortgage, funds held by the mortgagee for the account of the mortgagor, any unadvanced balance of the insured note and any undrawn balance under letters of credit delivered to the mortgagee in connection with endorsement of the insured note. The mortgagee is responsible for all funds in its custody and must therefore obtain approval from FHA and others when required, prior to release of any funds which may be in its possession. Failure to properly protect such funds may result in a deduction from the FHA Insurance benefits in an amount equal to the funds FHA asserts should have properly been held as a deposit.

In the event of an assignment, in order to receive FHA Insurance benefits, FHA requires the mortgagee to make certain warranties with respect to the validity and priority of the mortgage lien and to furnish FHA with a title insurance policy or policies which name FHA as an insured party and which assure that the mortgage constitutes a first lien on the project, subject only to such exceptions previously approved by FHA. The mortgagee will be required to remove any unapproved intervening liens and to obtain an updated title endorsement within the 45-day period (or such longer period as may be approved by FHA) during which documents are required to be submitted. FHA will deduct the amount of any unapproved liens which have priority over the insured mortgage lien from the mortgage insurance benefits.

FHA typically pays a portion of an insurance claim prior to the delivery of all required documentation, including the mortgage note and the mortgage. If a claim is made, FHA will usually, but is not obligated to, pay 90% of the outstanding principal balance of the note within fifteen (15) days of the recordation of an assignment of the mortgage to FHA. Remaining balances are paid to the mortgagee after FHA has received final financial data and final legal clearance has been received. During the period from the date of default on the mortgage until final payment (or such earlier date by which the mortgagee is required to complete submissions as described above), FHA pays interest on the remaining unpaid amount of the insurance claim at the FHA debenture rate.

Under FHA regulations, if the Corporation receives proceeds from any policy of casualty insurance, it may not exercise its option under the mortgages related to the FHA-insured Mortgage Loans to use such proceeds for either rebuilding the Developments, prepaying the mortgage notes or for any other disposition without FHA's prior written approval. If FHA fails to give its approval to the use of the insurance proceeds within thirty (30) days after written request by the Corporation, the Corporation may use or apply the funds for the purposes specified in such mortgages without prior FHA approval.

Regulatory Agreement, Rent Adjustments and HUD's Supervisory Powers. Under the form of regulatory agreement used in connection with developments financed pursuant to FHA-insured mortgage loans (the "Regulatory Agreement"), the mortgagor is required, among other things, to make all payments due under the mortgage loan and to pay a specified amount monthly into the reserve fund for replacements, which must at all times be under the control of state or local housing finance agencies (the "HFA") and disbursements from which may be made only with HUD's consent or, if authorized by HUD, with the consent of the HFA. In addition, the mortgagor must deposit all rents and other receipts of the development in a development bank account and may withdraw funds from such account only in accordance with the Regulatory Agreement for expenses of the development, certain required remittances to HUD, or distributions of return on equity. For projects subject to rent regulation by HUD (which include projects assisted with Section 8 contracts), rental increases may be made only with the approval of HUD. At any time HUD will consider a written request for a rental increase if such request is properly supported by substantiating evidence. Within a reasonable time HUD must either:

1) approve an increase in the rental schedule to compensate for any net increase in taxes other than income taxes and in operating and maintenance expenses over which the mortgagor has no effective control. With respect to certain mortgage loans insured pursuant to Section 223(f) of the National Housing Act, HUD may approve an additional increase giving consideration to the debt associated with any subordinate mortgage on the project provided HUD determines that market conditions warrant an increase sufficient to amortize all or part of such subordinate mortgage on the project and that such an increase will not unduly jeopardize the economic stability of the project because of adverse effects on rent collections or vacancies; or

2) deny the increase, stating the reasons therefor.

Rent increases for projects assisted with Section 8 contracts are governed by the provisions of the applicable Section 8 contract. Generally, projects insured under Sections 220 and 221(d)(4) of the National Housing Act are not subject to rent regulation by HUD, with certain project-by-project exceptions.

The Regulatory Agreement also contains provisions detailing requirements for tenant eligibility, nondiscrimination, and permissible uses of, or changes to, the development; and prohibits the conveyance, transference or encumbrance of the development or any right to manage the development without the prior written approval of HUD. The mortgagor may not make, receive, or retain any distribution of assets or income from the development except from "surplus cash" and only as permitted under the Regulatory Agreement and applicable laws.

The mortgagor is also prohibited, without the prior written approval of HUD, from remodeling, adding to or demolishing any part of the development or engaging in any other business or activity or incurring any obligation or liability not in connection with the development.

In the event of a violation in the performance of the mortgagor's obligations under the Regulatory Agreement and the mortgagor's failure to cure such violation after receiving notice from HUD, even in the absence of a default under a mortgage note or a mortgage, HUD may (a) notify the HFA of such default and request the HFA to declare a default under the mortgage note and the mortgage, and the HFA may, at its option, declare the whole indebtedness due and thereupon proceed with foreclosure of the mortgage or assign the mortgage note and the mortgage to HUD, (b) collect all rents and charges in connection with the operation of the development and use such collections to pay the mortgagor's obligations under the Regulatory Agreement, the mortgage note and the mortgage and the expenses of maintaining the development, (c) take possession of and operate the development, and (d) apply for an injunction, appointment of a receiver or such other relief as may be appropriate.

The Regulatory Agreement provides that the mortgagor of the development assumes no personal liability for payments due under the related mortgage note and mortgage, for the reserve for replacements or for matters not under its control. The Regulatory Agreement does provide, however, that the mortgagor is liable for funds or property of the development in the possession of the mortgagor and which the mortgagor is not entitled to retain, and for the mortgagor's actions, or those of others which the mortgagor has authorized, in violation of the Regulatory Agreement.

Loss of FHA Insurance. FHA requires the maintenance of specified casualty insurance on mortgaged properties. The mortgagee must obtain such coverage in the event the mortgagor fails to do so. The failure to maintain adequate casualty insurance on a development may result in the partial or full loss of the FHA Insurance benefits in the event of damage to or destruction of such development. FHA Insurance benefits may also be lost for failure to pay required FHA mortgage insurance premiums or failure to provide FHA with required notices. FHA Insurance benefits may also be denied if fraudulent statements were made to FHA by the HFA or by the mortgagor with the knowledge of the HFA.

FHA Risk-Sharing Insurance Program

General. Section 542(c) of the Housing and Community Development Act of 1992, as amended (the "Risk-Sharing Act"), authorizes the Secretary of HUD to enter into risk-sharing agreements with qualified state or local housing finance agencies ("HFAs") to enable those HFAs to underwrite and process loans for which HUD will provide full mortgage insurance for eligible projects. HUD has promulgated regulations at 24 C.F.R. Part 266 (the "Regulations") pursuant to the Risk-Sharing Act. The Corporation has been designated by HUD as a "qualified HFA" under the Risk-Sharing Act and has entered into a risk-sharing agreement (the "Risk-Sharing Agreement") with HUD.

Under the program established by the Risk-Sharing Act (the "Risk-Sharing Program"), a participating HFA retains underwriting, loan management and property disposition functions and responsibility for defaulted loans. Following default under a mortgage loan subject to a HUD contract of mortgage insurance under the Risk-Sharing Program, the participating HFA may obtain from HUD an initial claim payment of 100% of the loan's unpaid principal balance and accrued interest, subject to certain adjustments, as further described below. After a period during which the HFA may work toward curing the default, foreclosure or resale of the related project, losses (if any) are to be calculated and apportioned between the HFA and HUD according to a specified risk-sharing percentage for the mortgage loan (determined at the time of its endorsement for insurance), and the amount of the HFA's reimbursement obligation to HUD is determined. During the period preceding such final loss settlement, the HFA is to pay HUD interest on the amount of the initial claim payment under a debenture required to be issued to HUD at the time of initial claim payment. In the case of the Corporation, such debenture interest and the Corporation's reimbursement and other payment obligations to HUD under the Risk-Sharing Agreement will not be payable from the Revenues, Accounts and Mortgage Loans pledged under the Resolution.

FHA Mortgage Insurance. In the case of a Mortgage Loan to be insured during construction, under the Regulations, HUD evidences its insurance by an initial endorsement of the applicable Mortgage Note at or prior to the first advance of moneys under the insured Mortgage Loan to the Mortgagor. Such advance ordinarily occurs prior to the commencement of construction although construction may begin using a Mortgagor's own funds with the Corporation's consent prior to initial endorsement. All advances for construction items will be made as authorized by the Corporation pursuant to the requirements of HUD. The Regulations also provide for insurance of a Mortgage Loan following completion of the project without insurance of construction advances. In either case, upon completion of the project, presentation of a closing docket and certifications required by the Regulations, HUD issues a final endorsement of the Mortgage Note for the costs related to the project which have been certified by an independent certified public accountant and have been approved by the Corporation. Although the Corporation has been given authority to approve cost certifications by a Mortgagor, such certifications are contestable by HUD, up to and during final endorsement of the applicable Mortgage.

The Regulations define an event of default under a HUD-insured mortgage as (i) a failure to make any payment due under the Mortgage or (ii) a failure to perform any other mortgage covenant (which include covenants in the related Regulatory Agreement, which is incorporated by reference in the applicable Mortgage) if the Corporation, because of such failure, has accelerated the debt. The Corporation is entitled to receive the benefits of insurance after the Mortgagor has defaulted and such default continues for a period of 30 days. If the default continues to exist at the end of the 30 day grace period, the Corporation is required to give HUD written notice of the default within 10 days after such grace period and monthly thereafter, unless waived by HUD, until such default has been cured or the Corporation has filed an application for an initial claim payment.

Unless a written extension is granted by HUD, the Corporation must file an application for initial claim payment (or, if appropriate, for partial claim payment) within 75 days from the date of default. Such claim may be made as early as the first day of the month following the month for which a payment was missed. Upon request of the Corporation, HUD may extend, up to 180 days from the date of default, the deadline for filing a claim. In those cases where the Corporation certifies that the Mortgagor is in the process of transacting a bond refunding, refinancing the Mortgage, or changing the ownership for the purpose of curing the default and bringing the Mortgage current, HUD may extend the deadline for filing a claim beyond 180 days.

The initial claim amount is 100% of the unpaid principal balance of the Mortgage Note as of the date of default, plus interest at the Mortgage Note rate from the date of default to the date of initial claim payment (subject to curtailment as described below). HUD must make all claim payments in cash. The initial claim payment from HUD is equal to the initial claim amount, less any delinquent mortgage insurance premiums, late charges and interest assessment under the Regulations. The Regulations provide that proceeds of the initial claim payment must be used to retire any bonds or any other financing mechanisms securing the Mortgage within 30 days of the initial claim payment, and that any excess funds resulting from such retirement or repayment shall be returned to HUD within 30 days of the retirement.

In determining the Mortgage Note interest component of the initial claim amount, if the Corporation fails to meet any of the requirements of the Regulations concerning claim procedures within the specified time (including any granted extension of time), HUD shall curtail the accrual of Mortgage Note interest by the number of days by which the required action was late.

FHA insurance under the Risk Sharing Program with respect to any Mortgage Loan may be terminated upon the occurrence of certain events, including the following: (i) the corresponding Mortgage is paid in full; (ii) the Corporation acquires the applicable project and notifies the FHA Commissioner that it will not file an insurance claim; (iii) a party other than the Corporation acquires the applicable project at a foreclosure sale; (iv) the Corporation notifies the FHA Commissioner of a voluntary termination; (v) the Corporation or its successors commit fraud or make a material misrepresentation to the FHA Commissioner with respect to certain information; (vi) the receipt by the FHA Commissioner of an application for final claims settlement by the Corporation; or (vii) the Corporation acquires the applicable project and fails to make an initial claim.

REMIC Insurance Program

General. REMIC was created in January 1993 as a public benefit corporation of the State under Section 654-d of the New York Private Housing Finance Law (the "REMIC Act"). The REMIC Act also established REMIC as a subsidiary of the Corporation. REMIC is the successor to the New York City Rehabilitation Mortgage Insurance Corporation ("Old REMIC") which was in operation from 1973 until January 1993 when REMIC assumed all of Old REMIC's obligations, including its contracts of insurance and commitments to insure mortgages.

REMIC consists of nine members, seven of whom are the members of the Corporation plus two additional members who are appointed by the Mayor of the City. The Chairperson of the Corporation is also the Chairperson of REMIC. The powers of REMIC are vested in and exercised by no less than five members. REMIC may delegate to one or more of its members, officers, agents or employees such powers and duties as it deems proper. The officers and staff of REMIC are all employees of the Corporation. The REMIC Act prohibits REMIC from issuing a commitment to insure a mortgage loan made by the Corporation unless such commitment is approved by at least two members of a three member committee composed of the Chairperson and the two members of REMIC who are not members of the Corporation.

Purposes and Powers. REMIC's purpose is to insure mortgage loans in order to promote the preservation of neighborhoods in New York City which are blighted, are becoming blighted or may become blighted; to discourage disinvestment and encourage investment of mortgage capital in such neighborhoods; and to provide safe, sanitary and affordable housing accommodations to persons and families for which the ordinary operations of private enterprise cannot supply such accommodations. In furtherance of its corporate purpose, REMIC is authorized to enter into commitments to insure mortgages and contracts of insurance, and fulfill its obligations and enforce its rights under any insurance so furnished, including any contracts of insurance of Old REMIC.

REMIC is empowered to insure permanent first mortgage loans made by financial institutions for multi-family housing accommodations, one to four family homes, and emergency, transitional or shelter housing ("Shelter Housing") located in the City of New York. This includes multi-family rental and cooperative buildings, owner-occupied one to four family homes, cooperative units, condominium units, Shelter Housing and mixed-use buildings, provided that, with respect to mixed-use buildings containing more than six dwelling units and Shelter Housing, the above-ground commercial space must contain less than 25% of the total above-ground square footage of the insured property. REMIC insurance coverage (the "Coverage Percentage") is limited by property type and loan type. Lenders can obtain up to 50% coverage on preservation loans (i.e., refinancing and/or acquisition loans), up to 75% on rehabilitation loans (i.e., permanent loans which replace construction or rehabilitation financing) and up to 100% on preservation or rehabilitation loans made by a public employee pension system or another public benefit corporation, including the Corporation, when such loan is funded with the proceeds of a bond issue.

REMIC Funds. The REMIC Act establishes a housing insurance fund (the "HIF"), a mortgage insurance fund (the "REMIC MIF") and a REMIC premium reserve fund ("PRF"). REMIC is required to maintain the HIF to serve as a revolving fund for carrying out the provisions of the REMIC Act with respect to housing insurance contracts entered into by REMIC. The HIF requirement, as of any particular date of computation, is equal to an amount of money or cash equivalents equal to the aggregate of (a) the insured amounts of loans due and payable as of such date pursuant to its housing insurance contracts, plus (b) an amount equal to 20% of the insured amounts under REMIC's housing insurance contracts (other than insured amounts due and payable pursuant to clause (a) above) plus 20% of the amounts to be insured under REMIC's commitments to insure. Increases to the HIF are funded solely from monies from the PRF. The term "cash equivalent" means a letter of credit, insurance policy, surety, guarantee, indemnity or other security arrangement.

The REMIC Act provides that no monies shall be withdrawn from the HIF at any time in such amount as would reduce the amount in the HIF to less than the HIF requirement, except for the purpose of paying liabilities arising from housing insurance contracts as they come due and for the payment of which other monies are not available.

As of January 31, 2014, the HIF's total liability against commitments and against housing insurance contracts in force was approximately $250 million. As of January 31, 2014, the HIF had a total loan amount on outstanding commitments and housing insurance contracts in force of approximately $1,087 million on 259 properties. As of January 31, 2014, the HIF was funded in cash or marketable securities in an amount at least equal to the HIF requirement.

REMIC is also required to maintain the REMIC MIF which serves as a revolving fund for carrying out the provisions of Old REMIC's commitments to insure and insurance contracts which are known as "mortgage insurance contracts" rather than "housing insurance contracts." The REMIC MIF requirement, as of any particular date of computation, is equal to an amount of money equal to the aggregate of (a) the insured amounts of loans due and payable as of such date pursuant to its mortgage insurance contracts plus (b) an amount equal to the greater of $7,500,000 or 20% of the insured amounts under REMIC's mortgage insurance contracts (other than insured amounts due and payable pursuant to clause (a) above) plus 20% of the amounts to be insured under Old REMIC's commitments to insure; provided, however, the REMIC MIF requirement will be decreased to an amount equal to the aggregate of (x) the amounts due and payable or insured under mortgage insurance contracts and (y) the amounts to be insured under Old REMIC commitments, when the total of such amounts is less than $7,500,000. Increases to the REMIC MIF are funded solely from monies from the PRF.

