



**Homes and
Community Renewal**

2018

**Fiscal Year
Statutory Report**

New York State Housing Finance Agency

New York State Housing Finance Agency
(A Component Unit of the State of New York)

Financial Statements

Fiscal Years Ended October 31, 2018 and 2017

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PROJECT STATISTICS

As of October 31, 2018

MORTGAGE AND OTHER LOANS FOR HOUSING PROJECTS

Development	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Affordable Housing Revenue Bond				
100 Chenango Place Apartments	Broome	143	\$ 6,050,000	\$ 763,338
13 State Street Apartments	Schenectady	61	8,600,000	-
188 Warburton Avenue	Westchester	51	13,400,000	1,200,000
22 South West Apartments	Westchester	189	53,015,000	1,967,854
2240 Washington Avenue Residence	Bronx	80	14,250,000	200,000
2264 Morris Avenue	Bronx	93	23,530,000	1,240,000
3361 Third Avenue Apartments	Bronx	62	10,450,000	-
3500 Park Avenue	Bronx	115	24,100,000	388,603
625 West 140th Street Apartments	New York	114	21,700,000	4,000,658
6469 Broadway	Bronx	85	13,200,000	-
774 West Main Street Apartments	Monroe	113	22,800,000	9,600,000 *
86 DeKalb Apartments	Westchester	167	20,700,000	4,242,241
Abraham Lincoln Apartments	Monroe	69	3,950,000	921,832
Abyssinian Towers	New York	100	11,700,000	-
Adams Court	Nassau	84	9,130,000	2,853,429
Amsterdam Senior Housing	Montgomery	68	4,680,000	1,235,910
AP Lofts	Erie	146	20,730,000	2,760,000
Artspace Patchogue Apartments	Suffolk	45	9,100,000	1,884,823
Ashfield Apartments	Albany	51	11,250,000	-
Asteri Utica	Oneida	49	5,360,000	-
Bay Park I Apartments	Kings	332	29,840,000	-
Bay Park II Apartments	Kings	334	29,995,000	-
Bedell Terrace Apartments	Nassau	245	22,390,000	6,013,033 *
Bella and Temple	Orange	160	18,465,000	873,386
Birches at Chambers	Ulster	67	7,600,000	2,826,312
Birches at Esopus	Ulster	81	8,600,000	2,299,585
Boston Road Apartments	Bronx	154	23,900,000	-
Braco-Linwood Preservation	Erie	295	26,450,000	2,864,945
Bridleside Apartments	Westchester	64	14,630,000	-
Brighton Towers	Onondaga	595	22,000,000	6,088,633
Bronx Park Phase I aka Twin Parks SE	Bronx	408	34,295,000	-
Bronx Park Phase II aka Twin Parks SW	Bronx	534	49,070,000	-
Bronx Park Phase III aka Twin Parks NW	Bronx	331	24,675,000	-
Brookdale Village	Queens	547	13,590,000	1,308,308
Buena Vista	Westchester	452	51,555,000	7,777,607
Burnside Walton	Bronx	88	15,900,000	720,000
CABS Senior Housing	Kings	110	12,835,000	-
CAMBA Gardens Phase II	Kings	292	49,350,000	-
Canaan House	New York	145	19,215,000	381,400
Capital District Apartments	Albany & Schenectady	581	56,100,000	-
Caring Communities	Kings	236	28,700,000	-
Catherine Street	Onondaga	50	8,550,000	-
Cedar Avenue Apts	Bronx	106	26,900,000	3,268,308
Cedars of Chili Apartments	Monroe	320	27,700,000	13,430,165
Century Sunrise	Broome	104	16,700,000	-
Children's Village Residence	Westchester	112	1,580,000	3,000,000
Clinton Avenue Apartments	Albany	209	27,500,000	3,716,288
Clinton-Mohawk Apartments	Oneida	140	5,460,000	911,328
Clinton Plaza Apartments	Onondaga	305	18,800,000	8,969,052
Colon Plaza Apartments	New York	55	8,300,000	2,418,070
Colonial Square Apartments	Montgomery	199	8,500,000	3,280,213
Concern MacDougal Apartments	Kings	65	13,465,000	-
Concern Middle Island Apartments	Suffolk	122	25,750,000	-
Conifer Village at Cayuga Meadows Apartments	Tompkins	68	7,300,000	-
Cornerstone Pointe	Monroe	66	7,270,000	-
Cornerstone Senior Apartments	Kings	150	13,750,000	-
Cornerstone - Unity Park I Townhomes	Niagra	84	8,500,000	8,575,679
Cottage Place Gardens III Apartments	Westchester	70	19,940,000	2,851,216
Craft Apartments	Westchester	75	15,560,000	675,150
Creek Bend	Erie	129	6,870,000	4,750,000
Creston Avenue Residence	Bronx	65	11,400,000	-
Crossroads at Baldwin	Putnam & Westchester	64	12,200,000	-

