



## Report to Members

Fiscal Year End  
October 31, 2023

**Eric Enderlin**  
**President**



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DATE: May 30, 2024  
TO: The Chairperson and Members  
FROM: Eric Enderlin  
SUBJECT: Report on REMIC Fiscal Year 2023 Activities

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I am pleased to report that the New York City Residential Mortgage Insurance Corporation (“REMIC”) continued its role in helping to establish and maintain the available stock of affordable housing throughout New York City during the fiscal year ended October 31, 2023. Certificates of Insurance were issued for 16 properties with an insured amount of 78.4 million, representing 3,712 units and \$373.9 million in mortgage amount outstanding. Commitments to Insure were issued for 6 properties with an insured amount of \$19.4 million, representing 1,134 units and \$97.1 million in mortgage amount outstanding.

A detailed summary of the activities and accomplishments of REMIC during the fiscal year ended October 31, 2023 is attached for your review.

## MISSION & HISTORY

The New York City Residential Mortgage Insurance Corporation (“REMIC”) is a public benefit corporation created to promote the production and rehabilitation of affordable housing in New York City through the issuance of mortgage insurance. REMIC plays an integral role in New York City’s efforts to stabilize and revitalize the City’s diverse neighborhoods.

Founded as the New York City Rehabilitation Mortgage Insurance Corporation in 1973 by the State Legislature with a \$7.5 million loan from New York City, REMIC was created to promote the development of affordable housing in specifically designated distressed areas of New York City. Using mortgage insurance, REMIC worked to promote the issuance of residential loans, many of which would not have proceeded without credit enhancement.

In 1993, the State Legislature amended the REMIC statute, changing REMIC’s parameters to no longer restrict REMIC to designated distressed areas, but instead, to encourage REMIC to insure mortgages throughout New York City. At the same time, REMIC was renamed the New York City Residential Mortgage Insurance Corporation and was reorganized as a subsidiary of the New York City Housing Development Corporation (“HDC”). The original \$7.5 million loan was returned to the City, with HDC funding REMIC reserve requirements as required by REMIC’s enabling statute. These legal changes and transfers of funds created a “New REMIC” entity, while certain reserve requirements remained in place for the “Old REMIC” insured projects. During 2015, the last remaining “Old REMIC” loan was paid off. There are no remaining “Old REMIC” loans in the portfolio. In fiscal years 2011, 2013, 2015, and 2019 HDC injected \$7.5 million, \$10 million, \$8 million, and \$10 million respectively, into REMIC to capitalize future capacity.

Since becoming a subsidiary of HDC, REMIC has actively sought to become a more formidable presence in the mortgage insurance business by significantly increasing the volume of its underwriting while maintaining adherence to strict underwriting standards. In its 50 years of existence, the REMIC insured portfolio has performed well, having paid only 17 claims for insured loans totaling \$693,192.

As of fiscal year-end, REMIC had a “AA” rating from Standard & Poor’s.

## **FISCAL YEAR 2023 SUMMARY**

During fiscal year 2023 (November 1, 2022 through October 31, 2023), REMIC issued Commitments to Insure to 6 properties, with a total of 1,134 units, a total insured amount of \$19.4 million, and a total mortgage amount of \$97.1 million. During fiscal year 2023, REMIC issued Certificates of Insurance to 16 properties, with a total of 3,712 units, a total insured amount of \$78.4 million, and a total mortgage amount of \$373.9 million.

As of October 31, 2023, REMIC had a total amount of insurance outstanding of \$424 million, with a total mortgage amount outstanding related to such insurance of \$2 billion. In addition, REMIC had total commitments outstanding of \$133.3 million with a total mortgage amount outstanding related to such insurance of \$666.5 million.

Details of the Commitments to Insure and the Certificates of Insurance that REMIC issued during fiscal year 2023 are on the following two pages.