The REMIC Act provides that no monies shall be withdrawn from the REMIC MIF at any time in such amount as would reduce the amount in the REMIC MIF to less than the REMIC MIF requirement, except for the purpose of paying liabilities arising from mortgage insurance contracts as they become due and for the payment of which other monies are not available.

As of January 31, 2104, the REMIC MIF's total liability against mortgage insurance contracts in force was $60,882. As of January 31, 2014, the REMIC MIF had a total loan amount on outstanding commitments and mortgage insurance contracts in force of $164,043 on two (2) properties. As of January 31, 2014, the REMIC MIF was funded in an amount at least equal to the REMIC MIF requirement.

REMIC also maintains the PRF to provide for payment of REMIC's liabilities arising from its operations, its housing insurance contracts and its mortgage insurance contracts. All monies deposited in the PRF, whether from earned premiums, investment income or other sources, represent the excess over the REMIC MIF and HIF requirements. If the amounts in the HIF and the REMIC MIF are below their respective requirements, amounts in the PRF are available to restore these funds to their requirements. As of January 31, 2014, the PRF totaled approximately $34 million.

Claims for Loss. As of January 31, 2014, Old REMIC and the REMIC MIF had paid a total of twelve (12) claims for loss on insurance policies under its mortgage insurance coverage in the aggregate amount of $598,291. As of January 31, 2014, the HIF had neither paid claims for loss nor had any policies in force on which claims for loss had been submitted.

The claims-paying ability of the HIF is rated "AA" by S&P. The REMIC MIF and the PRF are not rated by any recognized rating agency. 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 this rating 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.

The payment of principal and interest on the Bonds is not secured by or payable from monies held in the HIF, the REMIC MIF or the PRF, and REMIC is not liable on the Bonds. The REMIC Act provides that all amounts in the HIF, with certain exceptions, shall be used solely for the payment of its liabilities arising from housing insurance contracts. Only monies in the HIF and the PRF will be available to REMIC for payment of REMIC's liabilities under the REMIC Insurance. There are no other dedicated sources of revenue to pay for the insurance obligations of REMIC. There can be no assurance that the amounts on deposit in the HIF and PRF will not be depleted through payment of liabilities arising with respect to insured mortgage loans other than REMIC-insured Mortgage Loans.

The audited financial statements of REMIC for the fiscal year ended October 31, 2013 are included in the audited financial statements of the Corporation for the fiscal year ended October 31, 2013 which are incorporated by reference in this Official Statement. Copies of the Annual Report of the Corporation, which includes information on REMIC, are available from REMIC at 110 William Street, New York, New York 10038, telephone: (212) 227-5500, or through its internet address: www.nychdc.com/subsidiaries/REMIC.html.

Benefits for the Mortgage Loans secured or expected to be secured by REMIC Insurance under HIF. The REMIC Master Policy of Insurance (the "REMIC Policy"), which covers a specified percentage of the original Mortgage Loan amount for each insured Mortgage Loan on a first loss basis, requires each insured lender benefitting from REMIC Insurance (an "Insured") to notify REMIC within forty-five (45) days after a payment default by a Mortgagor on an insured Mortgage Loan and to provide various additional notices during the period of default. When a Mortgagor fails to pay a total aggregate amount equal to four regular monthly payments of principal and interest, and any escrow payments due under the terms of an insured Mortgage Loan, disregarding any waivers or extensions by the Insured (termed "Four Months in Default" under the REMIC Policy), and assuming such notices have been timely submitted and other preconditions have been met, the Insured may make a claim for REMIC Insurance benefits.

Upon receipt of a notice of default under an insured Mortgage Loan, REMIC has the right to purchase the Mortgage Loan from the Insured for a price equal to the unpaid principal balance thereof and all "Allowed Costs" (defined to mean delinquent interest, taxes, attorney fees and the like) not previously reimbursed by REMIC. Thereafter, REMIC is to receive an assignment of the Mortgage Loan and all reserves held for the credit of the related Development. The Insured may also request, if the Mortgage Loan is Four Months in Default, that REMIC enter into (i) a periodic payment plan lasting no more than two years during which time the Insured is to receive from REMIC on a quarterly basis the amounts due on the Mortgage Loan net of the operating income from the Development assigned by the Mortgagor to the Insured, or (ii) where there is no reasonable expectation that there will be a cure of the Mortgage Loan default, a lump sum payment agreement requiring payment by REMIC to the Insured of an amount equal to the average of two quoted market valuations of the property plus the Coverage Percentage of Allowed Costs. At the end of the two year periodic payment plan period, any additional insurance benefits due to the Insured are to be paid by REMIC. In the case of both a periodic payment plan and a lump sum payment plan, total insurance benefits paid may not exceed the lesser of (x) the Coverage Percentage of the full Claim for Loss (defined below), or (y) the Coverage Percentage of the Mortgage Loan principal amount as initially insured.

Unless the related Mortgage Loan is purchased by REMIC, or a periodic payment plan or lump sum payment plan has been executed, as described above, the Insured is required by the REMIC Policy to commence proceedings to obtain title to the Development when the insured Mortgage Loan becomes Four Months in Default (although the Insured is free to commence such proceedings upon any default). However, upon consent of REMIC or satisfaction of certain other conditions, actions, including foreclosure proceedings, may be undertaken in which title to the property will pass to a third party.

In the event that the Insured obtains title to the Development, the Insured may present a claim under the REMIC Insurance and REMIC, at its option, will pay insurance benefits in either of the following amounts:

(a) the full "Claim for Loss," consisting of the Mortgage Loan principal balance as of the date of default and Allowed Costs but net of reserves held for the Development and net of any portion of the claim attributable to Insured fault or previously reimbursed to the Insured, in which case title to the Development is to be transferred to REMIC, or

(b) a percentage of the full Claim for Loss equal to the Coverage Percentage thereof, but not in excess of the Coverage Percentage of the Mortgage Loan principal amount as initially insured, in which case the Insured is to retain title to the Development.

If proceedings are undertaken in which title to the property passes to a third party, the Insured may claim under the REMIC Insurance for payment of the full Claim for Loss, net of the amounts realized by the Insured from such proceedings, but never in excess of the Coverage Percentage of the Mortgage Loan principal amount as initially insured.

For specific information on the coverage provided by REMIC Insurance, reference should be made to the applicable REMIC commitment and the Master Policy issued by REMIC, which are available at the offices of the Corporation.

The REMIC Insurance may terminate pursuant to its terms upon the occurrence of certain events including, without limitation, the nonpayment of renewal premium, the material modification of the Mortgage without the prior written approval of REMIC, and the disposal of property or collateral securing the Mortgage Loan prior to the final settlement of a claim for loss.

With respect to the Mortgage Loans insured or expected to be insured by REMIC, amounts in the HIF are available, and amounts in the REMIC MIF and the PRF are not available, to pay any liability incurred by REMIC with respect to such Mortgage Loans.

As of January 31, 2014, one hundred and eighty-four (184) permanent Mortgage Loans under the Program, with an aggregate outstanding Mortgage Loan balance of approximately $991 million are partially insured by REMIC.

REMIC makes no representation as to the contents of this Official Statement (other than this section), the suitability of the Bonds for any investor, the feasibility of the Developments, or compliance with any securities or tax laws and regulations which may relate to the issuance and sale of the Bonds.

REMIC's role is limited to providing the coverage set forth in the REMIC Insurance.

SONYMA Insurance Program

As further described below, the State of New York Mortgage Agency ("SONYMA") operates a mortgage insurance program. Mortgage Loans insured by SONYMA are referred to as the "SONYMA-insured Mortgage Loans." ***The Bonds are not insured by SONYMA and SONYMA is not liable on the Bonds.***

General. SONYMA was established pursuant to the State of New York Mortgage Agency Act, Chapter 612 of the Laws of New York, 1970, as amended (the "SONYMA Act"). The directors of SONYMA consist of the State Comptroller or his appointee, the Director of the Budget of the State of New York, the Commissioner of the New York State Division of Housing and Community Renewal, one director appointed by the Temporary President of the State Senate, one director appointed by the Speaker of the State Assembly, and four directors appointed by the Governor with the advice and consent of the State Senate. SONYMA employs a staff of approximately 107 employees, including 10 persons who staff the legal, underwriting and risk evaluation, administrative and servicing units of the SONYMA Mortgage Insurance Fund. The issuance of commitments to insure loans of greater than $2,000,000 requires the approval of SONYMA's Mortgage Insurance Committee and the issuance of commitments to insure loans of greater than $7,000,000 also requires the approval of the directors of SONYMA.

The SONYMA Act authorizes SONYMA to enter into commitments to insure mortgages and contracts of mortgage insurance and to contract to facilitate the financial activities of the Convention Center Development Corporation (the "CCDC"), a subsidiary of the New York State Urban Development Corporation, and to fulfill SONYMA's obligations and enforce its rights under any insurance or financial support so furnished. Part II of the SONYMA Act, authorizing the mortgage insurance program, was adopted by the State Legislature in 1978 to encourage financial institutions to make mortgage loans in neighborhoods suffering from disinvestment by providing mortgage insurance to minimize the investment risk. In 1989, the SONYMA Act was amended to authorize SONYMA to provide insurance for a loan or pool of loans (a) when the property is located in an "economic development zone" as defined under State law, (b) when the property will provide affordable housing, (c) when the entity providing the mortgage financing was or is created by local, State or Federal legislation, and certifies to SONYMA that the project meets the program criteria applicable to such entity or (d) when the property will provide a retail or community service facility that would not otherwise be provided. In December 2004, the SONYMA Act was amended to authorize SONYMA to enter into agreements with CCDC to provide a source or potential source of financial support to bonds of the CCDC and, to the extent not otherwise provided in respect of the support of bonds, for its ancillary bond facilities.

The SONYMA Act authorizes SONYMA to create a mortgage insurance fund (the "SONYMA Mortgage Insurance Fund"). The SONYMA Mortgage Insurance Fund is used as a revolving fund for carrying out the provisions of the SONYMA Act with respect to mortgages insured thereunder and with respect to providing credit support for the CCDC bonds or ancillary bond facilities. The Bonds are not secured by monies held in the SONYMA Mortgage Insurance Fund and SONYMA is not liable on the Bonds. The SONYMA Act provides that all monies held in the SONYMA Mortgage Insurance Fund, with certain exceptions, shall be used solely for the payment of its liabilities arising from mortgages insured by SONYMA or for providing credit support for the CCDC bonds or ancillary bond facilities pursuant to the SONYMA Act. Only monies in the appropriate accounts of the SONYMA Mortgage

Insurance Fund will be available to SONYMA for payment of SONYMA's liabilities under the SONYMA mortgage insurance policies for the SONYMA-insured Mortgage Loans (the "SONYMA Insurance").

The SONYMA Act establishes within the SONYMA Mortgage Insurance Fund a project pool insurance account with respect to insurance on properties other than one to four dwelling units (the "Project Pool Insurance Account"), a special account (the "Special Account"), a single family pool insurance account with respect to insurance related to one to four dwelling units (the "Single Family Pool Insurance Account"), and a development corporation credit support account with respect to providing credit support for the bonds or ancillary bond facilities of the CCDC (the "Development Corporation Credit Support Account"). The Development Corporation Credit Support Account is a source or potential source of payment of the sum of the respective amounts (or percentages) of required or permissive funding by the CCDC of each reserve and financial support fund established by the CCDC for its bonds and, to the extent not otherwise provided in respect of the support of bonds, for its ancillary bond facilities for which SONYMA has determined that the Development Corporation Credit Support Account is or will be a source or potential source of funding.

The SONYMA Act provides that assets of the Project Pool Insurance Account, the Special Account, the Single Family Pool Insurance Account and the Development Corporation Credit Support Account shall be kept separate and shall not be commingled with each other or with any other accounts which may be established from time to time, except as authorized by the SONYMA Act. The SONYMA-insured Mortgage Loans are insured by SONYMA under the Project Pool Insurance Account.

The SONYMA Act provides that all monies held in the Project Pool Insurance Account, with certain exceptions, shall be used solely for the payment of its liabilities arising from mortgages insured by SONYMA pursuant to the SONYMA Act. The claims-paying ability of each of the Project Pool Insurance Account and the Single Family Pool Insurance Account of the SONYMA Mortgage Insurance Fund are rated "Aa1" by Moody's Investors Service with a negative outlook on the Single Family Pool Insurance Account. The claims-paying ability of the Project Pool Insurance Account and the Single Family Pool Insurance Account of the SONYMA Mortgage Insurance Fund are rated "AA-" and "AA+," respectively, by Fitch, Inc. with a negative outlook on the Project Pool Insurance Account. Such ratings reflect only the views of such organizations; an explanation of the significance of such ratings may be obtained from the respective rating agencies. There is no assurance that such ratings will continue for any period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. These ratings were established subsequent to SONYMA's change in its procedures to now require that reserves established with respect to project primary insurance it provides be deposited to the Project Pool Insurance Account. The claims paying ability of the Development Corporation Credit Support Account has not been rated. The SONYMA Act provides that SONYMA may not execute a contract to provide credit support to the bonds or ancillary bond facilities of the CCDC if, at the time such contract is executed, such execution would impair any then existing credit rating of the Single Family Pool Insurance Account or the Project Pool Insurance Account.

The SONYMA Mortgage Insurance Fund is funded primarily by a surtax on the State mortgage recording tax. Section 253(1-a) of the State Tax Law (the "State Tax Law") imposes a surtax (the "Tax") on recording mortgages of real property situated within the State. Excluded from the Tax are, among others, recordings of mortgages executed by voluntary nonprofit hospital corporations, mortgages executed by or granted to the Dormitory Authority of the State of New York and mortgages, wherein the mortgagee is a natural person, on mortgaged premises consisting of real property improved by a structure containing six or fewer residential dwelling units, each with separate cooking facilities. The Tax is equal to $0.25 for each $100 (and each remaining major fraction thereof) of principal debt which is secured by the mortgage. Section 261 of the State Tax Law requires the respective recording officers of each county of the State, on or before the tenth day of each month, after deducting certain administrative expenses incident to the maintenance of their respective recording offices, to pay SONYMA for deposit to the credit of the SONYMA Mortgage Insurance Fund the portion of the Tax collected by such counties during the preceding month, except that: (i) with respect to mortgages recorded on and after May 1, 1987, the balance of the Tax paid during each month to the recording officers of the counties comprising the Metropolitan Commuter Transportation District on mortgages of any real property improved by a structure containing six residential dwelling units or less with separate cooking facilities, shall be paid over to the Metropolitan Transportation Authority; (ii) with respect to mortgages recorded on and after May 1, 1987, the balance of the Tax paid during each month to the recording officers of the County of Erie on mortgages of any real property improved by a structure containing six residential dwelling units or less with separate cooking facilities, shall be paid over to the State Comptroller for deposit into the Niagara Frontier Transportation Authority light rail rapid transit special assistance fund; and (iii) Taxes paid upon mortgages covering real property situated in two or more counties shall be apportioned by the State Tax Commission among SONYMA, the Metropolitan Transportation Authority and the Niagara Frontier Transportation Authority, as appropriate.

Mortgage recording taxes have been collected in the State for more than 75 years. SONYMA has been entitled to receive Tax receipts since December 1978. Under existing law, no further action on the part of the State legislature is necessary for the SONYMA Mortgage Insurance Fund to continue to receive such monies. However, the State is not bound or obligated to impose, or to impose at current levels, the mortgage recording taxes described above or to direct the proceeds to SONYMA as currently provided. The SONYMA Mortgage Insurance Fund's receipt of Tax receipts is dependent upon the performance by the county recording officers of their collection and remittance obligations; the State Tax Commission is given general supervisory power over such officers. Tax receipts paid to the Mortgage Insurance Fund in calendar years 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013 were approximately $131 million, $168 million, $184 million, $210 million, $140 million, $73 million, $64 million, $79 million, $99 million and $140 million, respectively. Through and including March 31, 2014, the tax receipts payable to the Mortgage Insurance Fund in calendar year 2014 were approximately $36 million. Tax receipts have fluctuated over the period they have been payable to the Mortgage Insurance Fund, due to changing conditions in the State's real estate market.