Development	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Curan, Martinelli and Hall Apartments	Westchester	279	\$ 39,500,000	\$ 3,468,157
David E. Podell House	New York	49	5,770,000	-
DePaul Schenectady	Schenectady	51	8,800,000	-
DePaul Trolley Station Apartments	Ontario	48	7,500,000	-
DePaul Upper Falls	Monroe	150	23,000,000	-
Drum Hill Flats	Westchester	52	9,760,000	300,875
E.L. Tower	Monroe	193	12,905,000	-
East 162nd Street	Bronx	125	29,000,000	-
East House aka Alexander St	Monroe	60	8,560,000	-
Eastman Reserve	Monroe	187	25,500,000	1,361,089
Edwin's Place Supportive Housing Residence Apartments	Kings	125	37,850,000	751,903
Elizabeth Square	Tioga	75	4,550,000	1,066,438
Enclave on 5th Apartments	Westchester	39	5,225,000	-
Evergreen Lofts Supportive Apartments	Erie	56	8,300,000	-
Farmington Gardens II	Ontario	104	11,500,000	2,568,704
Farmington Senior Apartments	Ontario	88	6,650,000	6,558,095 *
F.I.G.H.T. Village Apartments	Monroe	246	11,705,000	2,829,851
Fort Schuyler	Bronx	139	24,330,000	-
Fountain Avenue A2	Kings	266	45,000,000	-
Fountain Avenue B1	Kings	199	60,000,000	1,500,377
Fountain Avenue B3	Kings	143	25,750,000	1,104,461
Fountain Avenue B6	Kings	422	75,000,000	4,838,489
Fox Hill Apartments	Richmond	362	44,000,000	-
Fredrick Douglass Apartments	Erie	87	7,700,000	42,205
Gananda Senior Apartments	Wayne	62	4,300,000	1,993,396
Genesis Neighborhood Plaza II	Kings	98	17,500,000	4,057,801
Golden Park Apartments	Sullivan	126	11,200,000	10,385,000
Goodwin Himrod Apartments	Kings	160	17,200,000	3,310,835
Grand Street Apartments	Nassau	77	12,360,000	136,705
Grant Park Apartments	Westchester	100	22,500,000	-
Greater Hempstead Apartments	Nassau	99	18,250,000	-
Greenacres Apartments	Chautauqua	101	4,550,000	-
Greyston Apartments	Westchester	139	15,500,000	-
Harris Park Preservation	Monroe	114	4,440,000	1,166,134
Hemlock Ridge Preservation	Sullivan	60	925,000	7,527,054
Heritage Gardens	Monroe	82	8,000,000	-
Highland Meadows Senior Residence	Dutchess	68	12,050,000	2,318,000
Historic Pastures	Albany	246	7,450,000	4,375,000
HKBBE	Jefferson	252	18,450,000	-
Hornell Community Apartments	Steuben	147	8,450,000	-
Hudson Arthouse	Rensselaer	80	10,000,000	-
Hughes House Apartments	Bronx	55	11,050,000	-
INHS Scatteredsite Preservation Apartments	Tompkins	98	10,300,000	-
Intrada Saratoga Springs	Saratoga	157	16,075,000	2,284,536
Jefferson Avenue	Erie	90	15,880,000	-
John Crawford Apartments	Sullivan	96	4,375,000	-
Kennedy Plaza Towers Apartments	Oneida	204	5,520,000	-
Kingsbridge Heights	Bronx	135	35,500,000	6,013,033
La Central	Bronx	160	33,130,000	-
La Porte Apartments	Westchester	158	30,000,000	3,132,810
Lake Ravine Apartments	Monroe	111	7,240,000	875,545
Leggett Avenue Apartments	Kings/Bronx	320	55,000,000	-
Libertad Elmira	Chemung	91	9,700,000	38,378
Linwood Park	Kings	99	28,000,000	775,114
Lofts at University Heights Apartments	Erie	44	7,900,000	-
Loguen Homes	Onondaga	28	3,800,000	1,036,693
Los Sures Housing for the Elderly	Kings	55	6,850,000	-
Madison Plaza Apartments	Oneida	127	5,415,000	-
Main Street	Sullivan	62	6,400,000	1,093,654
Maple Court Apartments	Jefferson	92	6,500,000	-
Marcus Garvey	Kings	623	39,955,000	-
Maria Isabel Apartments	Bronx	98	13,300,000	-
Marien Heim	Kings	181	15,970,000	-
Marine Terrace Apartments	Queens	442	99,000,000	-
Mariner Tower Apartments	Erie	292	20,700,000	2,621,505
Marion Ave	Bronx	99	21,395,000	-
Meadows at Middle Settlement	Oneida	93	13,000,000	2,478,094
Michaelangelo	Bronx	492	82,565,000	-