**COMMITMENTS TO INSURE ISSUED DURING FY2023**

**BRONX**

<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
Belmont Cove Apartments	HDC	\$9,485,000	\$1,897,000	153
River Crest Phase B	HDC	\$34,960,000	\$6,992,000	250
<i>Total Bronx (2 projects):</i>		<b><u>\$44,445,000</u></b>	<b><u>\$8,889,000</u></b>	<b><u>403</u></b>

**BROOKLYN**

<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
HELP ONE – Building A	HDC	\$19,955,000	\$3,991,000	183
Linden Terrace III	HDC	\$12,800,000	\$2,560,000	156
Ebenezer Plaza Phase 2	HDC	\$16,485,000	\$3,297,000	208
<i>Total Brooklyn (3 projects):</i>		<b><u>\$49,240,000</u></b>	<b><u>\$9,848,000</u></b>	<b><u>547</u></b>

**QUEENS**

<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
Rockaway Village - Phase 4	HDC	\$3,450,000	\$690,000	184
<i>Total Queens (1 projects):</i>		<b><u>\$3,450,000</u></b>	<b><u>\$690,000</u></b>	<b><u>184</u></b>

<b>TOTAL COMMITTED (6 PROJECTS):</b>		<b><u>\$97,135,000</u></b>	<b><u>\$19,427,000</u></b>	<b><u>1,134</u></b>
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**CERTIFICATES OF INSURANCE ISSUED DURING FY2023**