The SONYMA Act provides that SONYMA must credit the amount of money received from the recording officer of each county to the Special Account. The SONYMA Act provides that SONYMA may credit from the Special Account to the Project Pool Insurance Account, the Single Family Pool Insurance Account or the Development Corporation Credit Support Account, such moneys as are needed to satisfy the mortgage insurance fund requirement (as defined in the SONYMA Act) (the "Mortgage Insurance Fund Requirement") of the Project Pool Insurance Account, the Single Family Pool Insurance Account and the Development Corporation Credit Support Account, respectively, except that during any twelve-month period ending on March thirty-first the aggregate amount credited to the Development Corporation Credit Support Account (excluding investment earnings thereon) shall not exceed the lesser of (i) fifty million dollars or (ii) the aggregate of the amounts required under the contracts executed by SONYMA to provide credit support to the CCDC's bonds or ancillary bond facilities. The SONYMA Act also provides that if at any time the moneys, investments and cash equivalents (valued as determined by SONYMA) of the Project Pool Insurance Account, the Single Family Pool Insurance Account or the Development Corporation Credit Support Account exceed the amount necessary to attain and maintain the credit rating or, with respect to credit support to the CCDC's bonds or ancillary bond facilities, credit worthiness (as determined by SONYMA) required to accomplish the purposes of either of such Accounts, SONYMA shall transfer such excess to the Special Account. Any excess balance in the Special Account is required to be remitted to the State annually. The SONYMA Act provides that no monies shall be withdrawn from any account within the SONYMA Mortgage Insurance Fund at any time in such amount as would reduce the amount in each account of such Fund to less than its applicable Mortgage Insurance Fund Requirement, except for the purpose of paying liabilities as they become due and for the payment of which other monies are not available. There can be no assurance that the amounts on deposit in the Project Pool Insurance Account will not be depleted through payment of liabilities arising with respect to insured mortgage loans other than the SONYMA-insured Mortgage Loans.

The Mortgage Insurance Fund Requirement as of any particular date of computation is equal to an amount of money or cash equivalents equal to (a) the aggregate of (i) the insured amounts of loans and such amount of credit support for the CCDC's bonds or ancillary bond facilities that SONYMA has determined to be due and payable as of such date pursuant to its contracts to insure mortgages or provide credit support for the CCDC's bonds or ancillary bond facilities plus (ii) an amount equal to twenty per centum (20%) of the amounts of loans insured under SONYMA's insurance contracts plus twenty per centum (20%) of the amounts to be insured under SONYMA's commitments to insure less the amounts payable pursuant to subparagraph (i) above (provided, however, that if the board of directors of SONYMA shall have established a higher per centum for a category of loans pursuant to the SONYMA Act, such per centum shall be substituted for twenty per centum (20%) in this paragraph as, for example, the March 2001 board of directors determination that the per centum for special needs facilities was forty per centum (40%)), plus (iii) an amount equal to the respective amounts established by contracts under which SONYMA has determined that the Development Corporation Credit Support Account will provide credit support for CCDC, less the amounts payable with respect to credit support for CCDC's bonds or ancillary bond facilities pursuant to subparagraph (i) above less (b) the aggregate of the amount of each reinsurance contract procured in connection with obligations of SONYMA determined by SONYMA to be a reduction pursuant to this paragraph in calculating the Mortgage Insurance Fund Requirement. Pursuant to the SONYMA Act, the board of directors of SONYMA may, from time to time, establish a Mortgage Insurance Fund Requirement in an amount higher than the twenty per centum (20%) set forth above. There can be no assurance that, in the future, there will not be additional changes in the Mortgage Insurance Fund Requirement for any category of loans.

As of March 31, 2014, the amount of reserves (money or cash equivalents) in the Project Pool Insurance Account was $1,357,504,000 and the Mortgage Insurance Fund Requirement related to such Account was $784,598,169. Amounts on deposit in the Project Pool Insurance Account may be transferred to other accounts or withdrawn as described in the second preceding paragraph.

As of March 31, 2014, the SONYMA Mortgage Insurance Fund's total liability against project mortgage insurance commitments and policies in force was $3,599,067,889 and the SONYMA Mortgage Insurance Fund had a total loan amount on outstanding project mortgage insurance commitments and policies in force of $3,923,542,364.

As of March 31, 2014, the Project Pool Insurance Account had paid 71 project mortgage insurance claims for loss in the aggregate amount of $124,625,526. As of March 31, 2014, the SONYMA Mortgage Insurance Fund had 18 project mortgage insurance policies in force on which claims for loss had been submitted. SONYMA estimates that its total liability thereon is $36,419,242.

On September 28, 2005, the board of directors of SONYMA authorized SONYMA to enter into a credit support agreement with CCDC, pursuant to which SONYMA has agreed to provide credit support for the New York Convention Center Development Corporation Revenue Bonds (Hotel Unit Fee Secured) Series 2005 (the "CCDC Series 2005 Bonds") issued by CCDC. SONYMA has made an initial deposit of $33.8 million into the Development Corporation Credit Support Account and, thereafter, will maintain a minimum balance of $25 million in such Account. These moneys will be used to support the payment of an amount equal to up to one-third of the scheduled principal and interest due on the CCDC Series 2005 Bonds.

In addition to the mortgage insurance program and the credit support program, the SONYMA Act authorizes SONYMA to purchase and make commitments to purchase mortgage loans on single-family (one-to four-unit) housing and home improvement loans from certain lenders in the State. The SONYMA Act also empowers SONYMA to make and purchase certain student loans. SONYMA may issue its bonds to finance purchases of loans.

Copies of SONYMA's audited financial statements for the fiscal year ended October 31, 2013 are available from the State of New York Mortgage Agency, 641 Lexington Avenue, New York, New York 10022, telephone (212) 688-4000.

SONYMA makes no representation as to the contents of this Official Statement (other than this section), the suitability of the Bonds for any investor, the feasibility of any Project or compliance with any securities or tax laws and regulations which may relate to the issuance and sale of the Bonds.

SONYMA's role is limited to providing the coverage set forth in the SONYMA Insurance.

State Fiscal Year 2014-2015 Enacted Budget

The Current Enacted Budget of the State requires certain transfers of moneys from the SONYMA Mortgage Insurance Fund's Project Pool Insurance Account. (Each State fiscal year is for the twelve-month period from April 1 of a calendar year to and including March 31 in the next succeeding calendar year.) Each transfer requires a determination by SONYMA that, at the time of such transfer, the reserves remaining in the Project Pool Insurance Account are sufficient to attain and maintain the credit rating required to accomplish the purposes of such Account. There can be no assurances as to what effect, if any, any such transfer may have on the then-current rating of the SONYMA Mortgage Insurance Fund's Project Pool Insurance Account by any rating agency.

Assuming satisfaction of the above-referenced conditions precedent, seven transfers will be made from the Project Pool Insurance Account in an aggregate amount of up to $75.418 million as follows: six to the Housing Trust Fund Corporation (the first three of which, in an aggregate amount of $32.418 million, were made on May 8, 2014 while the remaining three, in an aggregate amount up to $11 million will occur no later than March 31, 2015) and one of up to $32 million to the New York State Housing Finance Agency by March 31, 2015.

Provisions similar to the transfer provisions were enacted as part of prior State Enacted Budgets resulting in transfers from the Project Pool Insurance Account in State Fiscal Year 2013 – 2014 to the State General Fund, the Housing Finance Agency and the Housing Trust Fund Corporation in the aggregate amount of $135,952,200 and in transfers from the Project Pool Insurance Account in State Fiscal Years 2012-2013 and 2008-2009 to the State General Fund in the amount of $100 million. State budget legislation in future years may provide for transfers from the Project Pool Insurance Account or other accounts in the SONYMA Mortgage Insurance Fund. SONYMA makes no representation regarding whether any such transfers, or the amounts thereof, will be enacted.

Additional provisions of the Current Enacted Budget direct that excess balance in the Special Account, as calculated in accordance with the SONYMA Act for the State Fiscal Year 2013-2014 (see SONYMA Insurance Program - General), shall be transferred to the State of New York Municipal Bond Bank Agency in an amount up to $34 million (a transfer in the amount of $28 million was made on June 17, 2014 with the balance, in an amount up to $6 million, to be transferred no later than March 31, 2015) and to the Homeless Housing and Assistance Corporation in an amount up to $6 million (which transfer was made on June 18, 2014). To the extent that excess balance in the Special Account is insufficient to fund such transfers, and provided that a determination is made by SONYMA that, at the time of such transfer, the reserves remaining in the Project Pool Insurance Account are sufficient to attain and maintain the credit rating required to accomplish the purposes of such Account, such transfers will be made from the Project Pool Insurance Account. On April 9, 2014, SONYMA notified the Director of the Budget that it had determined that the final excess balance in the Special Account for the State Fiscal Year 2013-2014 was $40,046,990.

The SONYMA Act provides that no monies shall be withdrawn from any account within the SONYMA Mortgage Insurance Fund at any time in an amount which would reduce the amount on deposit in such account, including the Project Pool Insurance Account, of the Fund to fall below its statutorily required reserves.

Collection of SONYMA Mortgage Insurance Benefits – 100% Mortgage Loans.

It is expected that the SONYMA-insured Mortgage Loans will be or have been insured by SONYMA upon compliance with certain conditions contained in their respective SONYMA insurance commitments. As of the date of this Official Statement, certain Mortgage Loans insured by SONYMA have been or will be insured for 100% of the outstanding principal balance thereof (the "100% Mortgage Loans"). The following description relates only to 100% Mortgage Loans which are insured for 100% of the outstanding principal balance thereof.

Pursuant to the SONYMA Insurance with respect to each of the SONYMA-insured 100% Mortgage Loans, following certain defaults under the respective Mortgage securing such 100% Mortgage Loans, the Corporation shall file a claim for loss with SONYMA. Thereupon, SONYMA has the option to either (i) make periodic payments of its obligation under the SONYMA Insurance in amounts equal to the scheduled principal and interest payments due with respect to such 100% Mortgage Loan plus certain other amounts expended by the Corporation (for which the Corporation has not been reimbursed) or (ii) make a lump sum payment under the SONYMA Insurance in an amount equal to the sum of the principal outstanding and interest accrued on such 100% Mortgage Loan from the date of such claim for loss to the date of payment in respect of such claim for loss and certain other amounts expended by the Corporation (for which the Corporation has not been reimbursed). Periodic payments are to be made monthly. In addition, if SONYMA has chosen initially to make periodic payments it may nevertheless exercise its option to make a lump sum payment in the full amount of its then outstanding obligation under the SONYMA Insurance at any time while SONYMA is making periodic payments. Upon a lump sum payment by SONYMA, the Corporation shall assign such Mortgage to SONYMA. The SONYMA Insurance with respect to such 100% Mortgage Loan may terminate pursuant to its terms upon the occurrence of certain events including the nonpayment of renewal premium. For specific information on the coverage provided by the SONYMA Insurance with respect to such 100% Mortgage Loan, reference should be made to the policy related to such SONYMA Insurance which is available for inspection at the office of the Corporation.

The Corporation has covenanted not to take any action to conflict with SONYMA regulations so as to jeopardize the SONYMA Insurance. In addition, in the event of a default under any of the SONYMA-insured 100% Mortgage Loans, the Corporation has covenanted to undertake to assign such 100% Mortgage Loan to SONYMA or take such other actions in timely fashion so as to avoid any loss or diminution of benefits receivable as SONYMA Insurance.

Collection of SONYMA Mortgage Insurance Benefits – 50% Mortgage Loans.

It is expected that the SONYMA-insured Mortgage Loans will be or have been insured by SONYMA upon compliance with certain conditions contained in their respective SONYMA insurance commitments. As of the date of this Official Statement, certain Mortgage Loans insured by SONYMA have been or will be insured for 50% of the originally insured principal balance thereof on a first loss basis (the "50% Mortgage Loans"). The following description relates only to 50% Mortgage Loans which are insured for 50% of the originally insured principal balance thereof.

Pursuant to the SONYMA Insurance with respect to each of the SONYMA-insured 50% Mortgage Loans, following certain defaults under the respective Mortgage securing such 50% Mortgage Loans, the Corporation shall file a claim for loss with SONYMA. Thereupon, SONYMA has the option to either (i) make periodic payments of its obligation under the SONYMA Insurance in amounts equal to the scheduled principal and interest payments due with respect to such 50% Mortgage Loan plus certain other amounts expended by the Corporation (for which the Corporation has not been reimbursed) in an aggregate amount not to exceed 50% of the originally insured principal balance or (ii) make a lump sum payment under the SONYMA Insurance in an amount not to exceed the lesser of (i) 50% of the originally insured amount thereof, or (ii) the sum of the principal outstanding and interest accrued on such 50% Mortgage Loan from the date of such claim for loss to the date of payment in respect of such claim for loss and certain other amounts expended by the Corporation (for which the Corporation has not been reimbursed). SONYMA shall make periodic payments for a period not to exceed three (3) years at the expiration of which, SONYMA may elect to continue the periodic payments or suspend payments until the Corporation obtains a deficiency judgment, at which time SONYMA will pay to the Corporation the remainder of its then outstanding obligation under the SONYMA Insurance. Periodic payments are to be made monthly. In addition, if SONYMA has chosen initially to make periodic payments it may at any time nevertheless exercise its option to make a lump sum payment. The SONYMA Insurance with respect to such 50% Mortgage Loan may terminate pursuant to its terms upon the occurrence of certain events including the nonpayment of renewal premium. For specific information on the coverage provided by the SONYMA Insurance with respect to such 50% Mortgage Loan, reference should be made to the policy related to such SONYMA Insurance which is available for inspection at the office of the Corporation.

The Corporation has covenanted not to take any action to conflict with SONYMA regulations so as to jeopardize the SONYMA Insurance. In addition, in the event of a default under any of the SONYMA-insured 50% Mortgage Loans, the Corporation has covenanted to take such other actions in timely fashion so as to avoid any loss or diminution of benefits receivable as SONYMA Insurance.

GNMA Mortgage-Backed Securities Program

GNMA Securities are "fully-modified, pass-through" securities which require the Mortgage Banker that issued such GNMA Securities or its assignee (i) to make monthly payments of principal and interest on the aggregate principal balance thereof to the holder of the GNMA Securities, whether or not the Mortgage Banker receives payments on the mortgage loans backing the GNMA Securities from the mortgagor, and (ii) to pass through any prepayments of principal and premiums on the mortgage loans received by the Mortgage Banker. GNMA Securities are guaranteed as to full and timely payment of principal and interest by GNMA, a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development with its principal office in Washington, D.C.

GNMA Guaranty. GNMA is authorized by Section 306(g) of Title III of the National Housing Act to guarantee the timely payment of the principal of and interest on securities which are based on and backed by, among other things, an FHA-insured mortgage loan under the National Housing Act. Section 306(g) of the National Housing Act provides further that "the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection." An opinion, dated December 12, 1969, of an Assistant Attorney General of the United States, states that, under Section 306(g) of the National Housing Act, such guarantees of mortgage-backed securities (of the type to be delivered to the Trustee on behalf of the Corporation) are authorized to be made by GNMA and "would constitute general obligations of the United States backed by its full faith and credit."

GNMA guarantees the timely payment of the principal of and interest on the GNMA Security by the Mortgage Banker. Interest and principal payments on the underlying mortgage loans received by the Mortgage Banker from the mortgagor are the primary source of monies for payments on the GNMA Securities. If such payments are less than what is due under the GNMA Security, the Mortgage Banker is obligated to advance its own funds to insure timely payment of all amounts coming due on the GNMA Security. GNMA guarantees such timely payment to the holder of the GNMA Securities by the Mortgage Banker whether or not made by a mortgagor. If such payments are not received as scheduled, the holder of the GNMA Securities has recourse directly to GNMA. The GNMA Securities do not constitute a liability of, nor evidence any recourse against, the Mortgage Banker as the issuer of the GNMA Securities, but recourse thereon is solely against GNMA.

In order to meet its obligations under such guaranty, GNMA, in its corporate capacity under Section 306(d) of Title III of the National Housing Act, may issue its general obligations to the United States Treasury in an amount outstanding at any time sufficient to enable GNMA, with no limitations as to amount, to perform its obligations under its guaranty of the timely payment of the principal of and interest on a GNMA Security. The Treasury is authorized to purchase any obligations so issued by GNMA and has indicated in a letter dated February 13, 1970, from the Secretary of the Treasury to the Secretary of HUD that the Treasury will make loans to GNMA, if needed, to implement the aforementioned guaranty. GNMA further warrants to the holder of each GNMA Security, that, in the event it is called upon at any time to make good its guaranty of the payment of principal and interest on a GNMA Security, it will, if necessary, in accordance with Section 306(d) of the National Housing Act, apply to the Treasury Department of the United States for a loan or loans in amounts sufficient to make payments of principal and interest.