Development	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Michelsen and Mills III	Monroe, Clinton, Delaware and Oswego	58	\$ 9,500,000	\$ 978,128
Mills At High Falls	Monroe	67	8,600,000	2,743,656
Montcalm Apartments	Warren	227	8,765,000	-
Moxey A. Rigby	Nassau	100	36,670,000	-
New Rochelle RAD1 Apartments	Westchester	203	24,250,000	1,513,528
Newport Gardens Apartments	Kings	239	23,870,000	-
Norwood Terrace	Bronx	114	17,500,000	640,000
NY Rural Preservation	Saratoga and Washington	218	11,000,000	1,663,059
O'Neil Apartments	Rensselaer	122	6,400,000	1,865,845
Oak Creek Town Houses Project	Cayuga	149	7,900,000	3,540,674
Ogden Heights Senior Apartments	Monroe	89	6,790,000	5,270,000 *
Ohav Sholom Apartments	Albany	209	15,610,000	1,603,460
Old Brookside II	Ontario	88	6,500,000	2,762,271
Owego Gardens Apartments	Tioga	61	6,300,000	-
Oyster Bay	Nassau	48	9,520,000	598,991
Packet Boat Landing	Niagara	60	8,750,000	-
Park Drive Manor I Apartments	Oneida	102	5,100,000	1,029,309
Parkside Commons	Onondaga	393	14,830,000	8,666,796 *
Pine Harbor Apartments (Harborview)	Erie	208	11,470,000	4,770,000 *
Pine Street Homes	Rockland	28	3,120,000	744,746
Pinnacle Place Apartments	Monroe	407	17,790,000	210,678
Pond View Homes	Nassau	52	9,990,000	-
Project Hope Senior Living (2050 Bartow Avenue)	Bronx	100	11,950,000	942,207
Public School 6 Apartments	Westchester	120	31,100,000	1,200,000
Ravenhall Apartments	Kings	216	63,300,000	5,006,893
Regina Pacis Apartments	Kings	167	19,050,000	510,000
Ridgeview Special Needs Apartments	Monroe	64	5,300,000	2,022,343
River Park Towers Apartments	Bronx	1,650	157,500,000	9,857,911
Riverview Lofts	Suffolk	115	60,000,000	1,001,272
Riverview Manor/Stadnitski Gardens	Erie	212	14,100,000	506,010
Roosevelt Residence	Oneida	50	8,210,000	-
Ruland Road / Highland Green Apartments	Suffolk	117	22,720,000	1,819,315
Rutland Road Apartments	Kings	436	49,460,000	-
Savanna Hall Apts.	New York	72	13,250,000	-
Selfhelp Kissena Apartments	Queens	424	21,900,000	5,820,000 *
Seven Greens Apartments	Ulster	124	13,700,000	6,263,358
Skyline Gardens Apts.	Albany	188	17,390,000	618,911
Sleepy Hollow Apartments	Sullivan	228	20,000,000	3,464,341
Smith Woodward Apartments	Kings	140	10,815,000	2,587,500
Sodus and Williamson II Rural Development	Wayne	96	3,900,000	-
Spa Apartments	Ontario	109	8,095,000	2,060,883
St. Augustine Apartments	Bronx	111	26,200,000	-
St. Barnabas Wellness Care and Affordable Housing Apartments	Bronx	313	71,700,000	-
St. Joseph's Preservation	Chemung	66	4,200,000	-
St. Philips Senior Apartments	New York	200	22,615,000	1,840,000
St. Simon's Terrace	Monroe	256	7,800,000	5,195,373
St. Vincent De Paul Apartments	Bronx	89	26,000,000	1,707,865
Stonewood Village Apartments	Monroe	188	15,500,000	6,533,905 *
Stuypark Apartments	Kings	102	12,665,000	-
Surf 21 Apartments	Kings	222	34,635,000	-
Surf Vets Place	Kings	134	34,350,000	-
Surrey Carlton Apartments	Rockland	175	20,270,000	1,857,538
The Forge on Broadway	Erie	158	25,000,000	3,013,875
The Gardens at Town Center Apartments	Monroe	175	15,500,000	2,028,650
The Grand	Bronx	135	32,600,000	5,434,479
The Hamilton	Monroe	203	9,900,000	2,192,870
The Lace Factory Apartments	Ulster	55	9,000,000	2,044,629
The Mews at Baldwin Place	Westchester	75	11,000,000	430,000
The Modern Apartments	Westchester	80	15,150,000	-
The Orenstein Building Apartments	New York	127	27,400,000	-
Theodore Fremd Senior Apartments	Westchester	40	8,000,000	337,719
Town Side at Pre-Emption	Ontario	88	9,295,000	936,327
Townhomes Apartments	Westchester	204	28,125,000	855,740
Tres Puentes Senior Apartments	Bronx	175	57,670,000	-

Development	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Tri Veterans Housing	Monroe	516	30,460,000	5,135,193
Valley Vista Apartments	Onondaga	123	8,450,000	4,221,322
Via Vyse	Bronx	120	23,500,000	-
VOA Cobblestone Place Webster	Monroe	60	5,800,000	320,000
Warburton Dorado	Westchester	188	17,355,000	6,146,248
Washington Avenue Apartments	Bronx	118	18,200,000	2,256,217
Webster Avenue Supportive Housing Residence	Bronx	170	30,520,000	-
Wesley Hall	Westchester	118	9,545,000	3,827,442
West Middle School	Cayuga	59	10,370,000	-
Westfall Heights Apartments	Monroe	101	5,650,000	500,329
WIH Preservation	Wayne	113	5,010,000	1,330,000
Wilbur Fay Apartments	Oswego	95	13,725,000	2,372,121
Wilcox Lane Apartments	Ontario	119	3,140,000	1,553,346
Willoughby Court Apartments	Kings	266	23,445,000	-
Winbrook Phase I Apartments	Westchester	103	25,000,000	1,000,000
Wincoram Commons II	Suffolk	77	13,500,000	-
Woodlands and Barkley Apartments	Sullivan	111	6,500,000	2,169,290
Woodstock Manor Apartments	Westchester	60	6,550,000	582,200
Wyandanch Apartments	Suffolk	86	24,250,000	1,805,596
Yonkers Apartments	Westchester	129	19,260,000	1,595,000
Total		34,575	\$ 4,143,865,000	\$ 355,104,563

* The subsidy loan commitment for these loans was funded through a onetime federal program - the Tax Credit Assistance Program ("TCAP") - authorized by the American Recovery and Reinvestment Act of 2009, through which funds were made available to assist affordable housing developments.