**BRONX**

<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
600 East 156 <sup>th</sup> Street	HDC	\$14,775,000	\$2,955,000	175
Mt. Hope	HDC	\$31,170,000	\$6,234,000	437
1675 Westchester Ave	HDC	\$24,030,000	\$4,806,000	249
Park Haven	HDC	\$14,970,000	\$2,994,000	178
Jerome Court	HDC	\$17,845,000	\$3,569,000	41
<b><i>Total Bronx (5 projects):</i></b>		<b><u>\$102,790,000</u></b>	<b><u>\$20,558,000</u></b>	<b><u>1,080</u></b>

**BROOKLYN**

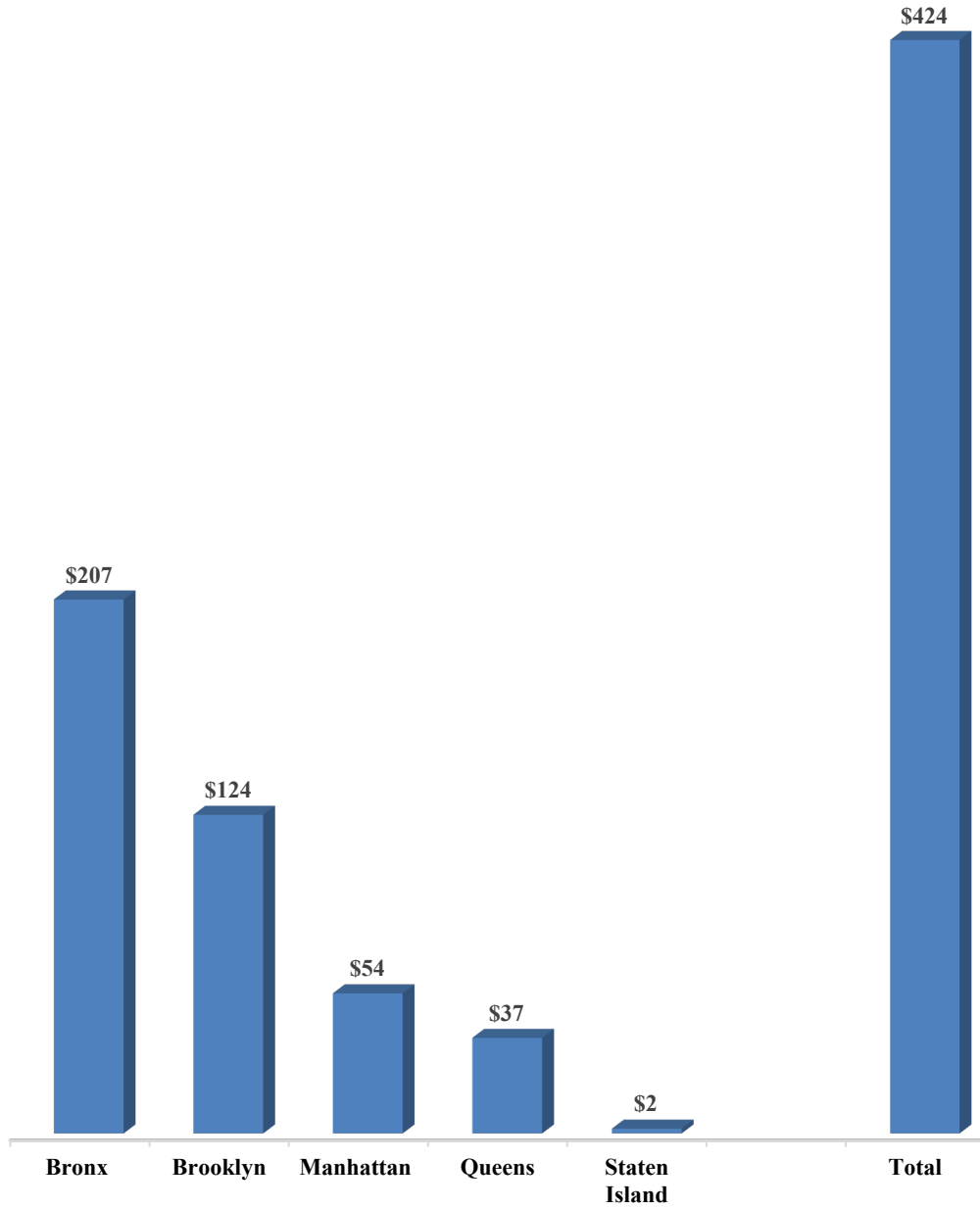
<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
Livonia Avenue Phase II	HDC	\$16,500,000	\$3,300,000	242
Coney Island – Phase I	HDC	\$31,770,000	\$6,354,000	446
1620 Fulton St	HDC	\$19,250,000	\$3,850,000	103
The Astra at Gates Avenue	HDC	\$13,460,000	\$2,692,000	96
Bedford Union Armory	HDC	\$88,170,000	\$22,042,500	415
Spring Creek 4B-2	HDC	\$15,090,000	\$3,018,000	240
50 Penn	HDC	\$12,890,000	\$2,578,000	218
Ebenezer Plaza 1B	HDC	\$9,130,000	\$1,826,000	118
Cadman Towers	HDC	\$31,107,202	\$6,221,440	422
<b><i>Total Brooklyn (9 projects):</i></b>		<b><u>\$237,367,202</u></b>	<b><u>\$51,881,940</u></b>	<b><u>2,300</u></b>