Under the GNMA Mortgage-Backed Securities Program, the Mortgage Banker is obligated to execute a Guaranty Agreement which provides that, in the event of a default by the Mortgage Banker, including (i) a request to GNMA to make a payment of principal or interest on a GNMA Security, (ii) the insolvency of the Mortgage Banker, or (iii) a default by the Mortgage Banker under any other Guaranty Agreement with GNMA, GNMA shall have the right to extinguish the Mortgage Banker's interest in the mortgage loans that back GNMA Securities, which then shall become the absolute property of GNMA, subject only to the unsatisfied rights of the owners of the GNMA Securities. In such event, the GNMA Guaranty Agreement provides that GNMA shall be the successor in all respects to the Mortgage Banker in its capacity under the GNMA Guaranty Agreement and shall be subject to all responsibilities, duties and liabilities (except the Mortgage Banker's indemnification of GNMA) of the Mortgage Banker pursuant to the GNMA Guaranty Agreement. GNMA may contract for another eligible issuer of GNMA Securities to undertake and agree to assume any part or all of such responsibilities, duties or liabilities of the Mortgage Banker, as long as no such agreement detracts from or diminishes the responsibilities, duties or liabilities of GNMA in its capacity as guarantor of the GNMA Security or otherwise adversely affects the rights of the owners of the GNMA Securities.

Payment of Principal and Interest on the GNMA Securities. GNMA Securities provide that accrued interest for thirty (30) days is payable by the Mortgage Banker to the holder of the GNMA Securities on the fifteenth (15th) of each successive month thereafter until maturity of the GNMA Security. The GNMA Securities are payable in equal monthly installments, subject to prepayment. The aggregate amount of principal due on the GNMA Securities is in an amount equal to the scheduled principal amortization currently due on the underlying mortgage note.

Each of the monthly installments is subject to adjustment by reason of any prepayments or other early or unscheduled recoveries of principal on the mortgage note. In any event, the Mortgage Banker is obligated to pay to the holder of the GNMA Securities, monthly installments of not less than the interest due on the GNMA Securities at the rate specified in the GNMA Securities, together with any scheduled installments of principal whether or not collected from the mortgagor, and any prepayments or early recoveries of principal (including insurance proceeds and condemnation awards that are applied to principal and FHA insurance benefits) and prepayment premiums paid under the Mortgage Note. Final payment shall be made upon surrender of each outstanding GNMA Security. Any such prepayment could result in the redemption of Bonds at any time.

In the event that a mortgagor defaults under an FHA-insured mortgage loan that backs a GNMA Security, the Mortgage Banker may elect to file a claim for FHA Insurance benefits. See "FHA Insurance Program" above.

Under the GNMA Mortgage-Backed Securities Program, the Mortgage Banker is required to service and otherwise administer the mortgage loans in accordance with generally accepted practices of the mortgage banking industry and the GNMA Servicer Guide. The monthly remuneration of the Mortgage Banker, for its servicing and administrative functions, and the guaranty fee charged by GNMA, are based on the unpaid principal amount of GNMA Securities outstanding. Repayment of principal on such GNMA Securities will be based on repayment of the respective mortgage note which, because of the minimum 0.25% higher interest rate on the note will occur more slowly than would repayment by equal installments of principal and interest at the interest rate on the GNMA Securities.

Fannie Mae

Fannie Mae Standby Credit Enhancement Instruments. Fannie Mae has issued standby credit enhancement instruments with respect to certain Mortgage Loans pursuant to which, subject to certain requirements set forth therein, Fannie Mae has agreed to pay certain payment deficiencies related to the scheduled principal and interest payments on such Mortgage Loans and any deficiencies in the event of a mandatory prepayment or acceleration thereof, as described therein. Fannie Mae has also issued a credit enhancement instrument with respect to a specified pool of Mortgage Loans, which is described below.

The amount drawn under a standby credit enhancement instrument may not exceed the Amount Available thereunder. The "Amount Available" is, at any time, an amount at least equal to (i) the outstanding principal balance of the applicable Mortgage Loan (the "Principal Component") plus (ii) an amount equal to the accrued interest on the outstanding principal balance of such Mortgage Loan for up to 60 days at a specified rate computed on the basis of a 360-day year of twelve 30 day months (the "Interest Component"), in each instance as reduced by that amount, if any, previously provided by Fannie Mae to the Corporation for payment under such standby credit enhancement instrument, such reduction to be in an amount equal to 100% of the amount of such payment. Following certain payments, the Interest Component of the Available Amount will be immediately reinstated.

Upon its receipt of a draw request with respect to the applicable Mortgage Loan or the occurrence of an event of default thereunder or under a reimbursement security document, Fannie Mae can elect to pay the Corporation the sum of the Principal Component and the accrued interest and specified Corporation fee (not to exceed the Interest Component) and receive an assignment of such Mortgage Loan.

Information on Fannie Mae and its financial condition is contained in periodic reports that are filed with the Securities and Exchange Commission (the "SEC"). The SEC filings are available at the SEC's website at www.sec.gov.

Fannie Mae Pool Credit Enhancement Instrument. Pursuant to a Program Agreement with the Corporation, Fannie Mae has issued its credit enhancement instrument (the "Credit Enhancement Instrument") with respect to a specified pool of Mortgage Loans (the "Fannie Mae Credit Enhanced Mortgage Loans"). Each of the Fannie Mae Credit Enhanced Mortgage Loans in the pool will be entitled to the benefits of a contract to make periodic interest reduction payments ("IRPs") entered into by the Secretary of HUD pursuant to Section 236(b) of the National Housing Act with the applicable Mortgagor. See "Subsidy Programs – Section 236 Program" in this Appendix G. Each such Mortgage Loan will be bifurcated in to a 236 Loan component expected to be paid from IRPs paid by HUD and a Conventional Loan component expected to be paid from income of the related Development. The Fannie Mae Credit Enhanced Mortgage Loans will be pledged to the Trustee and to Fannie Mae, as their interests may appear.

Under the Credit Enhancement Instrument, Fannie Mae will agree to make "Debt Service Advances" and "Buy-Out Advances" (described below) with respect to the Fannie Mae Credit Enhanced Mortgage Loans following a failure by the Mortgagor of any such Mortgage Loan to pay when due and in full payments required with respect to its Mortgage Loan (a "Borrower Payment Default").

Fannie Mae will agree to make Debt Service Advances to the Trustee on demand of the Trustee (i) with respect to the Conventional Loan component of the Fannie Mae Credit Enhanced Mortgage Loans, if a Borrower Payment Default has occurred and is continuing and the aggregate principal and interest payments received in any Payment Period on the Conventional Loan component are less than 75 percent of all the scheduled principal and interest payments to be made on the Conventional Loan component for the same Payment Period (such difference is referred to as the "Conventional Shortfall") and (ii) with respect to the 236 Loan component of the Fannie Mae Credit Enhanced Mortgage Loans, if a Borrower Payment Default has occurred and is continuing and the aggregate principal and interest payments received in any Payment Period on the 236 Loan component are less than 100% of all the scheduled principal and interest payments to be made on the 236 Loan components for such Payment Period (such difference is referred to as the "236 Shortfall"). A Debt Service Advance will be in an amount equal to such Conventional Shortfall or 236 Shortfall. Debt Service Advances will relate to a deficiency in the aggregate payments made by all Fannie Mae Credit Enhanced Mortgage Loans during the Payment Period as set forth in the Program Agreement (and will not relate to any particular Fannie Mae Credit Enhanced Mortgage Loan).

If a Borrower Payment Default has occurred and is continuing with respect to the Conventional Loan component of Fannie Mae Credit Enhanced Mortgage Loans and the aggregate principal and interest payments received in any Payment Period for the Conventional Loan component is 75% or more (but less than 100%) of all the scheduled principal and interest payments to be made for the same Payment Period for the Conventional Loan Component, the Fannie Mae Credit Enhancement Instrument may not be drawn on to make up such deficiency. At the direction of the Corporation, the Trustee may apply amounts in the Mortgage Loan Reserve Account to pay debt service on Bonds the proceeds of which financed Fannie Mae Credit Enhanced Mortgage Loans.

Fannie Mae will also agree to make Buy-Out Advances to the Trustee in respect of any Fannie Mae Credit Enhanced Mortgage Loan with respect to which a Borrower Payment Default has occurred (a

"Defaulted Mortgage Loan") under the terms and conditions set forth in the Credit Enhancement Instrument and the Supplemental Resolution. A Buy-Out Advance relates to a particular Fannie Mae Credit Enhanced Mortgage Loan. The Corporation may demand that Fannie Mae make a Buy-Out Advance with respect to a Defaulted Mortgage Loan upon the first to occur of (i) the completion of a foreclosure action on the Defaulted Mortgage Loan and the resulting transfer of the property securing that Defaulted Mortgage Loan; and (ii) the commencement of a foreclosure action on a Defaulted Mortgage Loan after conclusion of all administrative remedies by HPD with respect to such Defaulted Mortgage Loan and HPD's written certification to the effect that HPD will not contest or resist the proposed foreclosure, but in no event may the Corporation demand a Buy-Out Advance unless not less than two years has elapsed from the date of the first uncured Borrower Payment Default with respect to that Defaulted Mortgage Loan. Both Fannie Mae and the Corporation will each have the right, acting alone, to commence a foreclosure action, but only if HPD has provided a HPD Certification for such Defaulted Mortgage Loan. Upon payment of a Buy-Out Advance with respect to a Defaulted Mortgage Loan, all rights to such Defaulted Mortgage Loan and all payments made with respect to such Defaulted Mortgage Loan will be for the benefit of Fannie Mae and Fannie Mae shall be entitled to and/or control all rights with respect to such Defaulted Mortgage Loan.

Each Buy-Out Advance is to be in an amount equal to the unpaid principal balance of the Defaulted Mortgage Loan for which such advance is being made ("Defaulted Mortgage Loan Balance"), less an allocation of Buy-Out Credits (described below) then outstanding, if any, but not in an amount in excess of the Defaulted Mortgage Loan Balance. Fannie Mae may choose to make an allocation of Net Buy-Out Credits (described below) to the Buy-Out Advance and, if more than one Defaulted Mortgage Loan is the subject of one Buy-Out Advance, to which Defaulted Mortgage Loan or Loans within the Buy-Out Advance. Should Fannie Mae fail to make a selection, Fannie Mae will be deemed to have elected to apply any Net Buy-Out Credits then available to the Buy-Out Advance and if more than one Defaulted Mortgage Loan is included in the Buy-Out Advance, to the Defaulted Mortgage Loans in the chronological order in which such loans defaulted. The Defaulted Mortgage Loan Balance is to exclude all accrued and unpaid interest on the Defaulted Mortgage Loan, capitalized interest, interest on interest, late fees, collection costs and Mortgage Loan Costs or any other sums added to the principal balance at any time for purposes of determining the amount of the Buy-Out Advance for such Defaulted Mortgage Loan.

If a Debt Service Advance was made with respect to the 236 Loan component of the Fannie Mae Credit Enhanced Mortgage Loans, Buy-Out Credits earned by Fannie Mae will be the aggregate scheduled principal components of the unpaid installments of such Fannie Mae Credit Enhanced Mortgage Loans for the Payment Period for which that Debt Service Advance was made. If a Debt Service Advance was made with respect to the Conventional Loan component of the Fannie Mae Credit Enhanced Mortgage Loan, the Buy-Out Credits earned by Fannie Mae will be the amount of the Debt Service Advance, multiplied by a fraction, the denominator of which is equal to the scheduled principal and interest payments payable on the portion of the Fannie Mae Credit Enhanced Mortgage Loans to be paid from the income of the Developments during the relevant Payment Period and the numerator of which is equal to the scheduled principal payments during such Payment Period with respect to such portion of the Fannie Mae Credit Enhanced Mortgage Loans. "Net Buy-Out Credits" will equal (i) the sum of all Buy-Out Credits earned by Fannie Mae from time to time less (ii) the sum of all reimbursements allocable to principal received by Fannie Mae and all Buy-Out Credits applied to Buy-Out Advances.

Pursuant to the applicable Supplemental Resolution, the Corporation is required for each applicable Payment Period, to calculate the aggregate Mortgage Loan Shortfall on all Defaulted Mortgage Loans for such Payment Period, if any, including a breakdown of the Conventional Loan Component Reserve Withdrawal Amount, the Conventional Loan Component Shortfall, if any, and the 236 Loan

Component Shortfall, if any, for such Defaulted Mortgage Loans, and to submit such calculations in writing to the Trustee, with a copy to Fannie Mae, no later than the twentieth (20th) day of the calendar month (or if such twentieth (20th) day is not a Business Day, on the next succeeding Business Day) immediately preceding an Interest Payment Date. The Trustee is to request a Debt Service Advance under the Credit Enhancement Instrument not less than four (4) Business Days before the next succeeding Interest Payment Date. If a Certificate in respect of a Debt Service Advance is presented under the Credit Enhancement Instrument at or prior to 12:00 noon, Washington, D.C. time, on a Business Day, and the Certificate conforms to the requirements of the Credit Enhancement Instrument, Fannie Mae is required to either pay to the Trustee the amount specified or provide the Trustee with the fedwire number relating to the wiring of that amount no later than 12:00 noon, Washington, D.C. time, on the third Business Day following such presentation.

All payments received with respect to Defaulted 236 Mortgage Loans are to be applied to pay Mortgage Loan Costs (defined below) and then to reimburse Fannie Mae for any advances it has made. All payments received with respect to Defaulted Conventional Mortgage Loans are to be applied first to pay Mortgage Loan Costs and then to make the following payments in the following order of priority: to reimburse Fannie Mae for the portion of Debt Service Advances not allocable to the principal of Mortgage Loans, to the Trustee for unpaid and unreimbursed interest payments, to reimburse Fannie Mae for the portion of Debt Service Advances allocable to principal and to the Trustee for unpaid and unreimbursed principal payments. "Mortgage Loan Costs" means any of the amounts paid by the Corporation, any Servicer or Fannie Mae with respect to a Mortgage Loan for any of the following: (a) taxes and assessments, (b) insurance premiums, (c) any payments, reasonably determined by the Corporation or Fannie Mae to be necessary to preserve and protect the property related to the Mortgage Loan, and (d) any payments, as reasonably determined by the Corporation or Fannie Mae be necessary to exercise any legal or equitable remedies (including reasonable attorney, appraisal, environmental or other professional fees and expenses).

Fannie Mae may remove a Fannie Mae Credit Enhanced Mortgage Loan from the pool covered by the Credit Enhancement Instrument if certain representations made by the Corporation with respect to such Mortgage Loan are not correct. In the Program Agreement, the Corporation makes certain representations concerning its corporate authority to enter into the Program Agreement as well as representations regarding the Fannie Mae Credit Enhanced Mortgage Loans, including the documentation relating to the Mortgage Loans, the properties that are subject to the Mortgage Loans, the priority of the liens created by the Mortgage Loans, the Mortgagors and the operation of the Developments. In addition, a Fannie Mae Credit Enhanced Mortgage Loan will be removed from the pool covered by the Credit Enhancement Instrument following a Buy-Out Advance with respect to such Fannie Mae Credit Enhanced Mortgage Loan. Last, the Corporation may remove a Fannie Mae Credit Enhanced Mortgage Loan from the pool covered by the Credit Enhancement Instrument (i) prior to a date approximately 15 years from the date the Mortgage Loan became a Fannie Mae Credit Enhanced Mortgage, with the consent of Fannie Mae upon the filing of a Cash Flow Statement and (ii) on and after a date approximately 15 years from the date the Mortgage Loan became a Fannie Mae Credit Enhanced Mortgage, upon the filing of a Cash Flow Statement. Any Fannie Mae Credit Enhanced Mortgage Loan removed from the pool other than by reason of a Buy-Out Advance shall continue to be a Mortgage Loan pledged under the Resolution subject to the terms of the Resolution permitting subsequent removal. Any Fannie Mae Credit Enhanced Mortgage Loan removed from the pool by reason of a Buy-Out Advance shall no longer be pledged for the benefit of the Bond owners under the Resolution.