Affordable Housing Revenue Bond - NIBP				
25 State Street Apartments	Westchester	50	\$ 8,760,000	\$ 4,058,924
Albany Gardens Apartments aka CAMBA	Kings	209	34,060,000	-
Bradmar Village	Chautauqua	99	8,320,000	2,206,084
Burt Farms II Apartments	Orange	50	3,350,000	-
Ennis Francis House	New York	219	38,565,000	-
Erie Harbor Apartments	Monroe	131	18,390,000	3,103,136
Fairway Richmond	Richmond	217	23,500,000	-
Gateway Gardens Villas	Suffolk	40	6,000,000	-
Grote Street Apartments	Bronx	249	22,270,000	759,905
HANAC Senior Apartments	Queens	99	12,100,000	-
Heritage Homes Apartments	Westchester	130	18,390,000	3,063,735
James Street Apartments	Onondaga	82	8,775,000	892,281
Liberty Green III Apartments	Orange	83	7,870,000	3,735,905
Machackemach Village Apartments	Orange	50	2,310,000	-
Monteagle	Niagara	149	5,720,000	1,986,386
North Country Rural Preservation Apartments	St. Lawrence,			
	Franklin and Jeffers	254	14,390,000	-
Phillips Village II	Monroe	497	27,050,000	2,049,538
Pine Town Apartments	Nassau	130	19,650,000	-
Radisson Lysabder Greenway Apartments	Onondaga	207	12,790,000	3,389,242
Roundtop Commons Apartments	Westchester	92	15,500,000	189,949
Spring Valley Apartments	Rockland	55	8,400,000	1,446,013
The Highlands Apartments (Geneseo)	Livingston	89	4,950,000	-
Towpath Senior	Wayne	97	5,430,000	1,056,097
Twin Oaks Apartments	Nassau	94	15,610,000	3,400,000
Twin Parks Apartments	Bronx	274	25,550,000	-
Village Square Apartments	Steuben	74	3,450,000	354,205
Wartberg Marie Heins Residence (Friedrichs Supportive)	Westchester	61	8,600,000	538,997
Warburton Riverview Apartments	Westchester	92	16,200,000	2,822,641
Total		3,873	\$ 395,950,000	\$ 35,053,038

**Multi-Family Housing Revenue
(Secured Mortgage Program)**

Airmont Gardens Apartments	Airmont	140	\$ 12,000,000	\$ 1,201,183
Berkeley Square Apartments	Wappingers Falls	150	9,500,000	-
Cannon Street Senior Apartments	Poughkeepsie	40	3,350,000	295,360
Community Re-Entry Project	Middletown	26	1,000,000	187,397
Crotona Estates Apartments	Bronx	56	3,845,000	-
Division Street Multi-Family Housing	Hastings-on-Hudso	14	2,600,000	350,000
Evergreen Hills Apartment	Macedon	72	1,700,000	-
Extra Place Apartments	Manhattan	42	6,225,000	-
Framark Place Apartments	Victor	50	2,750,000	1,331,907
Friendship House Apartments	Cortland	101	2,840,000	-

Development	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Golden Age Apartments	Norwich	100	\$ 2,800,000	\$ -
Highland Avenue Senior Apartments	Yonkers	88	10,370,000	2,318,000
Horizons at Fishkill Apartments	Fishkill	90	6,975,000	2,250,000
Kensico Terrace Apartments	White Plains	42	7,080,000	1,048,060
Meadow Ridge Apartments	Beacon	54	4,600,000	769,796
Nathan Hale Senior Village Housing	Lynbrook	126	5,745,000	-
North Street Y Senior Apartments	Buffalo	64	3,900,000	1,415,000
Park Drive Manor II Apartments	Rome	168	6,640,000	-
Patchogue Senior Apartments I	East Patchogue	87	6,415,000	700,000
Stuyvesant Hotel Conversion Project	Kingston	40	1,245,000	-
Sycamore Crest Apartments	Spring Valley	96	7,000,000	2,200,000
Tall Oaks Apartments	Middletown	150	5,930,000	-
Tiffany Gardens Apartments	Bronx	105	9,880,000	773,221
Washington Apartments Housing	Buffalo	82	4,165,000	2,390,209
Watergate II Apartments Housing	Buffalo	195	7,800,000	-
Webster Place Apartments	Bronx	69	6,500,000	1,535,875
Woodland Place Apartments	Lancaster	86	3,500,000	800,000
Total		2,333	\$ 146,355,000	\$ 19,566,008

Secured Loan Program

8 East 102nd Street Apartments	Manhattan	232	\$ 143,700,000	\$ -
10 Barclay Street Housing	Manhattan	396	135,000,000	-
10 Liberty Street Housing	Manhattan	287	95,000,000	-
100 Maiden Lane Housing	Manhattan	336	98,000,000	-
11th Street	Queens	59	21,000,000	-
111 East 172nd Street Apartments	Bronx	126	25,400,000	-
111 Nassau Street	Manhattan	168	71,500,000	-
125 Metropolitan Avenue	Brooklyn	75	46,700,000	-
125 West 31st Street Housing	Manhattan	459	176,800,000	-
149 Kent Avenue	Brooklyn	164	88,000,000	-
15 Hudson Yards	Manhattan	106	80,000,000	-
150 East 44th Street Housing	Manhattan	361	110,000,000	-
1500 Lexington Avenue Housing	Manhattan	211	50,000,000	-
158 East 126th Street Apartments	Manhattan	233	87,000,000	-
160 Madison Avenue	Manhattan	318	210,000,000	-
160 West 62nd Street	Manhattan	339	260,000,000	-
175 West 60th Street	Manhattan	257	165,000,000	-
188 Ludlow Street Housing	Manhattan	243	83,000,000	-
19 India Street	Brooklyn	140	37,000,000	-
20 River Terrace Housing	Manhattan	293	116,500,000	-
210 Livingston Street Apartments	Brooklyn	368	158,000,000	-
2180 Broadway Housing	Manhattan	181	123,620,000	-
222 East 44th Street	Manhattan	429	251,200,000	-
229 Cherry Street	Manhattan	205	47,000,000	-
240 East 39th Street Housing	Manhattan	466	119,000,000	-
25 Washington Street Housing	Brooklyn	106	19,700,000	-
250 West 50th Street Housing	Manhattan	550	118,900,000	-
250 West 93rd Street Housing	Manhattan	143	66,800,000	-
29 Flatbush Avenue Housing	Brooklyn	327	140,000,000	-
325 Kent Avenue	Brooklyn	522	180,000,000	-
316 Eleventh Avenue Housing	Manhattan	369	224,100,000	-
320 West 38th Street	Manhattan	569	260,000,000	-
330 Riverdale Avenue Apartments	Yonkers	153	28,700,000	6,387,089
330 West 39th Street Housing	Manhattan	199	65,000,000	-
345 East 94th Street Housing	Manhattan	208	103,800,000	\$ 6,013,033
350 West 43rd Street Housing	Manhattan	321	113,000,000	-
360 West 43rd Street Housing	Manhattan	256	82,000,000	-
363 West 30th Street Housing	Manhattan	77	17,700,000	-
43-25 Hunter Street	Queens	974	297,000,000	-
435 East 13th Street Apartments	Manhattan	114	62,700,000	-
455 West 37th Street Housing	Manhattan	394	168,000,000	-
44th Drive Apartments	Queens	105	34,015,000	-
505 West 37th Street Housing	Manhattan	835	454,000,000	-
509 West 38th Street	Manhattan	225	104,000,000	-
525 West 52nd Street	Manhattan	392	200,000,000	-
55 West 25th Street Housing	Manhattan	407	173,300,000	-
555 Tenth Avenue	Manhattan	598	325,000,000	-
572 11th Ave	Manhattan	164	103,000,000	-