**QUEENS**

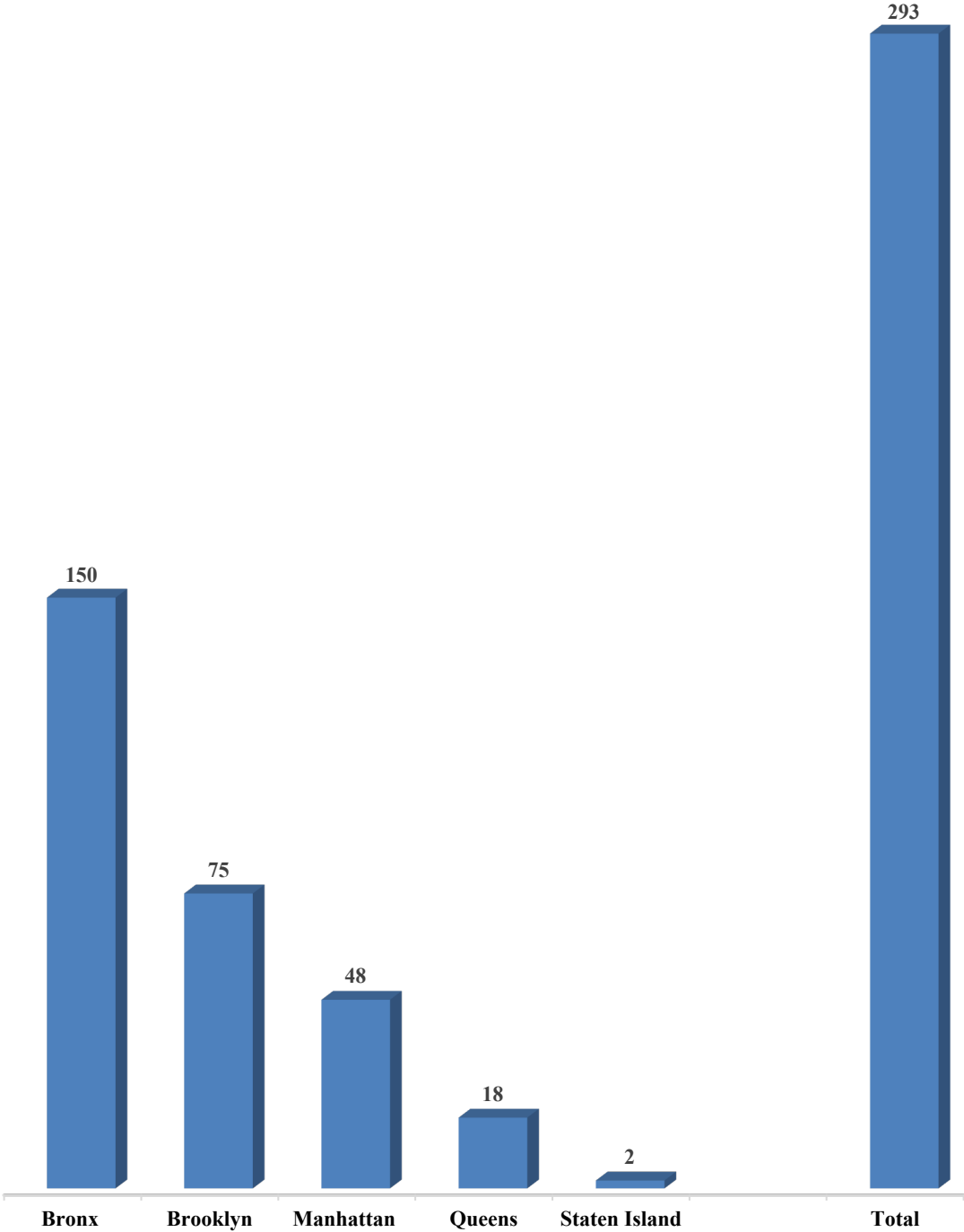
<b><u>Property</u></b>	<b><u>Lender</u></b>	<b><u>Original Mortgage Amount</u></b>	<b><u>Original Insured Amount</u></b>	<b><u># Units</u></b>
Jamaica Crossing Mid Rise	HDC	\$23,630,000	\$4,726,000	130
14-14 Central Avenue	HDC	\$10,140,000	\$2,028,000	142
<b><i>Total Queens (2 projects):</i></b>		<b><u>\$33,770,000</u></b>	<b><u>\$6,754,000</u></b>	<b><u>272</u></b>