Freddie Mac

Freddie Mac Standby Credit Enhancement Agreements

Freddie Mac has issued standby credit enhancement agreements with respect to certain Mortgage Loans pursuant to which, subject to certain requirements set forth therein, Freddie Mac has agreed to pay certain payment deficiencies related to the scheduled principal and interest payments on such Mortgage Loans and any deficiencies in the event of a mandatory prepayment or acceleration thereof, as described therein.

The amount drawn under a standby credit enhancement agreement may not exceed the Amount Available thereunder. The "Amount Available" is, at any time, an amount at least equal to (i) the outstanding principal balance of the applicable Mortgage Loan (the "Principal Component") plus (ii) an amount equal to the accrued interest on the outstanding principal balance of such Mortgage Loan for up to 60 days at a specified rate computed on the basis of a 360-day year of twelve 30 day months (the "Interest Component"), in each instance as reduced by that amount, if any, previously provided by Freddie Mac to the Corporation for payment under such standby credit enhancement agreement, such reduction to be in an amount equal to 100% of the amount of such payment. Following certain payments, the Interest Component of the Available Amount will be immediately reinstated.

Upon its receipt of a draw request with respect to the applicable Mortgage Loan or the occurrence of an event of default thereunder or under a reimbursement security document, Freddie Mac can elect to pay the Corporation the sum of the Principal Component and the accrued interest and specified Corporation fee (not to exceed the Interest Component) and receive an assignment of such Mortgage Loan.

Information on Freddie Mac and its financial condition is contained in periodic reports that are filed with the Securities and Exchange Commission (the "SEC"). The SEC filings are available at the SEC's website at www.sec.gov.

Long-term LOCs

Supplemental Security in the form of a letter of credit issued by a bank or other financial institution may be provided with respect to a permanent Mortgage Loan (a "Long-term LOC"). The Long-term LOCs need not meet the requirements under the General Resolution for a Credit Facility and will not be pledged to the owners of the Bonds; however, any payments received by the Corporation from the letter of credit provider pursuant to a Long-term LOC constitute Revenues and therefore will be pledged for the benefit of the owners of the Bonds. It is anticipated that Long-term LOCS will provide that they may be drawn upon by the Corporation if the applicable Mortgagor fails to make the required debt service payments on the related Mortgage Loan. The Long-term LOCs are expected to provide that the amount drawn on a Long-term LOC be equal to such required debt service payment or, at the direction of the provider of the Long-term LOC, to the outstanding principal balance of the applicable Mortgage Loan plus the lesser of (i) accrued interest or (ii) the maximum amount available under the Long-term LOC with respect to accrued interest. It is expected that, in the case of the latter draw, such Mortgage Loan will be immediately assigned to the Long-term LOC provider, will no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the General Resolution.

The following table provides information regarding Long-term LOCs for Mortgage Loans as of May 31, 2014:

Long-term LOC Bank	Number of LOCs	Total Dollar Amount
Citibank N.A.	11	$67,064,032

The bank providing the Long-term LOCs is a wholly-owned subsidiary of a parent corporation. The parent corporation files annual, quarterly, and certain other reports with the SEC. Such reports are available at the SEC's website at www.sec.gov.

Construction LOCs

Prior to the Corporation making a Mortgage Loan to a Mortgagor, such Mortgagor executes an HDC Commitment in which the Corporation agrees to provide the applicable Mortgage Loan. The HDC Commitment may require the Mortgagor to obtain a letter of credit (a "Construction LOC") to be available during construction from a bank or other financial institution acceptable to the Corporation as a condition to the Corporation providing the applicable Mortgage Loan during construction. The Construction LOCs need not meet the requirements under the Resolution for a Credit Facility. Such letters of credit will not be pledged to the owners of the Bonds; however, any payments related to the applicable Mortgage Loan received by the Corporation from the letter of credit providers pursuant to such Construction LOCs related to the failure of the Mortgagor to make the required debt service payments constitute Revenues and therefore will be pledged for the benefit of the owners of the Bonds. It is anticipated that such Construction LOCs may be drawn upon by the Corporation or the Custodian (as defined below) if the applicable Mortgagor fails to make the required debt service payments on the applicable Mortgage Loan. The amount drawn on a Construction LOC will be either (a) the outstanding principal balance of the applicable construction Mortgage Loan plus the lesser of (i) accrued interest or (ii) the maximum amount available with respect to accrued interest, or (b) the lesser of (i) accrued interest or (ii) the maximum amount available with respect to accrued interest. The Construction LOC provider may direct the Corporation to make a principal and interest drawing or an interest-only drawing. If the Corporation makes a principal and interest drawing, such 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 Bonds and will be free and clear of the pledge and lien of the General Resolution.

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 Mortgage Loan and within a certain construction budget, 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 Construction LOC relating to the applicable construction Mortgage Loan. If said Construction LOC is not released because of a failure by the Mortgagor of applicable Development to comply with the conditions enumerated in the HDC Commitment or if said Construction LOC is not extended beyond its maturity until such conditions are satisfied, it is expected that said Construction LOC will be drawn upon by the Corporation or the Custodian and the proceeds from said draw could be used to redeem a portion of the Series of Bonds issued to finance such Mortgage Loan. Generally, until such Construction LOC is released, the bank issuing the Construction LOC will service or provide for the servicing of the applicable Mortgage Loan. Thereafter, it is expected that the Corporation will service the applicable Mortgage Loan (see "The PROGRAM—Servicing" in Part II of this Official Statement).

Construction LOCs securing a Mortgage Loan financed with the proceeds of General Resolution Bonds and securing a mortgage loan financed with NIBP Series 1 Bonds are subject to a letter of credit custody agreement among the Corporation, The Bank of New York Mellon, as Custodian (the "Custodian"), the Trustee, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation. In the event of a draw on any such Construction LOC, the amount funded with NIBP Series 1 Bonds would not be available to redeem Bonds issued under the General Resolution.

The following table provides information regarding Construction LOCs for Mortgage Loans as of May 31, 2014:

Construction LOC Bank	Number of LOCs	Total Dollar Amount[(1)]
Bank of America, N.A. [(2)]	4	$ 61,770,337
The Bank of New York Mellon	1	19,927,750
Capital One Bank [(3)]	10	162,555,842
Citibank N.A. [(4)]	10	203,719,594
Goldman Sachs Bank USA	2	69,927,560
JPMorgan Chase Bank, N.A.	22	395,721,251
TD Bank	2	54,765,697
Wells Fargo Bank, N.A.	9	216,741,455
Total:	60	$1,185,129,486

(1) With respect to six (4) Construction LOCs securing six (4) Mortgage Loans of which a portion of each is financed with the proceeds of NIBP Series 1 Bonds, in the event of a draw on any of such Construction LOCs, the amount equal to the portion funded with NIBP Series 1 Bonds would not be available to redeem Bonds issued under the General Resolution. See "Appendix E-1 – Developments and Mortgage Loans Outstanding under the Program – Developments and Construction Mortgage Loans Outstanding Under the Program as of January 31, 2014" for the amount of the portion for each such Mortgage Loan that is financed with the proceeds of the Multi-Family Housing Revenue Bonds.

(2) The Construction LOCs for three (3) Mortgage Loans in the aggregated amount of $43,933,162 are each confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of Atlanta. The Corporation is no longer requiring the three (3) irrevocable standby letter of credit confirmations and the Corporation will not require a renewal of these standby letter of credit confirmations upon expiration.

(3) These Construction LOCs are each confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of Atlanta.

(4) The Construction LOCs for three (3) Mortgage Loans in the aggregated amount of $68,537,078 are each confirmed by an irrevocable standby letter of credit confirmation issued by Federal Home Loan Bank of New York.

Each bank providing a Construction LOC is a wholly-owned subsidiary of a parent corporation. These parent corporations file annual, quarterly, and certain other reports with the Securities and Exchange Commission (the "SEC"). Such reports are available at the SEC's website at www.sec.gov.

SUBSIDY PROGRAMS

Mitchell-Lama Program

General. The Mitchell-Lama program was created to facilitate the construction and continued operation of affordable moderate and middle income rental and cooperative housing in the State of New York. The Developments which are regulated under the Mitchell-Lama program are currently all non-refinanced rental housing projects located in the City of New York and, therefore, this summary of the Mitchell-Lama program is limited to non-refinanced rental projects. Each rental project in the Mitchell-Lama program was constructed and is operated as a limited-profit housing project or a cooperative in accordance with Article 2 of the New York Private Housing Finance Law and the rules and regulations promulgated thereunder (the "Mitchell-Lama Law").

HPD Supervision. The City of New York Department of Housing Preservation and Development ("HPD") has supervisory authority over those projects in the Mitchell-Lama program which received financing from the City or the Corporation. HPD carries out all its supervisory functions with limited resources, which may affect the priority or completion time frames for its various supervisory activities.

HPD regulates the project's rental procedures and tenant income limits. HPD oversees the renting of vacant units including the establishment of waiting lists and the advertising process relating thereto. HPD approves the admission of new tenants as well as the transfer of existing tenants to other units in a project. HPD also verifies initial and annual tenant income certifications submitted by tenants to ensure that the tenant income requirements of the Mitchell-Lama program are maintained. Tenants with incomes in excess of the certain income requirements are required to pay rent surcharges to the project owners.

HPD conducts a periodic physical inspection of the common areas of the projects in the Mitchell-Lama program in order to assess property maintenance levels. HPD has power to audit the books of a project owner and conducts a periodic site administrative review to review service contracts, insurance coverage and the project's record keeping systems. HPD also reviews all commercial leases, contracts in excess of $5,000 or $10,000 depending on project size, monthly project operations reports, the use of blocked reserve accounts and the annual profit retained by the project owner.

HPD approves all rent increase applications after holding a public hearing and reviewing a financial analysis prepared by HPD and project owners, provided, however, such rental increases in projects benefitting from the Section 236 program are also subject to the approval of HUD. HPD has the right to remove any or all of the existing directors of an ownership entity and to appoint individuals that HPD deems advisable in the event of a violation of a provision of the owner's certificate of incorporation, any applicable law, the loan or mortgage contract or HPD's rules and regulations.

Corporation Rent Increase Authority. Other than with respect to certain mortgage loans underlying the 2014 Series B Participant Interest regulated pursuant to the Mitchell-Lama Law, the Act empowers the Corporation and the Resolutions require the Corporation (whenever it shall find that the maximum rentals, which are charged tenants of the dwellings in any Project in the Mitchell-Lama program, in whole or in part, shall not be sufficient together with all other income of the Mortgagor to meet within reasonable limits all necessary payments to be made by the Mortgagor of all expenses, including fixed charges, sinking funds, reserves and dividends) to request the Mortgagor to make application to vary such rentals so as to secure sufficient income, and upon the Mortgagor's failure to do so within thirty (30) days after the receipt of written request from the Corporation, to request HPD to take action upon HPD's own motion so to vary such rental rate, and upon failure of HPD either upon application by the Mortgagor or upon its own motion so to vary such rental rate within sixty (60) days after receipt of written request from the Corporation to do so, to vary such rental rate by action of the Corporation. Any such rental increases in Developments benefitting from the Section 236 program shall also be subject to the approval of HUD. The Corporation has only taken such actions relating to rental increases with respect to one (1) Development which was done in 1978.

Tax Exemption. The Mitchell-Lama Law provides that with the consent of the local legislative body, the real property, both land and improvements, of a project shall be exempt from local and municipal taxes, other than assessments for local improvements, to the extent of all or part of the value of the property included in such project which represents an increase over the assessed valuation of such real property at the time of its acquisition for the project by the company, provided however, that the real property in a project acquired for purposes of rehabilitation shall be exempt to the extent of all or part of the value of the property included in such rehabilitation and provided further that the minimum tax to be paid shall not be less than ten per centum (10%) of the annual shelter rent of such project. This tax exemption continues so long as the mortgage loan made to the owner remains outstanding. In the case of any Project in the Mitchell-Lama program which is the subject of a ground lease, such tax exemption is reflected in the underlying lease payments. Pursuant to the Act, the property of the Corporation is exempt from State and local taxes. In the event the Corporation shall become the owner of a Development, it would be exempt from the payment of real estate taxes.

Section 236 Program

General. Pursuant to Section 236(b) of the National Housing Act ("Section 236"), the Secretary of HUD (the "Secretary") entered into certain contracts (each a "Section 236 Contract") to make periodic interest reduction payments to Section 236 mortgagees on behalf of the mortgagors of housing projects designed for occupancy by persons or families as described in Article 2 of the Private Housing Finance Law and families of low income. HUD's interest reduction subsidy payment share is in an amount equal to the difference between the monthly payment for principal, interest and mortgage insurance premiums or mortgage servicing fees, as appropriate, which a mortgagor is obligated to pay under its mortgage loan and the monthly payment for principal and interest a mortgagor would be obligated to pay if its mortgage loan were to bear interest at the rate of one per centum (1%) per annum. Under Section 236, interest reduction payments with respect to a project (the "HUD Payments") shall be made only during the period that such project is operated as a rental or cooperative housing project.

Termination of HUD Payments. HUD is obligated to make HUD Payments under a Section 236 Contract and may not terminate HUD Payments under a Section 236 Contract, except under the circumstances described below, including, but not limited to, certain foreclosure actions instituted by the Corporation (see "THE PROGRAM—Certain Factors Affecting the Mortgage Loans—New York Foreclosure Procedures and Bankruptcy" and "Appendix B—Summary of Certain Provisions of the General Resolution—Covenants with Respect to Mortgage Loans"). If HUD Payments are terminated, the Secretary may reinstate them at his or her discretion pursuant to such additional requirements as the Secretary may prescribe. A Section 236 Contract may be terminated at the option of, and upon written notice from, the Secretary after the expiration of one year from the date of the termination of HUD Payments, unless such payments have been reinstated. **In the event HUD were to terminate HUD Payments in respect of a Development subsidized through a Section 236 Contract, such terminated HUD Payments would not be available to pay debt service on the related Mortgage Loan (a "Section 236 Mortgage Loan"), which could result in a default on such Mortgage Loan.**

Acquisition by Ineligible Owner; Transfer Limitation of Mortgage Loan. HUD may terminate HUD Payments with respect to a Project if the Project is acquired by any owner who is not an eligible mortgagor under Section 236. Each Mortgagor has covenanted in the Section 236 Contract only to transfer such Project to an eligible Mortgagor approved by the Secretary and each Mortgagor has covenanted in the Mortgage not to transfer such Project without the consent of the Section 236 mortgagee. The Department of Housing and Urban Development Reform Act of 1989 (the "HUD Reform Act") made public entities eligible to be owners of projects receiving assistance under Section 236. Pursuant to the HUD Reform Act, the Corporation is an eligible Section 236 owner. Transfer of a Project is also subject to the prior approval of HPD.

Each Section 236 Contract provides that the corresponding Section 236 Mortgage Loan may only be assigned, including any assignment or reassignment between the Corporation and the Trustee, with HUD's prior written approval.

Excess Income. Pursuant to each Section 236 Contract, there is established (i) a basic or subsidized rental charge for each subsidized dwelling unit in the Project (the "basic rent"), determined on the basis of the anticipated operating costs of the Project assuming the payment of principal and interest on a mortgage note bearing interest at the rate of 1% per annum and an amortization period of up to fifty (50) years, and (ii) a fair market rental charge for each such unit, determined on the basis of the anticipated operating costs of the Project assuming payment of principal and interest at the unsubsidized mortgage rate (the "market rent"). The rent charged for each subsidized unit (the "tenant rent") is the greater of the basic rent or thirty per centum (30%) of the tenant's adjusted monthly income, but in no event may the Mortgagor charge an amount in excess of the market rent (not including permitted surcharges). Under each Section 236 Contract, the Section 236 mortgagee and HUD must approve all rent increases.

Each Section 236 Contract provides that the Mortgagor shall pay monthly to HUD all rental charges collected in excess of the basic rental charges for all occupied units ("Excess Income Payments"). In a notice issued by HUD on January 4, 1991 with respect to all mortgagors subject to Section 236 Contracts, HUD stated that it would implement strict enforcement actions against an owner of a project who does not remit excess rental amounts. This notice states that HUD should attempt to recover Excess Income Payments if the affected mortgagor does not make a lump sum payment or enter into a repayment schedule with HUD through the following actions listed in order of priority: use of the project's residual receipts, repayment of distributions, surplus cash and finally, project income. Among HUD's numerous potential remedies against the affected mortgagors are suspension of interest reduction payments. No assurance can be given regarding which remedies, if any, HUD will utilize against affected mortgagors in the event HUD seeks to affirmatively enforce the collection of Excess Income Payments.