Development	Location	No. of Apts.		Mortgage Commitment	Subsidy Loan Commitment
600 West 42nd Street Housing	Manhattan	1,169	\$	609,000,000	\$ -
605 West 42nd Street	Manhattan	1,174		550,000,000	-
606 West 57th Street	Manhattan	1,028		280,000,000	-
625 West 57th Street	Manhattan	567		407,000,000	-
626 Flatbush Avenue Housing	Brooklyn	254		71,265,000	-
66 West 38th Street Housing	Manhattan	374		119,700,000	-
7 West 21st Street	Manhattan	289		182,000,000	-
750 Sixth Avenue Housing	Manhattan	301		76,600,000	-
79 Avenue D	Manhattan	110		52,800,000	-
80 Dekalb Avenue	Brooklyn	365		263,326,840	-
810 Fulton Ave	Kings	363		125,000,000	-
855 Sixth Avenue	Manhattan	300		187,000,000	-
88 Leonard Street Housing	Manhattan	352		277,000,000	-
900 Eighth Avenue Apartments Housing	Manhattan	393		135,000,000	-
Admiral Halsey Senior Apartments Housing Rental	Poughkeepsie	119		6,650,000	3,920,000
Archstone Westbury Apartments Housing	Westbury	396		85,200,000	-
Avalon Bowery Place I Housing	Manhattan	206		93,800,000	-
Baisley Park Housing	Queens	212		18,800,000	-
BAM South	Brooklyn	379		168,000,000	-
Biltmore Tower Housing	Manhattan	464		145,000,000	-
Blue Heron	Saratoga	82		10,250,000	3,920,000
Chappaqua Commons	Westchester	64		11,470,000	2,145,000
Chelsea Apartments Housing	Manhattan	269		104,000,000	-
Chelsea Arms Housing	Manhattan	98		18,000,000	-
Clinton Green North Housing	Manhattan	339		147,000,000	-
Clinton Green South Housing	Manhattan	288		121,500,000	-
Clinton Park Housing	Manhattan	222		70,000,000	-
Clinton Park Phase II	Manhattan	480		145,000,007	-
College Arms Apartments	Mount Pleasant	164		11,390,000	-
Dock Street Apartments Housing	Brooklyn	289		100,500,000	-
East 84th Street Housing	Manhattan	180		60,000,000	-
Gateway at New Cassel Housing	North Hempstead	57		9,500,000	2,213,559
Gotham West Housing	Manhattan	1,237		520,000,000	-
Grace Towers Housing	Westchester	133		19,900,000	4,542,967
Halletts Point				125,000,000	-
Historic Front Street Housing	Manhattan	96		46,300,000	-
Horizons at Wawayanda Housing	Orange	107		12,100,000	4,102,275
Jackson Avenue	Queens	98		32,800,000	-
Maestro West	Manhattan	375		165,000,000	-
Manhattan West Residential	Manhattan	845		479,000,000	-
Navy Pier Court	Staten Island	571		23,700,000	-
New Settlement Apartments	Bronx	893		86,000,000	-
North End Avenue Housing	Manhattan	253		102,200,000	-
Ocean Bay	Queens	1,395		213,250,000	-
Parkledge Apartments Housing	Yonkers	311		39,000,000	-
Prospect Plaza Apartments Housing	Brooklyn	151		23,300,000	4,386,283
Related - 205 East 92nd Street	Manhattan	186		220,000,000	-
Related - 42th Street & 10th Avenue	Manhattan	590		350,000,000	-
Related - Capitol Green Apartments Housing	Albany	308		16,500,000	-
Related - Caroline Apartments	Manhattan	126		16,900,000	-
Related - Clarkston Maplewood Gardens	Rockland	51		4,085,000	-
Related - East 39th Street Housing	Manhattan	254		75,500,000	-
Related - McCarthy Manor Apartments Housing	Syracuse	176		6,800,000	-
Related - Ocean Park Apartments Housing	Queens	602		39,000,000	-
Related - Overlook Apartments	Middletown	100		5,400,000	-
Related - Taconic West 17th Street Housing	Manhattan	288		126,000,000	-
Related - Tribeca Green Housing	Manhattan	274		110,000,000	-
Related - Warren Knolls Apartments Housing	Haverstraw	97		6,700,000	-
Related - West 20th Street Housing	Manhattan	254		88,000,000	-
Related - West 23rd Street Housing	Manhattan	313		110,000,000	-
Related - West 30th Street Housing	Manhattan	385		230,200,000	-
Related - West Haverstraw Senior					
Citizen Apartments Housing	West Haverstraw	100		6,700,000	-
Related - Weyant Green Apartments Housing	Highfalls	51		3,800,000	785,000
Remedder Houses	Brooklyn	260		18,900,000	-
Reverend Polite Avenue Apartments Housing	Bronx	161		16,000,000	-
Rip Van Winkle House Housing	Poughkeepsie	179		11,500,000	-