<b>TOTAL INSURED (16 PROJECTS):</b>		<b><u>\$373,927,202</u></b>	<b><u>\$79,193,940</u></b>	<b><u>3,652</u></b>
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**Insured Amount by Borough**  
**(\$Millions)**



**Total Insured Properties by Borough**





**HIGHLIGHTS OF PROPERTIES INSURED DURING FY2023**



**Bedford Union Armory (Brooklyn)**



**Coney Island Phase I (Brooklyn)**



**1675 Westchester Ave (Bronx)**



**Jamaica Crossing Mid Rise (Queens)**



**YEAR-OVER-YEAR COMPARISON**  
**FY 2023 VERSUS FY 2022**

**Commitments to Insure**

	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>
# Projects	15	6
# Units	3,612	1,134
Insured Amount	\$46,220,600	\$19,427,000
Mortgage Amount	\$231,103,000	\$97,135,000

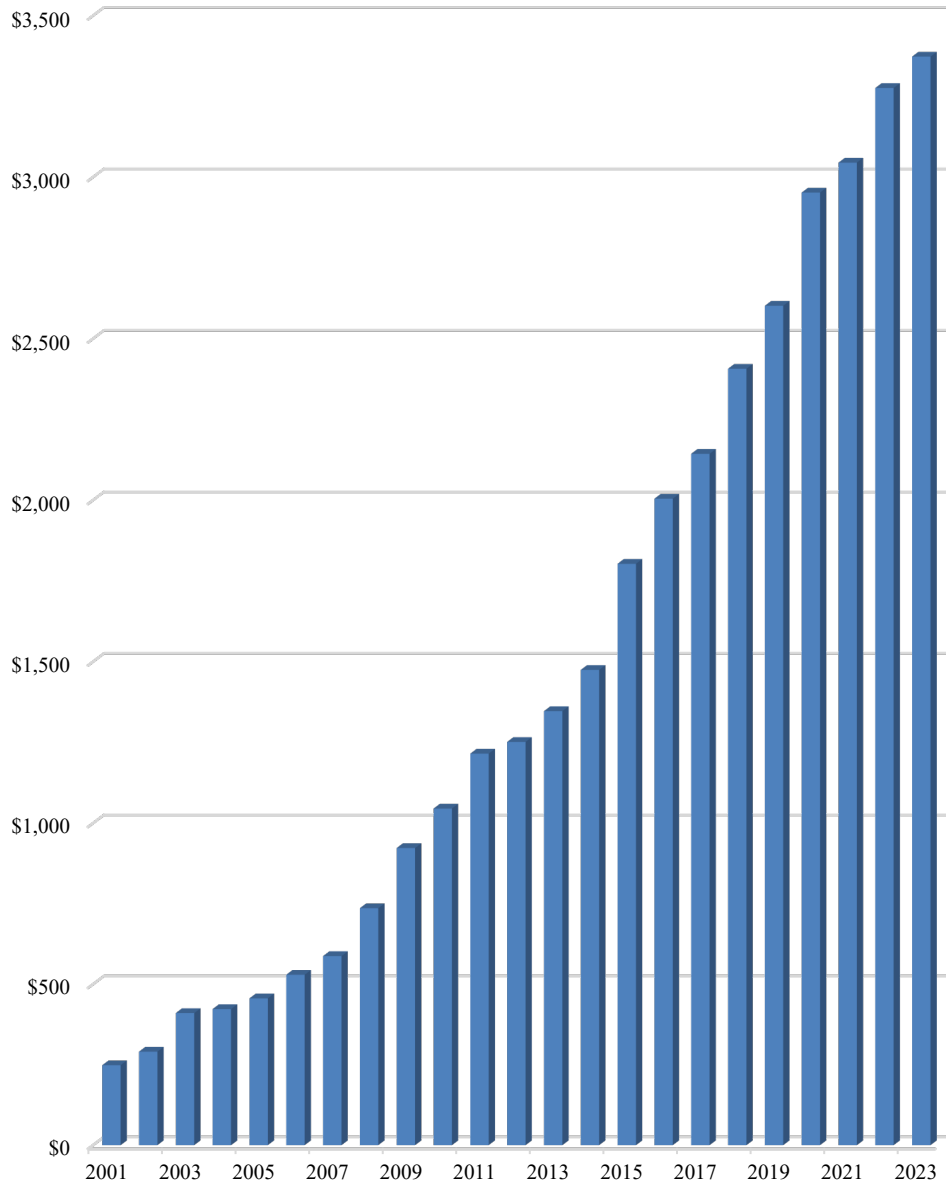
**Certificates of Insurance:**

# Projects	10	16
# Units	2,204	3,652
Insured Amount	\$30,141,000	\$79,193,940
Mortgage Amount	\$150,705,000	\$373,927,202

**ANNUAL COMMITMENT ACTIVITY**

<b><u>Fiscal Year</u></b>	<b><u># Loans</u></b>	<b><u>Insured Amount</u></b>	<b><u>Mortgage Amount</u></b>	<b><u># Units</u></b>
1993 to 2003	347	\$189,515,187	\$410,581,573	10,340
2004	11	\$8,411,263	\$12,285,612	329
2005	8	\$10,079,063	\$33,367,750	477
2006	29	\$20,673,355	\$73,358,770	1,427
2007	11	\$10,922,260	\$58,041,298	751
2008	21	\$32,593,062	\$148,746,311	3,134
2009	24	\$37,360,000	\$186,800,000	2,600
2010	22	\$24,424,000	\$122,120,000	2,425
2011	22	\$34,026,000	\$170,130,000	2,608
2012	10	\$7,229,820	\$36,149,100	762
2013	18	\$23,127,428	\$95,391,428	1,769
2014	20	\$26,876,000	\$127,520,000	2,674
2015	47	\$69,705,024	\$328,617,024	5,594
2016	24	\$40,599,210	\$201,544,576	9,282
2017	14	\$28,523,656	\$138,952,456	2,109
2018	20	\$52,641,000	\$263,205,000	4,505
2019	13	\$39,014,000	\$195,070,000	3,371
2020	17	\$70,068,000	\$350,340,000	3,725
2021	8	\$18,535,000	\$92,675,000	1,810
2022	15	\$46,220,600	\$231,103,000	3,612
2023	6	\$19,427,000	\$97,135,000	1,134
<b><i>Total</i></b>	<b>707</b>	<b><u>\$809,970,928</u></b>	<b><u>\$3,373,133,898</u></b>	<b><u>64,438</u></b>