Prior to April 1996, mortgagors were permitted to calculate the amount of Excess Income Payments payable to HUD on a project-wide basis, which enabled mortgagors to use Excess Income Payments to offset collection losses from nonpaying tenants. Section 236 was amended to require that, beginning in 1996, Excess Income Payments must be remitted to HUD on a unit-by-unit basis, thus precluding the ability of mortgagors to use such Excess Income Payments to offset collection losses and potentially reducing the income available to the projects.

In 1999, Congress passed the "Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act" (the "1999 Act"). This and subsequent legislation allow Mortgagors of Section 236 Developments to retain excess rents for project purposes if consented to by HUD. Based solely on a review of the most recent information submitted to it by the Mortgagors of the Section 236 Developments where the Corporation is the Section 236 mortgagee (which relate to the Section 236 Mortgage Loans other than the underlying 2002 Series D Trust Mortgage Loans), the Corporation believes that such Mortgagors are current on the Excess Income Payments due to HUD. No assurance can be given as to the impact of the revised Section 236 in the current or any future fiscal year on the ability of the Mortgagors of the Section 236 Developments to cover operating expenses and debt service on their respective Section 236 Mortgage Loans without requiring an increase in rents after Excess Income Payments are remitted to HUD.

The 1999 Act also permits Mortgagors of Section 236 Developments to refinance their mortgages (if the mortgages are otherwise eligible for prepayment) while retaining the Section 236 subsidy, which HUD generally refers to as its Section 236 "decoupling" program. HUD has considerable discretion in implementing the decoupling program and Section 236 Contracts executed pursuant to the program may have terms different from those described herein for the program generally. Among other things, in order to benefit from the decoupling program, the Mortgagor must agree to enforce the income and rent restrictions applicable to the development for a period ending five years beyond the term of assistance under the new Section 236 Contract.

<u>Certain Mortgagor Covenants</u>. Each Mortgagor has covenanted in the Section 236 Contract to limit admission to the subsidized dwelling units in the Project to those families whose incomes do not

exceed the applicable limits approved by the Section 236 mortgagee or the Secretary, with the exception of those tenants who agree to pay fair market rent. The Section 236 Contracts contain other covenants relating to the preference for occupancy for certain displaced or low income families, the compliance with applicable civil rights laws prohibiting discrimination in housing, the maintenance of information and records concerning tenants and tenant income in a form required under HUD regulations, the availability for inspection of such information and records, prohibitions against denying occupancy due to number of children in the family and the number of subsidized units which may be rented to any one tenant at any one time. The Secretary has the authority to suspend or terminate HUD Payments at any time upon default by a Mortgagor under any of such covenants as well or upon any other default by a Mortgagor or the Section 236 mortgagee under the terms and conditions of the Section 236 Contract.

Each Mortgagor has covenanted to maintain habitability of the Project units. Under the terms of certain Section 236 Contracts, HUD may adjust subsidy payments in the event a subsidized unit is destroyed or otherwise rendered not habitable for any reason unless such unit is restored or rehabilitated within a reasonable time or unless an unsubsidized unit is designated in its place.

Set-Off Rights of the United States. Payments under a Section 236 Contract duly and properly paid and actually received by or on behalf of the Corporation have been pledged to the Trustee as part of the security for the Bonds, and the Corporation is obligated to deliver to the Trustee all such payments upon receipt. Under Federal law, the United States Government has the right to set-off liabilities to the United States against the amounts payable under a Section 236 Contract. The Corporation does not believe it has any liabilities to the United States which would result in any set-off against such payments for those projects where it is the Section 236 mortgagee. The set-off right of the United States described above applies only to payments under a Section 236 Contract which have not actually been paid by HUD. Once payments under a Section 236 Contract are received by the Corporation and delivered to a trustee, they cannot be subjected to repayment to the United States by such trustee. However, in the case of excessive payments under a Section 236 Contract, the Section 236 mortgagee would remain obligated to refund to the Secretary the amount which was overpaid, and such liabilities could be offset against future payments under the Section 236 Contract.

Section 236, the rules, regulations and directives promulgated pursuant thereto and the Section 236 Contracts, do not contain any express requirement that any savings which result from a reduction in the Corporation's cost of borrowing due to a refunding of its obligations issued to finance a mortgage loan must be used to lower the interest rate on the mortgage loan and thereby to reduce HUD Payments. Consequently, the Corporation did not reduce the interest rate on the applicable Section 236 Mortgage Loans as a result of the issuance of the 1996 Series A Bonds. Based on the foregoing, the Corporation does not believe that HUD or any other party is entitled to all or a portion of the Corporation's debt service savings that result from the issuance of the 1996 Series A Bonds. Similarly, the Corporation does not believe that HUD or any other party is entitled to any amounts received by the Corporation as a result of the redemption of: (i) the Corporation's bonds that originally financed the Knickerbocker Plaza Development related to the Additional Mortgage Loan contributed in connection with the issuance of the 1999 Series A Bonds and (ii) the Corporation's bonds that originally financed the developments related to the Mortgage Loans contributed in connection with the issuance of the 2001 Series B Bonds. However, no assurance can be provided that HUD will not assert a right to reduce the amount of payments payable under the applicable Section 236 Contracts based upon the issuance of the 1996 Series A Bonds and/or the 2001 Series B Bonds and/or the aforesaid redemptions. If such a right is asserted, HUD could take certain actions including attempting to reduce payments under the applicable Section 236 Contracts.

HPD Supervision. All but one of the Projects with Section 236 Contracts were constructed and are operated as limited-profit housing projects or cooperatives in accordance with the Mitchell-Lama Law. For more information on the Mitchell-Lama Law, see "Mitchell-Lama Program" above.

Section 8 Program

General. The following is a brief description of the housing assistance payments program (the "Section 8 program") authorized by Section 8 of the United States Housing Act of 1937, as amended (the "1937 Housing Act"), which is qualified in its entirety by references to the applicable provisions of said Act and the regulations thereunder (the "Regulations"). The description applies to the variant of the Section 8 program which provides assistance under subsidy contracts for projects which set aside units for lower income families. Accordingly, this variant of the Section 8 program may be referred to as the "project-based Section 8 program."

The Section 8 program is administered by HUD and authorizes subsidy payments pursuant to Housing Assistance Payments Contracts ("HAP Contracts") to the owners of qualified housing for the benefit of lower income families (defined generally as families whose income does not exceed 80% of the median income for the area as determined by HUD) and very-low income families (defined generally as families whose income does not exceed 50% of the median income for the area as defined by HUD). Provision is made under the 1937 Housing Act and Regulations for administration of the Section 8 program through state or local housing finance agencies acting as contract administrator (the "Contract Administrator") of the HAP Contracts. Under this arrangement, the Contract Administrator agrees to pay the subsidy to or for the account of the mortgagor and concurrently contracts with HUD for payments of the subsidy by HUD to it. HUD may also serve as Contract Administrator.

Under 1937 Housing Act and the Regulations, not more than 25% of the dwelling units which were available for occupancy under HAP Contracts before October 1, 1981 and which are leased thereafter shall be available for leasing by lower income families other than very-low income families; and not more than 15% of the dwelling units which become available for occupancy under HAP Contracts after October 1, 1981 shall be available for leasing by lower income families other than very-low income families. The law also requires that not less than 40% of the dwelling units that become available for occupancy in any fiscal year shall be available for leasing only by families whose annual income does not exceed 30% of area median income (as determined by HUD and adjusted for family size) at the time of admission.

Amount and Payment of Subsidy. Section 8 subsidies available for debt service on the Mortgage Loans are based upon the "contract rent" applicable to specified dwelling units. The contract rent is initially based on the fair market rent for the dwelling unit, which is determined by HUD periodically with respect to each locality and published in the Federal Register. The housing assistance payments generally represent the difference between the contract rents for all eligible units in a development, as approved by HUD from time to time, and the eligible tenant's contribution, which is generally 30% of such tenant's income, as adjusted for family size, income and expenses, with certain adjustments, although each assisted family is generally required to pay a minimum rent of between $25 and $50 per month. The contract rents for a development are generally limited to the "fair market rents" established by HUD as reasonable in relation to rents for comparable units in the area.

Subsidy Contracts. The payment of subsidies under the Section 8 program is made pursuant to two contracts entered into with respect to each development assisted under such program: an annual contributions contract (the "ACC") between HUD and the Contract Administrator, and the HAP Contract between the Contract Administrator and the owner. The ACC obligates the United States to provide funds to the Contract Administrator with which to make monthly housing assistance payments to the owner pursuant to a HAP Contract.

It is useful, in discussing the project-based Section 8 Program to distinguish between contracts executed under the 1937 Housing Act and the Regulations prior to 1997 which have not yet expired for the first time ("Original Contracts"), and contracts under the 1937 Housing Act and the Regulations which have been renewed generally subsequent to 1997 ("Renewal Contracts"). This distinction is of significance as a consequence of the amendments to the 1937 Housing Act which went into effect beginning in 1997.

The ACC establishes the maximum annual amount of the housing assistance payments to be made by HUD for the account of the mortgagor of a development. This amount may not exceed the total of the initial contract rents and utility allowances for the eligible units in a development and any administrative fee. For projects under the Original Contracts, if the amount of housing assistance payments actually disbursed under an ACC in any given year is less than the total available amount, some or all of the excess (including an amount equal to the portion of the contract rents payable by the tenants) is required to be set aside by HUD in a "project account" for the particular development and will be available in future years to fund increases in contract rents for the development, decreases in family incomes or other costs authorized or approved by HUD. In the event that previously appropriated amounts are not sufficient to meet HUD's contractual obligations to the Section 8 Developments, HUD is required by applicable Section 8 provisions to take such additional steps authorized by subsection (c)(5) of Section 8 of the 1937 Housing Act as may be necessary to obtain funds to assure that payment will be adequate to cover increases in contract rents and decreases in tenant payments. Under subsection (c)(5) of Section 8: "[t]he Secretary [of HUD] shall take such steps as may be necessary, including the making of contracts for assistance payments in amounts in excess of the amounts required at the time of the initial renting of dwelling units, the reservation of annual contributions authority for the purpose of amending housing assistance contracts, or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts, to assure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes."

In practice until recently, HUD has sought and received amendment authority from Congress sufficient to enable it to discharge its obligations under the HAP Contracts and the ACCs. During 2007, a revision in HUD's interpretation of its outstanding contracts coupled with the amount of appropriations available led to many late payments to owners while HUD made adjustments. See "Late Payments in 2007" below.

The HAP Contract provides for housing assistance payments with respect to a dwelling unit covered by the HAP Contract on the condition that such unit is maintained according to the requirements of the HAP Contract and is occupied by an eligible tenant. An ACC remains in effect for as long as a HAP Contract is in effect.

<u>Adjustment of Subsidy Amounts</u>. Each HAP Contract provides for certain adjustments in contract rents. With respect to Original Contracts, HUD publishes at least annually an Annual Adjustment Factor ("AAF"), which is intended to reflect changes in the fair market rent established in the housing area for similar types and sizes of dwelling units; interim revisions may be made where market conditions warrant. Upon request from the owner to the Contract Administrator, the AAF is applied on the anniversary date of each HAP Contract to contract rents, provided that no adjustment shall result in a material difference between the rents charged for subsidized and comparable non-subsidized dwelling units except to the extent that the differences existed with respect to the contract rents set at HAP Contract execution or cost certification where applicable. (The difference that existed between the contract rent for a unit at HAP Contract execution and the rent on comparable unassisted units is generally referred to by HUD as the "initial difference" in contract rents.) In addition, provision is made in the regulations for special additional adjustments to reflect increases in actual and necessary expenses of owning and maintaining the subsidized units which have resulted from substantial general increases in real property taxes, assessments, utility rates and utilities not covered by regulated rates, if the owner demonstrates that the automatic annual adjustments have not provided adequate compensation. Under current law (Section

8(c)(2)(C) of the 1937 Housing Act), "[t]he Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under the section ... unless the project has been refinanced in a manner that reduces the periodic payments of the owner."

Notwithstanding the foregoing, if the contract rents for a development exceed the applicable HUD fair market rents, then contract rents cannot be increased beyond comparable market rents (plus the initial difference) as determined by independent appraisals of at least three comparable local developments submitted by the owner. In addition, the AAFs for Section 8 units which experienced no turnover in tenants since their preceding HAP Contract anniversary date shall be one percentage point less than the AAFs that would otherwise apply.

With respect to Renewal Contracts, the HAP Contract will, in most cases, provide for annual adjustments in contract rents based upon an Operating Cost Adjustment Factor (OCAF). The OCAF is intended to reflect increases in the cost of operating comparable rental properties, which may or may not correspond to circumstances affecting a particular Section 8 Project. HAP Contracts renewed for terms longer than one year will be subject to Congressional appropriations, which may not be available. HUD's provision of such amendments and renewals was partially disrupted for a temporary period during the 2007, when HUD determined appropriations available at the time to be inadequate to fulfill all such needs. For further discussion of that situation, see "Late Payments in 2007" below. The President's March 1, 2013 sequestration order pursuant to the Budget Control Act of 2011 and the American Taxpayer Relief Act of 2012 (the "2013 Federal Sequestration Order") resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for housing assistance payments under Renewal Contracts, which HUD implemented by funding certain Renewal Contracts for less than twelve months from such fiscal year's appropriations. The failure of the Congress to timely appropriate sufficient funds to pay subsidies pursuant to Renewal Contracts in any year, including payments requiring appropriations early in a fiscal year as a result of partial year funding in a prior year, could have an adverse impact on the ability of the related Section 8 Projects to pay debt service. In addition, the prohibition on adjustments that would lower contract rents, explained above, does not apply to HAP Contracts that are Renewal Contracts.

Vacancies and Debt Service. Generally, the Section 8 subsidy is payable with respect to the dwelling unit only when it is occupied by a qualified person or family. However, applicable law and regulations provide for payment of the subsidy under certain circumstances and, for a limited period of time, when the dwelling unit is not occupied. Upon the occurrence of a vacancy in a dwelling unit, a subsidy amounting to 80% of the contract rent is payable for a vacancy period of 60 days subject to compliance by the mortgagor with certain conditions relating primarily to a diligent effort to rent the subsidized unit. The payment of a subsidy with respect to a dwelling unit vacant after initial rent-up may continue for an additional 12 months from the expiration of the 60-day period in an amount equal to the principal and interest payments required to amortize the debt service attributable to the vacant unit, if a good faith effort is being made to fill the unit and the unit provides decent, safe, and sanitary housing. Such continued payments also require the mortgagor to show that project costs exceed revenues, a good faith effort is being made to fill the unit and the additional subsidy payments do not exceed the deficiency attributable to the vacant units. With respect to the Section 8 Developments receiving subsidies pursuant to the Section 8 Moderate Rehabilitation Program, vacancy payments are only available for a maximum period of 60 consecutive days.

Compliance With Subsidy Contracts. The ACC and the HAP Contract each contain numerous agreements on the part of the Contract Administrator and the owner concerning, among other things, maintenance of the development as decent, safe and sanitary housing and compliance with a number of requirements typical of Federal contracts (such as non-discrimination, equal employment opportunity, relocation, pollution control and labor standards) as to which non-compliance by the owner may result in abatement by HUD or the Contract Administrator, as the case may be, of the payment of the Federal subsidy, in whole or in part.

Housing assistance payments will continue as long as the owner complies with the requirements of the HAP Contract and has leased the assisted units to an eligible tenant or satisfies the criteria for receiving assistance for vacant units. The Contract Administrator, which has primary responsibility for administering each HAP Contract subject to review and audit by HUD, subject to an opportunity by the mortgagor to cure any default under the HAP Contract, may abate housing assistance payments and recover overpayments pending remedy of the default. If the default is not cured, the Contract Administrator may terminate the HAP Contract or take other corrective action, in its discretion or as directed by HUD. HUD has an independent right to determine whether the owner is in default and to take corrective action and apply appropriate remedies.

If HUD determines that the Contract Administrator has failed to fulfill its obligations, HUD may, after notice to the Contract Administrator giving it a reasonable opportunity to take corrective action, require that the Contract Administrator assign to it all rights under the HAP Contract. In recent years, HUD has placed increasing emphasis on assuring that Contract Administrators fulfill their obligations in this respect.