Project	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Riverside Center 2 Housing	Manhattan	616	275,000,000	-
Riverside Center III	Manhattan	216	12,785,000	-
Riverside Center IV	Manhattan	167	12,785,000	-
Saville Housing	Manhattan	229	55,000,000	-
Schlobohm Walsh & Flynn			109,330,000	12,516,362
Sea Park East Housing	Brooklyn	332	18,700,000	-
Sea Park West Housing	Brooklyn	362	22,900,000	-
Shore Hill	Brooklyn	559	39,000,000	-
St. Philips Housing	Manhattan	260	16,250,000	740,000
Terrace Gardens Housing	Richmond	198	27,020,000	-
The Helena Housing	Manhattan	597	143,000,000	-
The Victory Housing	Manhattan	417	139,000,000	-
Theatre Row Tower Housing	Manhattan	264	74,800,000	-
Tower 31 Housing	Manhattan	283	93,800,000	-
Tribeca Landing Housing	Manhattan	340	64,400,000	-
Tribeca Park Housing	Manhattan	396	84,000,000	-
Tri-Senior Housing	Brooklyn	203	15,200,000	-
Union Square South Housing	Manhattan	240	49,000,000	-
West 37th Street Housing	Manhattan	207	94,500,000	-
West Village Apartments	Tompkins	235	9,700,000	4,786,718
Worth Street Housing	Manhattan	330	113,900,000	-
Total		43,964	15,676,526,847	18,043,080
Housing Project Bonds				
Simeon DeWitt Apartments	Oswego	130	\$ 4,180,000	-
Towpath Towers	Fulton	121	3,490,000	-
Total		251	\$ 7,670,000	-
Housing Project Mortgage Revenue				
Baptist Manor	Buffalo	128	\$ 3,785,000	\$ 1,079,700
Clinton Plaza	Syracuse	305	8,495,000	-
Total		433	\$ 12,280,000	\$ 1,079,700
Multi-Family FHA-Insured Housing				
Diamond Rock	Troy	81	\$ 2,397,500	-
FHA-Insured Multi-Family Housing				
Cedarwood Towers	Rochester	206	\$ 8,010,000	\$ -
Jonas Bronck Apartments	Bronx	215	4,470,000	675,000
The Mill at Saugerties	Saugerties	90	1,000,000	595,433
Total		511	\$ 13,480,000	\$ 1,270,433
Taxable Mortgage Initiative				
Bronx Care	Bronx	52	\$ -	\$ 1,050,000
Old Brookside I Apartments	Ontario	64	1,347,748	1,392,000
Prospect Heights Apartments	Nassau	50	3,158,000	-
Village Green Apartments	Glens Falls	136	1,795,000	1,935,871
Westview Apartments	Saratoga	105	633,750	633,750
Total		407	\$ 6,934,498	\$ 5,011,621
Subsidy Loans/ Other Subordinate Loans - No Agency				
First Mortgage				
210 Hancock			\$	1,500,000
753 Classon	Brooklyn	139		1,000,000
902 Liberty Avenue	Brooklyn	47		1,260,000
Allen By the Bay Senior Housing	Queens	65		1,146,601
Baptist Manor II	Buffalo	128		6,262,136
Baptist Manor II - IRP	Buffalo	128		128,391
Bayshore Apartments	Onondaga	186		2,743,762
Bloomfield Meadows Apartments	Bloomfield	24		220,000
Brighton Towers	Brooklyn	600		1,210,000
Bristow-Stebbins Apartments	Bronx	80		994,236
Butternut Crossing				1,614,517
Carnes McKinney Apartments	Bronx	111		275,000
Champlain Family Housing	Rouses Point	56		125,000
Concourse Flatiron Apartments	Bronx	44		731,247
Copiague Commons	Suffolk	90		1,978,464
Croton Heights Apartments	Westchester	60		900,000
Fairport Apartments	Fairport	105		625,000