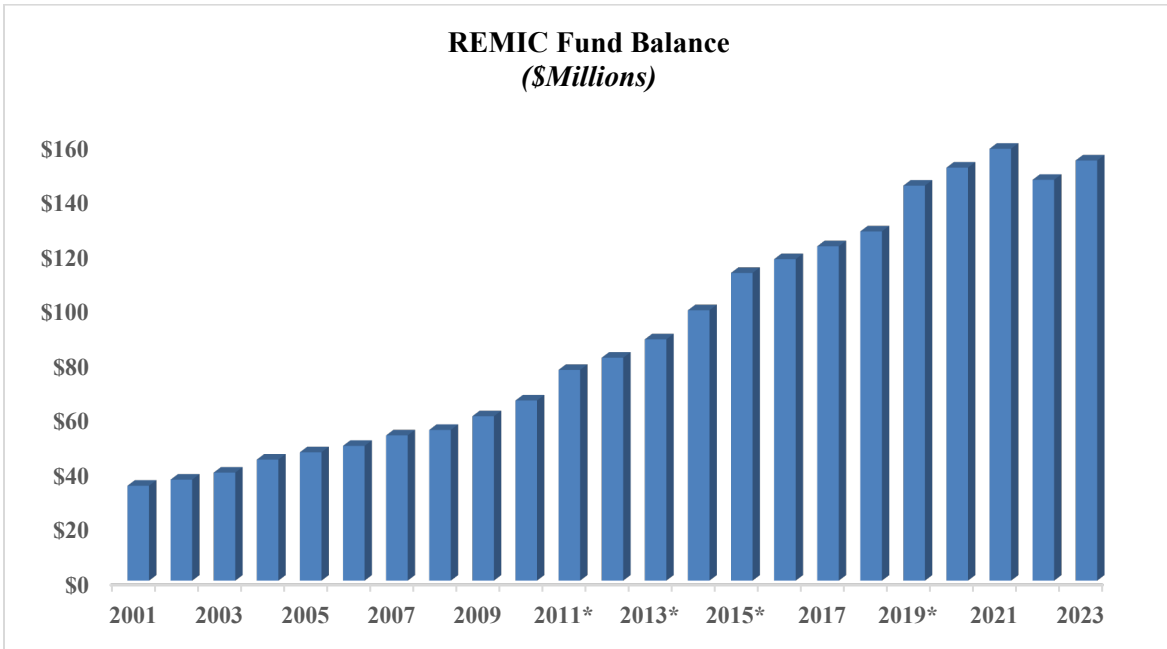
**REMIC COMMITMENT HISTORY**  
*Cumulative Mortgage Amounts Committed Since 2001*  
*(\$Millions)*



**REMIC FY23 FUND BALANCES**

<b><u>Restricted Fund Balance</u></b>	<b><u>Unrestricted Fund Balance</u></b>	<b><u>TOTAL BALANCE</u></b>
<b><u>\$111,460,496</u></b>	<b><u>\$42,153,314</u></b>	<b><u>\$153,613,810</u></b>