<u>Expiration of Subsidy Contracts</u>. Until 1997, there was substantial uncertainty as to what would happen to Section 8 developments upon the expiration of their HAP Contracts at the end of their terms. HUD's Fiscal Year 1998 Appropriations Act, Pub. L. 105-65, signed into law on October 27, 1997, included within it the "Multifamily Assisted Housing Reform and Affordability Act of 1997" (as amended several times thereafter, the "MAHRA"). Under the so-called Mark-to-Market program established by MAHRA, many FHA-insured Section 8 projects with expiring HAP Contracts are eligible to receive continuing Section 8 assistance through contract renewals. Such Renewal Contracts may have terms from one to twenty years, subject to Congressional appropriations. As noted above, absent such appropriations, there is no assurance that funds will be available under these contracts. Additionally, FHA-insured Section 8 developments with expiring HAP Contracts and above-market rents may be eligible for restructuring plans and, upon restructuring, to receive continuing Section 8 assistance pursuant to contracts subject to Congressional appropriations. These restructuring plans may include partial or full prepayment of mortgage debt intended to reduce Section 8 rent levels to those of comparable market rate properties or to the minimum level necessary to support proper operations and maintenance, and in certain cases is designed to result in a change from "project-based" to "tenant-based" Section 8 payments. MAHRA provides, however, that no restructuring or renewal of HAP Contracts will occur if the owner of a project has engaged in material adverse financial or managerial actions or omissions with respect to that project or other Federally assisted projects, or if the poor condition of the project cannot be remedied in a cost effective manner.

Although the primary focus of the Mark-to-Market Program is developments that have FHA-insured mortgages with terms ranging from 30 to 40 years and which have HAP Contracts with substantially shorter terms, MAHRA contained distinct mortgage restructuring and HAP Contract renewal and contract rent determination standards for Section 8 developments for which the primary financing or mortgage insurance was provided by a state or local government, or a unit or instrumentality of such government. Such projects, including the Section 8 Developments, were, under MAHRA, excluded from restructuring and instead are eligible for renewals at the lesser of (i) existing rents, adjusted by an operating cost adjustment factor established by HUD, (ii) a budget-based rent, or (iii) in the case of certain "moderate rehabilitation" Section 8 assistance contracts, the lesser of (x) existing rents, adjusted by an operating cost factor determined by HUD, (y) existing fair market rents (less any amounts allowed for tenant purchased utilities), or (z) comparable market rents for the market area. Under current

HUD policy, existing fair market rents for moderate rehabilitation projects means 120% of HUD's published existing fair market rents.

Although initially exempt from restructuring, the 1999 amendments to MAHRA made Section 8 developments with FHA-insured mortgages for which the primary financing was provided by a unit of state or local government subject to the Mark-to-Market program unless the implementation of a mortgage restructuring plan would be in conflict with applicable law or agreements governing such financing. The 1999 amendments also provide for a new program for preservation of Section 8 developments that allows increases in Section 8 rent levels for certain Section 8 developments (including Section 236 Developments which also have project-based HAP Contracts) that have below market rents, to market-rate or near market-rate levels.

Contract rents available upon any renewal may be significantly lower than the current Section 8 contract rents in the Section 8 Developments, and the corresponding reduction in housing assistance payments for such Developments would materially adversely affect the ability of the Mortgagors of such Developments to pay the currently scheduled principal and interest on the related Mortgage Loans. Any termination or expiration of HAP Contracts without renewal or replacement with other project-based assistance (whether due to enactment of additional legislation, material adverse financial or managerial actions by a Mortgagor, poor condition of the project or other causes) would also have a material adverse impact on the ability of the related Section 8 Developments to generate revenues sufficient to pay the currently scheduled principal of and interest on the related Mortgage Loans. See "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program" for a description of the Mortgage Loans and the expiration dates of the HAP Contracts. While MAHRA generally allows mortgagors to renew HAP Contracts (absent certain material adverse conduct or conditions), mortgagors are not required to renew HAP Contracts beyond their initial expiration or the expiration of a renewal term.

A reduction in Section 8 contract rents or the termination or expiration of the HAP Contract (without renewal or replacement with other project-based assistance, or without prepayment, forgiveness, write-down or refinancing as described below), as described in the previous paragraphs, could thus result in a default under the Mortgage Loan for the related Section 8 Development. Nonetheless, if any or all of such Mortgage Loans were to default, FHA Insurance or other Supplemental Security benefits received by the Corporation or proceeds from enforcement actions (including foreclosure) regarding those Mortgage Loans not subject to Supplemental Security, together with monies held in the Accounts under or pursuant to the General Resolution, including the Debt Service Reserve Account, are expected to be sufficient to redeem, pursuant to a special redemption from Recoveries of Principal, an allocable portion of certain Bonds in the event the Corporation is required or elects to redeem Bonds with such funds. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see "Appendix E-4—Cross-Call Provisions and Related Information." Moreover, in the event of such partial redemption, sufficient monies are expected to be available from the remaining Mortgage Loans, the Debt Service Reserve Account and earnings on all monies held in the Accounts maintained under the Resolutions to continue to make timely payments of scheduled principal of and interest on the remaining Outstanding Bonds.

The restructuring plans established by MAHRA referred to above, as a general matter, contemplate restructuring FHA-insured mortgage loans on certain Section 8 projects through a nondefault partial or full prepayment of such loans. Nondefault partial or full prepayment or similar forgiveness or write-down of mortgage debt pursuant to a restructuring of these Mortgage Loans could result in the special redemption from Recoveries of Principal of an allocable portion of certain Bonds at any time with the proceeds the Corporation receives from any such prepayment, forgiveness or write-down. In addition, the Mortgagors of these Mortgage Loans could opt to refinance their Mortgage Loans in full, pursuant to Section 223(a) (7) of the National Housing Act, which could also result in the special redemption from

Recoveries of Principal of an allocable portion of certain Bonds at any time with the proceeds the Corporation receives from any such refinancing. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see "Appendix E-4—Cross-Call Provisions and Related Information." See Appendix E-1 hereto for a description of the Mortgage Loans and the expiration dates of the HAP Contracts.

Exception Projects Under MAHRA. MAHRA contains distinct mortgage restructuring and HAP Contract renewal and contract rent determination standards for certain Section 8 projects which require differentiation from the majority of developments. For example, one is the case noted above, in which primary financing or mortgage insurance was provided by a state or local government, or a unit or instrumentality of such government. A second important group of differentiated projects are those financed under Section 202 of the Housing Act of 1959 that also received Section 8 HAP Contracts when first constructed ("Section 202 Properties"). Such projects are, under MAHRA, excluded from restructuring and mark-down of their rents, and are known as "Exception Projects." Exception Projects are not involuntarily subject to mark-down to market, i.e. the rents may not be reduced below a level upon renewal or prepayment which would not provide the property with funds sufficient to operate the property with a balanced budget. A budget-based analysis is typically performed in connection with the renewal of a HAP Contract for a Section 202 Property. The owner of a Section 202 Property may opt to be renewed under the other renewal options discussed above, but in so doing risks losing the Exception Project designation. For some Section 202 Properties with below market rents this could be a viable option; any contemplation of this would need to be analyzed on a case by case basis. Section 202 Properties are Exception Projects and are statutorily eligible for renewals at the lesser of (i) existing rents, adjusted by an OCAF or (ii) a budget-based rent. Recent legislation and regulations facilitate the refinancing of Section 202 Properties. HUD has recently published final Regulations for the refinancing and rehabilitation of financed and constructed developments under Section 202 with Section 8 subsidies.

No Assurance as to Congressional Action. The HAP Contracts for most of the Section 8 Developments expire or have expired prior to the respective maturity dates of the related Mortgage Loans. Since payments received under the HAP Contracts constitute a primary source of revenues for the related Developments, the expiration of the HAP Contracts (without renewal or replacement) – whether Original Contracts or Renewal Contracts – would have a material adverse impact on the ability of the related Developments to generate revenues sufficient to pay the principal of and interest on the related Mortgage Loans. There can be no assurance that the HAP Contracts will be renewed or replaced or fully funded. Since 1997, MAHRA has been changed in a variety of ways and is always subject to Congressional reconsideration. In the event of the expiration of one or more of the HAP Contracts (without renewal or replacement), there is a likelihood of a default on one or more of the related Mortgage Loans. In the case of Section 8 Developments with FHA Mortgage Loans, the Mortgage Loan(s) would be assigned to FHA for FHA Insurance benefits. Upon receipt of such FHA Insurance or other Supplemental Security benefits or proceeds received from enforcement actions (including foreclosure) of a defaulted Mortgage Loan not subject to supplemental security, the Corporation may elect to redeem an allocable portion of certain Bonds. For a description of the specific cross-call provisions for the Bonds Outstanding under the General Resolution, see "Appendix E-4—Cross-Call Provisions and Related Information." See Appendix E-1 hereto for the date of expiration of the HAP Contracts.

Late Payments in 2007. During 2007, a revision by HUD in its legal interpretation of its Section 8 renewal contracts led HUD to conclude that it only could stay within appropriated funding levels by amending renewal contracts to more explicitly allow for partial-year funding of those contracts. As a result of the time it took to implement this change, many fiscal 2007 payments were not paid on time. While HUD allowed owners to take steps such as borrowing against project reserves, some owners indicated that the delayed payments caused late fees on mortgages or other bills or interruptions in service at their properties.

HUD now has made the necessary contract changes to allow for partial-year renewal funding, but has told Congress that further improvements are needed in its budgeting, contract management and payment process. If future problems in these systems resulting from partial-year funding or otherwise cause delayed subsidy payments, such delays could jeopardize owners' ability to fulfill their mortgage obligations in a timely fashion, and thus jeopardize amounts available for payment of the Bonds.

Use of Residual Receipts Reserves. Certain of the Developments participating in the Section 8 program described above may be the subject of HAP Contracts originally entered into pursuant to certain revised HUD regulations that took effect in late 1979 or early 1980 (as applicable), which in each case generally provide for excess operating income exceeding certain owner distribution limits to be held in a reserve account (a "Residual Receipts Account"), to be used only for project purposes during the term of the HAP Contract and to be returned to HUD upon termination of the HAP Contract.

Pursuant to a HUD policy with respect to such Developments, effective for housing assistance payments in November 2012 and thereafter, amounts in the Residual Receipts Account for such a Development in excess of a specified level, equal to $250 multiplied by the number of Section 8 units in the Development, are to be drawn on to fund Section 8 subsidy payments in lieu of HUD-funded payments until the Residual Receipts Account is reduced to such level.

In addition, with respect to any Development subject to a HAP Contract that authorizes HUD to require Residual Receipts Account deposits, the Consolidated Appropriations Act, 2014 provides that amounts in the Residual Receipts Account that are in excess of an amount determined by HUD shall, upon HUD's request, be remitted to HUD so as to be available to fund subsidy payments under the project-based Section 8 program generally.

Project-Based Voucher Programs. In addition to the project-based Section 8 program described in the preceding paragraphs, the 1937 Housing Act and the Regulations grant certain state and local housing agencies authority to establish programs ("Project-Based Voucher Programs") pursuant to which they may enter into HAP Contracts to provide assistance to projects that set aside units for lower income families, using up to twenty percent of the funds they receive from HUD under annual contributions contracts for the administration of the housing choice voucher program authorized by Section 8(o) of the 1937 Housing Act (the "Housing Choice Voucher Program"). Under Project-Based Voucher Programs, as under the project-based Section 8 program described in the preceding paragraphs, HAP Contracts provide for housing assistance payments to owners generally equal to the difference between specified contract rents for covered units in a project and the respective tenants' required contributions. However, under a Project Based Voucher Program, rules concerning the establishment of initial contract rents, the terms of periodic adjustment of contract rents (including whether reduction to levels below the initial rents may occur), the availability of payments for vacant units, and the availability of renewal of a HAP Contract upon expiration of its stated term, differ from the rules applicable to the project-based Section 8 program described in the preceding paragraphs and depend in part on the policies of the state or local agency operating the Project-Based Voucher Program. The project-based HAP Contracts may only be for terms up to 15 years each, and the state or local agency must determine whether renewal of the contracts for terms of up to 15 years each is appropriate to continue providing affordable housing for lower income families. A state or local agency's obligations pursuant to a HAP Contract under its Project-Based Voucher Program are subject to the annual appropriation by Congress and obligation by HUD of funds in amounts sufficient to operate the Housing Choice Voucher Program, including the agency's Project-Based Voucher Program. The 2013 Federal Sequestration Order resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for the Housing Choice Voucher Program. No assurance can be given that Congress will timely appropriate sufficient funds each year for the Housing

Choice Voucher Program to enable housing agencies to make housing assistance payments pursuant to such HAP Contracts.

Tenant-Based Housing Choice Vouchers. Pursuant to the Housing Choice Voucher Program referred to in the preceding paragraph, funds appropriated by Congress are distributed by HUD to certain state and local housing agencies under annual contributions contracts for the purpose of making housing assistance payments to owners of housing units that eligible families who have been granted a voucher by the agency have chosen to lease. A HAP Contract under the Housing Choice Voucher Program entered into between the agency and the owner of the housing unit chosen by such a family generally provides for housing assistance payments to such owner for the term of the family's tenancy equal to the difference between (a) an amount that is generally 30% of such family's income (with certain adjustments and subject to certain floor amounts) and (b) the lower of the rent payable under the family's lease (with certain adjustments) or a specified payment standard established by the agency in accordance with HUD requirements. Such payments are subject to termination if, among other reasons, the respective family moves out of the unit or the agency determines that sufficient funding is not available under its annual contributions contract for continued assistance to families in the Housing Choice Voucher Program, and are subject to reduction for reasons that include reduction in the size of the respective family or reduction in the agency's established payment standards. The 2013 Federal Sequestration Order resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for the Housing Choice Voucher Program. No assurance can be given that Congress will timely appropriate sufficient funds each year for the Housing Choice Voucher Program to enable housing agencies to make housing assistance payments pursuant to such HAP Contracts.

Public Housing

The 1937 Housing Act and the regulations thereunder provide that amounts appropriated by Congress in any year for the public housing operating fund under Section 9 of such Act ("Section 9") are to be allocated by HUD among eligible state and local public housing agencies according to a formula that takes into account projections of the income from, and standards for the costs of, operating and managing the housing units assisted under the 1937 Housing Act (other than under the Section 8 program) ("Public Housing Units") that are owned, operated or assisted by such agencies. Such appropriated funds allocated to a public housing agency ("Public Housing Operating Subsidy") are provided to the agency pursuant to an annual contributions contract between HUD and the agency. Under certain circumstances, a public housing agency may request that such annual contributions contract be amended to permit use of Public Housing Operating Subsidy to pay eligible costs of operating and managing Public Housing Units located within a property that is owned and operated by an entity other than the agency (an "Owner Entity") and to provide for capital assistance for such units from amounts appropriated by Congress for the public housing capital fund under Section 9 and made available to the agency by HUD ("Capital Fund Assistance"). An annual contributions contract so amended (an "Amended ACC") generally provides that, for the purpose of ensuring that Public Housing Units are operated in accordance with applicable law, regulations and HUD policies in effect from time to time ("Applicable Public Housing Requirements"), the Owner Entity shall enter into a regulatory and operating agreement with the agency and shall enter into a declaration of covenants for the benefit of HUD restricting use of the property by the Owner Entity and successive owners that is prior to any other encumbrance of the property (collectively, together with the Amended ACC, "Mixed-Finance Agreements").

Among other provisions, Mixed-Finance Agreements with respect to Public Housing Units owned by an Owner Entity generally (1) provide for allocation of a portion of the agency's Public Housing Operating Subsidy to such Public Housing Units, (2) require that Public Housing Units be developed, operated and maintained in accordance with Applicable Public Housing Requirements, including requirements concerning occupancy by eligible lower income families (which may include minimum requirements as to occupancy by families whose income does not exceed 30% of the median income for the area as determined by HUD) and requirements concerning determination of rents, for a period extending to the latest of 10 years beyond the end of the year in which Public Housing Operating Subsidy is last provided by the agency, 20 years after any modernization using Capital Fund Assistance is last completed and, in the case of Public Housing Units developed using Capital Fund Assistance, 40 years after the units become available for occupancy, (3) prohibit disposition of the Public Housing Units before the expiration of such period, (4) require HUD consent prior to transferring or encumbering interests in the Public Housing Units or in the Owner Entity, and (5) provide that, in the event of casualty or condemnation with respect to the property in which the Public Housing Units are located, proceeds shall be applied to restoration of the property to the extent feasible, and any reduction of the number of units in the property shall neither reduce the percentage of units that are subject to Applicable Public Housing Requirements nor (except in certain circumstances) reduce the number of units that are subject to such requirements.