Project	Location	No. of Apts.	Mortgage Commitment	Subsidy Loan Commitment
Friedman Residence				1,924,926
Greater Rochester Housing Partners				180,000
Greene Park Arms	Brooklyn	84		560,000
Hegeman Residence Apartments	Brooklyn	161		910,209
Hotel Seneca	Geneva	51		524,566
Howard Beach Senior Apartments	Queens	96		4,188,000
Indian Trails Apartments				9,247,411
Inwood Heights	Manhattan	207		1,500,000
Jefferson Avenue				420,075
Lakeview Family Homes	Buffalo	154		1,000,000
Lakeview Senior Homes	Buffalo	138		2,300,000
Landmark Apartments				12,600,000
Lisle Avenue	Broome	8		238,018
Mayfield Apartments	Potsdam	153		925,000
McGraw House	Ithaca	106		2,900,000
Noonan Plaza				4,112,598
Parkside Terrace				664,600
Pastures Preservation	Albany	101		512,826
Rochester Manor	Brooklyn	96		40,114
Rolling Green Estates	Syracuse	394		1,305,500
Scheuer House				1,020,608
Schuyler DeKalb				4,242,241
Senior Horizons at Newburgh	Newburgh	70		200,000
Senior Horizons at Silver Lake	Wallkill	85		415,000
Shiloh Senior Housing Apartments	Westchester	40		35,871
Southeast Towers II				8,029,005
Spring Manor Apartments	Poughkeepsie	88		1,406,588
Springbrook Village	Ulster	122		4,628,547
St. Mary's Commons Senior Apartments	Buffalo	100		1,119,709
St. Michaels Windmill Apartments	Suffolk	40		334,819
St. Phillips Church/Heating Oil				2,385,737
Sutter Houses	Brooklyn	120		48,117
The Andrews House				581,000
The Eclipse at Locust Manor				3,900,000
The Northfield Apartments Housing	Perinton	69		2,190,511
Trinity Towers	Buffalo	88		1,412,000
Waterfront Apartments Phase I				2,441,903
Waterville Schoolhouse Apartments	Waterville	56		102,527
Westview Apartments				633,750
Woodcreek Apartments	Rome	192		5,680,350
Woodrow Wilson Homes	Montgomery	100		5,363,235
Total		4,782	\$	120,242,541
Agri-Business Child Development Day Care				
Center Facilities Pilot Program				
Grace's Place	Orleans	90	\$	1,000,000
				-
Manufactured Home Cooperative Fund Program				
Bush Gardens	Erie	154	\$	2,600,000
Champion Homes, Inc.	Onondaga	172		2,650,000
Cobblestone Creek/Clarkson Estates, Inc.	Monroe	27		420,000
Creek and Pines MHP	Saratoga	149		3,400,000
Green Acres MHP	Steuben	94		1,599,244
Greenhurst Village, Inc.	Jamestown	79		1,415,680
Hidden Brooks Estates V	Dutchess	115		1,444,045
Hidden Meadows Cooperative Corp.	Geneseo	100		1,573,100
Lakeville Estates	Livingston	50		1,599,200
Maple Ridge/Greenridge				-
Cooperative Community Corporation	Monroe	76		1,293,000
Meadow Valley	Otsego	54		600,000
Ogden Lane Cooperative Corp.	Ulster	15		361,890
Parkview Community, Inc.	Suffolk	47		1,620,400
Ridley Road	Erie	8		118,750
Three Mile Harbor Mobile Home Park, Inc.	Suffolk	16		500,000
Venture Lake Estates	Hyde Park	44		2,000,000
Total		1,200	\$	23,195,309
				-

Project	Location	Type of Facility	Estimated Cost
Mortgage Loans for Community Mental Health Services and Mental Retardation Services Projects			
Brooklyn Rehabilitation Campus	Kings	Mental Retardation	\$ 4,266,000
The Charles A. Mastronardi Center for Mental Retardation	Kings	Mental Retardation	421,000
Rehabilitation Services Center of United Cerebral Palsy of Queens	Queens	Mental Health and Retardation	789,306
Steinberg Vocational Training Center	Nassau	Mental Retardation	1,371,000
Total			\$ 6,847,306

Project	Location	No. of Apts.	Mortgage Commitment	
Mortgage Loans for Youth Facilities Projects				
Edenwald Residential Child Care Facility	Westchester	96	\$ 7,453,499	-
Queens Daughters Day Care Center	Westchester	145	832,000	-
Wyandanch Day Care Center	Suffolk	170	911,000	-
Total		411	\$ 9,196,499	-

SUMMARY OF FINANCING AND REPAYMENT

Long-Term Financing and Debt Service Repayments

(cumulative through October 31, 2018)

Program	Number of Issues	Total Amount Issued	Debt Service Repayments	
			Principal	Interest
(\$ in thousands)				
Bonds				
General Housing Loan	7	\$ 385,729	\$ 385,729	\$ 381,558
Non-Profit Housing Project	7	636,200	636,200	1,126,714
Urban Rental Housing	5	514,835	514,835	653,817
Revenue Bonds (Section 8 Assisted)				
Insured Mortgages	3	18,320	18,320	18,057
Revenue Bonds (Section 8 Assisted)				
Non-Insured Mortgages	6	50,360	50,360	36,266
Insured Mortgage Multi-Family				
Revenue Housing	4	87,235	87,235	111,496
Insured Multi-Family Mortgage				
Revenue Housing	2	94,600	94,600	95,359
Multi-Family Insured Mortgage				
Revenue Housing	6	54,325	54,325	62,737
Insured Multi-Family Mortgage Housing Revenue	5	188,970	188,970	127,944
FHA-Insured Multi-Family Housing Revenue	10	51,015	50,390	48,440
Multi-Family FHA-Insured Mortgage Housing Revenue	2	20,035	17,950	14,749
Fulton Manor FHA-Insured Mortgage Revenue	1	11,480	11,480	6,662
Housing Project Bonds	16	122,545	122,060	188,308
Secured Loan Rental Housing	605	19,991,424	5,841,420	2,994,082
Housing Project Mortgage Revenue	1	484,540	484,390	503,703
Affordable Housing Revenue	60	4,220,970	1,023,225	327,843
Affordable Housing Revenue				
(Federal New Issue Bond Program)	9	545,295	316,515	53,851
Revenue Bonds (Secured by				
HUD Section 236 Payments)	1	64,996	64,996	50,010
Hospital and Nursing Home Project	6	822,965	822,965	943,076
Hospital and Health Care Project Revenue	1	42,090	42,090	11,540
Nursing Home and Health Care Project Revenue	1	190,080	190,080	71,874
State University Construction	43	3,628,295	3,628,295	2,334,445
Special Obligation (State University)	3	179,330	179,330	—
Mental Hygiene Improvement	9	705,000	705,000	541,943
Health Facilities	4	508,385	508,385	492,095
Health Facilities Revenue	3	556,325	556,325	274,436
Special Obligation (Health Facilities)	2	228,405	228,405	—
Service Contract Revenue	43	2,498,831	2,437,226	951,425
State Personal Income Tax Revenue	15	1,199,355	1,107,150	355,135
House New York Revenue Bonds	1	46,440	46,440	846
Total Bonds	881	\$ 38,148,375	\$ 20,414,691	\$ 12,778,411
Long-Term Notes				
The Mount Sinai Hospital Project	1	\$ 41,490	\$ 41,490	\$ 32,195
State Funds				
Community Related and Other Loan Programs	5	\$ 31,814	\$ 31,814	\$ 23,542
Equity Loan	1	193	193	7
Total State Funds	6	\$ 32,007	\$ 32,007	\$ 23,549
Grand Total	888	\$ 38,221,872	\$ 20,488,188	\$ 12,834,155