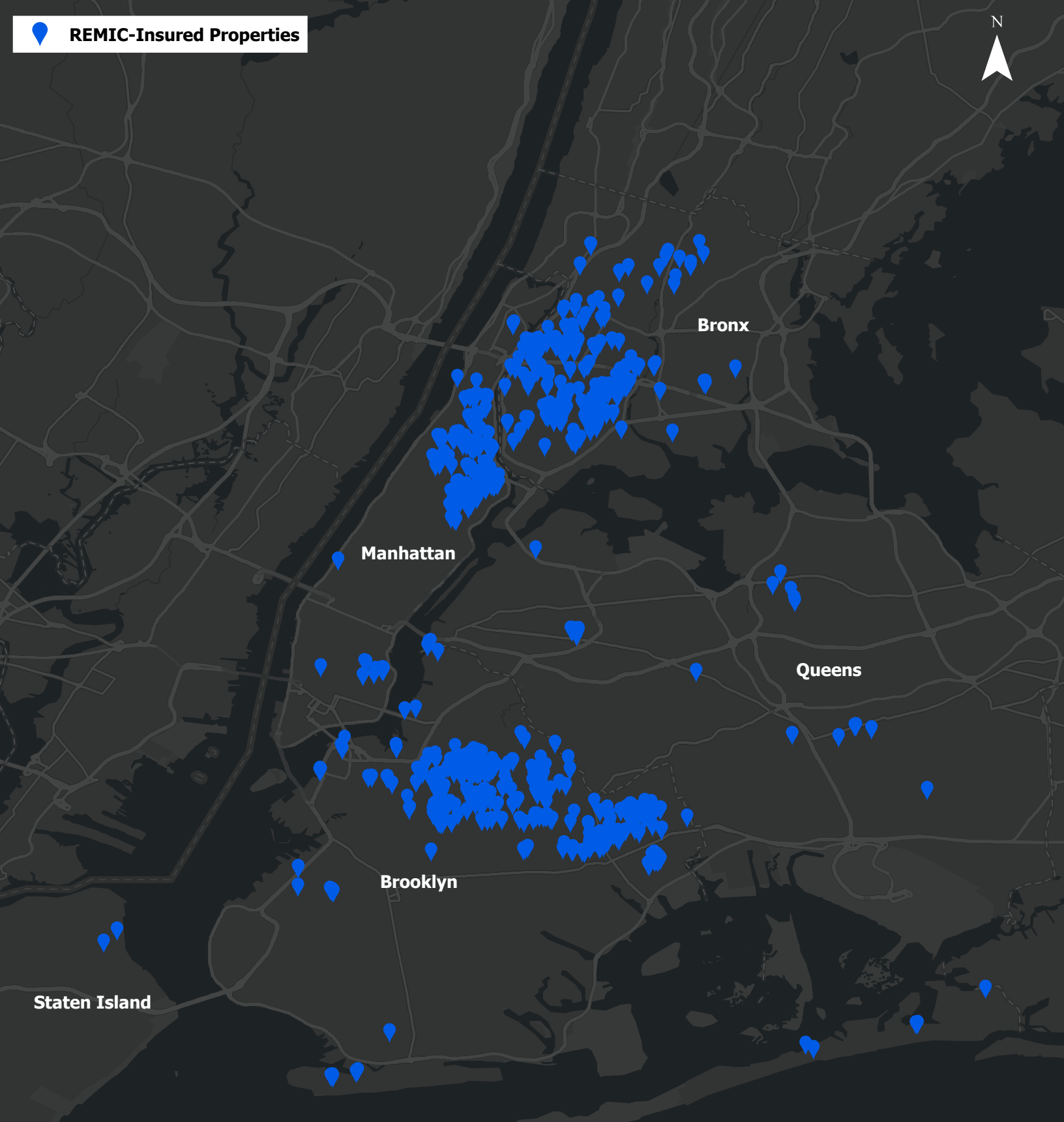
At the close of fiscal year 2023, REMIC had a fund balance of \$153,613,810, a 5% increase from fiscal year-end 2022.



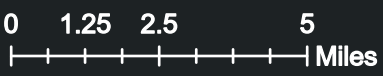
*\*HDC injected capital into REMIC during fiscal years 2011, 2013, 2015, and 2019 in the amounts of \$7.5 million, \$10 million, \$8 million, and \$10 million respectively, to capitalize future capacity.*



REMIC-Insured Properties



Borough	Properties Insured
Bronx	150
Brooklyn	75
Manhattan	48
Queens	18
Staten Island	2
Total	293



NYC OpenData, New Jersey Office of GIS, Esri, TomTom, Garmin, SafeGraph, METI/  
NASA, USGS, EPA, NPS, USDA, USFWS

# REMIC-Insured Properties

### **REMIC INSURANCE CAPACITY**

In accordance with Section 654-d of New York Private Housing Finance Law, REMIC set aside reserves to cover insurance commitments and contracts entered into by REMIC, as well as properties currently in pipeline. REMIC ended fiscal year 2023 with undesignated reserves of approximately \$42.1 million. This undesignated reserve amount results in an available capacity to insure approximately \$211 million in insured amount, or a potential \$1.05 billion in mortgage amount (assuming 20% insurance).

### **CREDIT RATINGS**

As of fiscal year-end, S&P Global Ratings maintained a “AA” credit rating for REMIC.

### **CLAIMS PAYMENT HISTORY**

During fiscal year 2023, REMIC paid \$66,854.48 towards periodic claims for one loan. HPD is working with the borrower towards resolving the delinquency.