The 2013 Federal Sequestration Order referred to above under the heading "Section 8 Program" resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for the public housing operating fund under Section 9. No assurance can be given that Congress will timely appropriate sufficient funds each year for the public housing operating fund to enable public housing agencies to make Public Operating Subsidy available for such Public Housing Units.

Corporation Programs

Affordable Housing Permanent Loan Program

The Corporation's Affordable Housing Permanent Loan Program ("AHPLP") was intended to make small permanent first mortgage loans on projects primarily developed under programs sponsored by HPD. Generally, the maximum amount of each mortgage loan is $2,000,000 and does not exceed 60% of the combined mortgage loans from HPD or other-subordinated lenders. The Corporation services the permanent first mortgage loan and the HPD subordinate mortgage loan.

For each AHPLP construction mortgage loan, the Corporation entered into a buy-sell agreement with the mortgagor's construction lender. A minimum replacement reserve of $250 per unit is required. It is expected that AHPLP permanent mortgage loans will not be secured by Supplemental Security.

Low-Income Affordable Marketplace Program

The Corporation established the Low-income Affordable Marketplace Program ("LAMP") to finance the construction or substantial rehabilitation of developments affordable to low-income tenants. LAMP projects are financed with a combination of a first construction and permanent mortgage loan funded from tax-exempt bond proceeds, as of right 4% Federal tax credits and a second mortgage loan funded from the Corporation's reserves. Formerly known as 100% LITE, LAMP may also be used to finance mixed-income projects, where a minimum of 80% of the units are affordable to those earning less than or equal to 60% of the area median income. Each development financed under LAMP will be subject to a regulatory agreement restricting the rents to levels affordable to low income households.

For each construction mortgage loan made with bond proceeds, the Corporation will require the developer to post a bank letter of credit, guarantee or other security equal to the face amount of such loan plus a specified interest reserve amount. The letter of credit may be drawn upon by the Corporation if the developer fails to make scheduled payments of interest and principal on the construction mortgage loan. Any amounts received by the Corporation under the letter of credit are pledged to the holders of bonds issued under the General Resolution. Following the completion of construction and the fulfillment of certain other conditions, the Corporation will release the letter of credit. The Corporation may seek mortgage insurance from SONYMA or REMIC for all or a portion of the principal balance of the permanent mortgage loans.

The second mortgage loan is a subordinate loan of up to $65,000 per unit provided at 1% interest with fixed minimum payments of at least interest only.

Low-Income Affordable Marketplace Preservation Program

The Corporation has established a Low-income Affordable Marketplace Preservation Program ("LAMP Preservation") to finance the acquisition and moderate rehabilitation of developments affordable to low-income tenants. LAMP Preservation projects are financed with a mortgage loan funded from tax-exempt bonds proceeds and as of right 4% Federal tax credits. In most cases, this program does not offer a second mortgage loan funded by the Corporation. Tenant income must be the lesser of 60% of area median income or levels required by additional subsidy providers.

For some, but not all, LAMP Preservation construction mortgage loans made with bond proceeds, the Corporation will require the developer to post a bank letter of credit, guarantee or other security equal to the face amount of such mortgage loan plus a specified interest reserve amount. For such construction mortgage loans, the letter of credit may be drawn upon by the Corporation if the developer fails to make scheduled payments of interest and principal. Any amounts received by the Corporation under a letter of credit are pledged to the holders of bonds issued under the General Resolution. Following the completion of construction and the fulfillment of certain other conditions, the Corporation will release any such letter of credit. The Corporation may seek mortgage insurance from SONYMA or REMIC for all or a portion of the principal balance of the permanent mortgage loans.

Mitchell-Lama Programs

The Mitchell-Lama program was enacted by the State in the mid-1950's as a way to promote and facilitate the construction of affordable rental and cooperative housing throughout New York State. The law stated that after twenty years from the occupancy date, the mortgagor is allowed to prepay the mortgage and release the affordability obligations of the program. To preserve such projects as affordable housing and to prevent owners of these projects from leaving the Mitchell-Lama program, the Corporation has developed the Mitchell-Lama Restructuring Program and the Mitchell-Lama Repair Loan Program as described below.

Mitchell-Lama Restructuring Program

The Mitchell-Lama Restructuring Program preserves Mitchell-Lama projects as affordable housing by refinancing existing mortgages. To refinance the mortgage loans the Corporation will refund the existing bonds that financed or refinanced the original Mitchell-Lama development loans by issuing longer term bonds and/or restructure the mortgagor's existing mortgage loans. The Corporation restructures the existing mortgage loans into new mortgage loans which contain an extended maturity date and a lower rate of interest. For certain developments, a new subordinate mortgage loan, which is subject to a residual right of ownership by the City, is made with a reduced rate of interest, usually 0%, due as a balloon payment upon the retirement of the new senior mortgage loans.

Mitchell-Lama Repair Loan Program

A significant number of the Mitchell-Lama developments are aging (each is between 35 and 50 years old) and are in need of significant repairs. The Corporation, under the Mitchell-Lama Repair Loan Program, will provide additional loans to these Mitchell-Lama projects with the issuances of taxable bond proceeds. These loans may be used to fund system modernizations, capital improvements or repairs at the Mitchell-Lama developments. The Corporation oversees the satisfactory completion of such modernizations, improvements and repairs.

Mixed Income Program

The Corporation established the Mixed Income Program to finance the construction or substantial rehabilitation of mixed-income multi-family rental housing. The Mixed-Income Program combines a first mortgage loan funded from variable or fixed rate tax-exempt bond proceeds and a subordinate mortgage loan funded from the Corporation's reserves. Some projects also qualify for as of right 4% Federal tax credits. Typically, the developments reserve 50% of the units for market rate tenants, 30% of the units for moderate to middle income tenants and 20% of the units for low income tenants. Each development will be subject to a regulatory agreement restricting the rents to levels affordable to low, moderate and middle income households.

For each Mixed Income construction mortgage loan made with bond proceeds, the Corporation will require the developer to post a bank letter of credit, guarantee or other security equal to the face amount of such loan plus a specified interest reserve amount. The letter of credit may be drawn upon by the Corporation if the developer fails to make scheduled payments of interest and principal on the construction mortgage loan. Any amounts received by the Corporation under the letter of credit are pledged to the holders of bonds issued under the General Resolution. Following the completion of construction and the fulfillment of certain other conditions, the Corporation will release the letter of credit. The Corporation may seek mortgage insurance from SONYMA or REMIC for all or a portion of the principal balance of the permanent mortgage loans.

Typically, the subordinate loan amortizes at a minimum 2% constant but in certain cases it may amortize at a different rate.

New Housing Opportunities Program

The Corporation established the New Housing Opportunities Program ("New HOP") in 1997 to finance the construction or substantial rehabilitation of affordable low, moderate and middle income housing in New York City which would not otherwise be produced by the ordinary operations of private enterprise. New HOP projects are financed with a first mortgage loan funded from variable or fixed-rate bonds proceeds and a second subordinate mortgage loan funded from the Corporation's reserves. Each development financed under New HOP will be subject to a regulatory agreement restricting the rents to levels affordable to low, moderate and middle income households.

For each New HOP construction mortgage loan made with bond proceeds, the Corporation will require the developer to post a bank letter of credit, guarantee or other security equal to the face amount of such loan plus a specified interest reserve amount. The letter of credit may be drawn upon by the Corporation if the developer fails to make scheduled payments of interest and principal on the construction mortgage loan. Any amounts received by the Corporation under the letter of credit are pledged to the holders of bonds issued under the General Resolution. Following the completion of construction and the fulfillment of certain other conditions, the Corporation will release the letter of credit. In certain cases, the Corporation will finance a permanent first mortgage loan only. The

Corporation may seek mortgage insurance from SONYMA or REMIC for all or a portion of the principal balance of the permanent mortgage loans.

The subordinate loan is provided at 1% interest with fixed minimum payments of at least interest only but may provide for amortization, depending on underwriting criteria established by the Corporation.

Participation Loan Program

The Participation Loan Program ("PLP") was established in 1977 pursuant to Article XV of the Private Housing Finance Law of the State of New York. PLP is designed to increase accessibility to mortgage capital for the rehabilitation of privately owned multi-family housing in the City of New York. HPD administers PLP which provides mortgage financing for the rehabilitation of such housing at nominal interest rates.

HPD may only make a loan pursuant to PLP if another bona fide lender, such as the Corporation, also lends a portion of the funds necessary to complete the rehabilitation of the project. HPD's PLP loans are typically secured by subordinate mortgages. Currently, the Corporation holds certain first position Mortgage Loans (some of which benefit from Supplemental Security) assisted under PLP and also holds subordinate Mortgage Loans originally funded under PLP, which loans were acquired from HPD upon the issuance of the 2002 Series D Bonds and the 2003 Series D Bonds.

In addition, Federal HOME funds available under the Housing and Community Development Act of 1992 are administered by HPD which provides mortgage financing for the rehabilitation and certain new construction of privately owned multi-family housing in the City of New York at nominal interest rates. HPD may make such a loan if non-Federal matching funds are available.

Article 8-A Loan Program

The Article 8-A Loan Program ("Article 8-A") was established in 1970 pursuant to the Private Housing Finance Law of the State of New York. Article 8-A is available to owners of privately owned multi-family housing developments if: (i) each dwelling unit in such development is available at rents affordable to low income persons or families and (ii) such owner is unable to obtain financing from the private sector. Article 8-A loan proceeds may be used to eliminate any substandard or unsanitary condition at a development, or for replacement or rehabilitation of systems at a development or other improvements necessary to prolong the useful life of a development.

HPD administers Article 8-A which provides mortgage financing for the rehabilitation of such housing at below-market interest rates. Article 8-A loans are typically secured by subordinate mortgages.

§421-a Negotiable Certificate Program

HPD's §421-a Negotiable Certificate Program (the "Certificate Program") was designed to link the creation of market rate multi-family housing in certain areas of the City of New York (the "Geographic Exclusion Zone") with the development of low income housing in other areas of New York City. In general, newly constructed multi-family housing in the Geographic Exclusion Zone was not eligible to receive any real estate tax exemption unless the developer of such housing either (i) set aside at least 20% of the units in such projects for low income households or (ii) purchased §421-a Negotiable Certificates from other developers who have constructed or rehabilitated low income housing in other areas of the City of New York ("off-site projects" or "off-site units") pursuant to the rules and regulations of the Certificate Program. The Certificate Program generally permitted HPD to grant five §421-a Negotiable Certificates for each off-site low income unit created under the Certificate Program. In turn, each §421-a Negotiable Certificate allowed the developer of a market rate unit in the Geographic

Exclusion Zone to receive a 10-year phased exemption from any increase in such market rate unit's assessed value relating to the construction of such market rate unit. The 10-year phased real estate tax exemption increased the value of the market rate Geographical Exclusion Zone unit. Therefore, the developer of the market rate unit paid the developer of the off-site unit to be able to receive and utilize the §421-a Negotiable Certificates that was generated by the off-site low income project. The program was authorized by §421-a of the New York Real Property Tax Law which has since been amended.

Low Income Rental Program

Under the Low Income Rental Program ("LIRP"), formerly known as Mixed Income Rental Program ("MIRP"), sponsors purchase land or vacant buildings, and construct or rehabilitate multi-family units in order to create affordable rentals, with a targeted set aside of up to 30% of the units for formerly homeless families and the remaining units to be reserved for households earning less than or equal to 60% of the New York City area median income. Under LIRP, HPD will provide a direct subsidy of up to $75,000 per unit. The funds from HPD are advanced through a 1% loan for a maximum term of 30 years.

LIRP is used to leverage construction and permanent financing from private institutional lenders and from other public sources including the Corporation and the State. LIRP may be combined with other Subsidy Programs, including the Certificate Program.

New York State Housing Trust Fund Corporation Programs

The New York State Housing Trust Fund Corporation ("HTF"), a public benefit corporation which operates under the aegis of the Division of Housing and Community Renewal ("DHCR"), has two initiatives involving tax exempt bond financing: the Homes For Working Families Initiative ("HWFI") and the Senior Housing Initiative ("SHI"). Under both programs, HTF assistance of up to $35,000 per unit will be provided in the form of low or deferred interest mortgages for affordable housing projects.

Through HWFI, DHCR provides subordinate permanent financing at an interest rate of 1% to private developers for the new construction or substantial rehabilitation of affordable rental housing projects. Under HWFI, 100% of the units must be affordable to households earning less than 60% of area median income. At least 50% of project cost must be financed by tax-exempt bonds issued under Section 142 of the Internal Revenue Code in order to enable the projects to qualify for Federal low-income housing tax credits.

Pursuant to SHI, DHCR provides subordinate permanent financing at an interest rate of 0% to 1% to not-for-profit developers for the new construction or substantial rehabilitation of affordable rental housing for the elderly. Under SHI, occupancy is limited to seniors, defined as households headed by a person 60 years of age or older. Approximately 20% of the units in a project assisted through the SHI must be affordable to households earning less than 50% of area median income.

General Municipal Law Article 16

Article 16 of the General Municipal Law, Section 690 et seq. authorizes certain municipalities in the State, including the City, to make grants or loans (i) to the owner of any property that is part of an urban development action area project (as defined in such law) for the purpose of rehabilitation of an existing private or multiple dwelling, (ii) for the purpose of providing site improvements, or (iii) for the purpose of providing for other costs of construction for the development of private and multiple dwelling housing accommodations. Any loan made in accordance with this section shall be secured by a note and mortgage. In the case of a loan for the purpose of providing rental housing for persons of low income, the rental development must be subject to a regulatory agreement limiting profits and rentals charged.

With regard to the Mortgage Loans financed or expected to be financed by the Corporation which are subsidized through General Municipal Law, Article 16, the initial feasibility of these Developments was determined by the Corporation, HPD and a conventional construction lender. HPD's General Municipal Law, Article 16 permanent loan is subordinate to the Corporation's Mortgage Loan and both loans are not secured by Supplemental Security. In the event of a default on the Corporation's Mortgage Loan, any proceeds resulting from a foreclosure which might result from such default would be applied to satisfy the Corporation's Mortgage Loan prior to HPD's General Municipal Law, Article 16 loan.

Housing Development Grant Program

Pursuant to the Housing Development Grant ("HoDAG") Program, which was authorized by Section 17 of the 1937 Housing Act, HUD made grants to localities for rental housing projects within such localities' respective jurisdictions. HPD received such a grant for certain of the Developments and utilized the funds provided by HUD to make a second unsecured mortgage loan. During the term of the HoDAG second uninsured mortgage loan made to the Mortgagor by HPD, the Mortgagor is required to comply with certain HoDAG Program requirements, including restrictions relative to the occupancy of certain units by low income tenants. If HoDAG Program requirements are not adhered to by the Mortgagor of the Development which received the HoDAG funds, the Mortgagor is required to repay HPD the amount of HoDAG grant funds, subject to certain adjustments. HUD may require the City to refund the grant monies. While no payments are due on this second position permanent loan during the term of the applicable Mortgage Loan, upon a violation of the HoDAG Program requirements by the Mortgagor, the City may then proceed to enforce its right to collect such grant monies from the Mortgagor.

Housing Assistance Corporation Programs

The Housing Assistance Corporation ("HAC") is a public benefit corporation of the State established pursuant to Section 654-b of the Act as a subsidiary of the Corporation. HAC is to continue in existence until terminated by law; provided, however, that no such termination shall take effect as long as its obligations remain outstanding. The payments and funds of HAC are not considered to be assets of the Corporation and are not pledged under the Resolutions.

HAC is empowered to receive monies from any source, including, but not limited to, the Corporation, the City or the State, for the purpose of assisting rental developments to maintain rentals affordable to low and moderate income persons for whom the ordinary operation of private enterprise cannot supply safe, sanitary and affordable housing accommodations. In order to accomplish this objective, HAC may transfer, lend, pledge or assign these monies to any rental development (and may enter into agreements for such purposes with mortgagors of rental developments) or assist the Corporation in financing such developments.

HAC provides monthly rental assistance payments pursuant to a Tenant Assistance Contract ("TAC"). See "Appendix E-1—Developments and Mortgage Loans Outstanding under the Program" for the date of expiration of the TACs.

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