### **REMIC PROPERTIES**

As of October 31, 2023, REMIC had in its portfolio insured mortgages for 293 properties with 37,746 units. The current aggregate balance of these insured mortgages is \$2 billion with REMIC insurance in effect of \$424 million.

## INVESTMENT SUMMARY

As of October 31, 2023, REMIC reserves were invested in Certificates of Deposit, Money Market Funds, and U.S. Government and Agency securities. Details are provided below:

<u>Description</u>	<u>Amount</u>	<u>Interest Rate</u>
Signature Bank Money Market	\$11,596,798.97	5.25%
Sterling National Bank Money Market	\$2,699,741.27	5.25%
Freddie Mac	\$4,511,741.11	0.70%
Freddie Mac	\$3,616,194.12	1.25%
Freddie Mac	\$10,467,427.80	1.40%
FFCB	\$6,643,872.50	0.67%
FFCB	\$1,382,755.01	0.70%
FFCB	\$6,026,191.11	1.00%
FFCB	\$10,261,572.00	1.74%
FFCB	\$8,635,541.11	1.30%
FFCB	\$4,198,774.72	1.33%
FFCB	\$4,559,709.17	1.39%
FFCB	\$1,716,512.67	1.40%
FFCB	\$19,471,731.11	1.94%
FFCB	\$3,976,192.50	1.23%
FHLB	\$3,258,408.44	1.19%
FHLB	\$12,031,297.33	1.30%
FHLB	\$2,420,294.00	1.50%
FHLB	\$2,650,164.00	1.92%
FHLB	\$2,258,317.01	1.63%
FHLB	\$3,183,908.00	1.62%
FHLB	\$12,441,712.11	1.81%
FHLB	\$4,333,721.67	1.81%
FHLB	\$10,409,994.00	1.81%
Daiwa Securities (Repo)	49,014.37	3.00%
NYS Muni Bond	\$802,165.28	1.77%
<b><u>Total*</u></b>	<b><u>\$153,603,751.38</u></b>	

\*The total represents the fair market value of investments. HDC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.



## REVENUES & EXPENSES

The following is a review of REMIC's revenues and expenses for fiscal year 2023 with an explanation of each budget category:

<b>(\$ Thousands)</b>	<b>FY2022</b>	<b>FY2023</b>
<b><i>Operating Revenues:</i></b>		
Insurance Premiums & Fees	\$4,912	\$5,153
Investment Income	\$2,538	\$2,884
<b><i>Total Operating Revenues</i></b>	<b><i>\$7,450</i></b>	<b><i>\$8,037</i></b>
<b><i>Operating Expenses:</i></b>		
Reimbursement of HDC Overhead	\$606	\$679
Insurance Claims	\$0	\$67
<b><i>Total Operating Expenses</i></b>	<b><i>\$606</i></b>	<b><i>\$746</i></b>
<b>OPERATING SURPLUS</b>	<b><i>\$6,844</i></b>	<b><i>\$7,291</i></b>
Capital Injection from HDC	\$0	\$0
Unrealized Gain/(Loss) on Investments*	(\$18,195)	(\$213)
<b>CHANGE IN NET POSITION</b>	<b><i>\$(11,351)</i></b>	<b><i>\$7,078</i></b>

\*This represents the fair market value adjustment applied to investments held by REMIC. HDC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

## **EXPLANATION OF REVENUES & EXPENSES**

### **Revenues**

#### **Insurance Premiums & Fees**

Insurance premiums and fees represent collections for mortgage insurance and commitments issued by REMIC, as well as application and commitment extension fees. Insurance premiums and fees were \$5.1 million in 2023 versus \$4.9 million in 2022 and represented 63% of REMIC's total revenues.

#### **Investment Income**

Investment income represents income generated on REMIC's investment portfolio. For fiscal year 2023, investment income was \$2.9 million versus \$2.5 million for fiscal year 2022 and represented 36% of REMIC's total revenues.

### **Expenses**

#### **Reimbursement of HDC Overhead**

The reimbursement back to HDC was \$679,000 for HDC overhead in accordance with the Servicing Agreement between HDC and REMIC. This amount covers the salary, fringe, and costs related to HDC staff assigned to REMIC matters.

#### **Insurance Claims**

During fiscal year 2023, REMIC paid claims totaling \$66,854.48 and received reimbursement payments totaling \$63,063.47.