COMPARATIVE HIGHLIGHTS 2014-2018

Year Ended October 31,	2018	2017	2016	2015	2014
(in millions)					
Assets and Bond Indebtedness					
Loan Receivables	\$ 16,782	15,714	14,134	12,464	11,280
Total Assets	\$ 19,405	18,219	16,786	14,878	13,665
Bond and Note Indebtedness	\$ 17,334	16,781	15,448	13,753	12,673

RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of the New York State Housing Finance Agency (the “Agency”), for the fiscal years ended October 31, 2018 and 2017, are the responsibility of management. The financial statements were prepared in accordance with U.S. generally accepted accounting principles.

The Agency maintains a system of internal control. The objectives of an internal control system are to provide reasonable assurance as to the protection of, and accountability for, assets; compliance with applicable laws and regulations; proper authorization and recording of transactions; and the reliability of financial records for preparing financial statements. The system of internal control is subject to periodic review by management and the internal audit staff.

The Agency’s annual financial statements have been audited by Ernst & Young LLP, independent auditors appointed by the Members of the Agency. Management has made available to Ernst & Young LLP all the financial records and related data of the Agency and has provided access to all the minutes of the meetings of the Members of the Agency. The independent auditors also periodically meet with the Members of the Agency to provide engagement related updates and communications.

The independent auditors conducted their audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that they plan and perform the audit to obtain reasonable assurance about whether the respective financial statements are free of material misstatement. The audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency’s internal control over financial reporting. Accordingly, the independent auditors do not express an opinion on the effectiveness of the Agency’s internal control over financial reporting. The audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The independent auditors’ unmodified report expresses that the financial statements are presented, in all material respects, in accordance with U.S. generally accepted accounting principles.



RuthAnne Visnauskas
President/Chief Executive Officer



Sheila Robinson
Senior Vice President/Chief Financial Officer

January 24, 2019

Report of Independent Auditors

Management and Members of the Board
New York State Housing Finance Agency
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the New York State Housing Finance Agency (the Agency), a component unit of the State of New York, as of and for the years ended October 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Agency'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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of October 31, 2018 and 2017, and the changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Adoption of New Accounting Pronouncement

As discussed in Note 3 to the financial statements, as of November 1, 2016, the Agency adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Plans Other Than Pension Plans*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that Management's Discussion and Analysis, the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedule of Contributions to the NYSLRS, and the Schedule of the New York State Housing Finance Agency's Proportionate Share of the NYSLRS Net Pension Liability, as listed in the table of contents, 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 audits 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 and Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The Supplementary Section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplementary Section 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 Section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated January 28, 2019 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on of effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Ernst & Young LLP

January 28, 2019

NEW YORK STATE HOUSING FINANCE AGENCY

(A COMPONENT UNIT OF THE STATE OF NEW YORK)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEARS ENDED OCTOBER 31, 2018 AND 2017

Overview of the Financial Statements

The following is a narrative overview of the financial performance of the New York State Housing Finance Agency (the "Agency") for the fiscal years ended October 31, 2018 ("fiscal 2018") and October 31, 2017 ("fiscal 2017") with selected comparative information for the fiscal year ended October 31, 2016 ("fiscal 2016"). Please read this analysis in conjunction with the financial statements.

The annual financial statements consist of five parts: (1) management's discussion and analysis (this section); (2) the financial statements; (3) the notes to the financial statements; (4) required supplementary information and (5) the supplemental schedules that report programs of the Agency individually.

The Agency's financial statements are prepared using the accrual basis of accounting in conformity with U.S. generally accepted accounting principles.

Management's Discussion and Analysis

- This section of the Agency's financial statements, Management's Discussion and Analysis (the "MD&A"), presents an overview of the Agency's financial performance during fiscal 2018 and fiscal 2017. It provides a discussion of financial highlights and an assessment of how the Agency's financial position has changed from the past years. It identifies the factors that, in management's view, significantly affected the Agency's overall financial position. It may contain opinions, assumptions or conclusions by the Agency's management that should not be considered a replacement for, and must be read in conjunction with, the financial statements and other information described below.

The Financial Statements

- The Statement of Net Position provides information about the liquidity and solvency of the Agency by presenting the assets, deferred inflows and outflows of resources, liabilities and net position.
- The Statement of Revenues, Expenses and Changes in Net Position accounts for all of the current year's revenues and expenses in order to measure the success of the Agency's operations over the past year. It can be used to determine how the Agency has funded its costs. By presenting the financial performance of the Agency, the change in net position is similar to net profit or loss for a business.
- The Statement of Cash Flows is presented on the direct method of reporting. It provides information about the Agency's cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. Cash collections and payments are presented in this statement to arrive at the net increases or decreases in cash for each year.

The Notes to the Financial Statements

- The notes provide information that is essential to understanding the financial statements, such as the Agency's accounting methods and policies;
- Details include contractual obligations, future commitments and contingencies of the Agency when applicable;
- Information is given regarding any other events or developing situations that could materially affect the Agency's financial position.

Required Supplementary Information (“RSI”)

- The RSI schedules present information regarding the Agency’s (1) progress in funding its obligation to provide postemployment benefits other than pensions to its employees, (2) Schedule of Contributions to the New York State and Local Retirement System (“NYSLRS”) Pension Plan and (3) Schedule of the Proportionate Share of the NYSLRS Net Pension Liability.

Supplementary Information

- Presentations of the Agency’s financial information by program are listed in accordance with the requirements of the various bond resolutions.

Background

The Agency was created as a public benefit corporation in 1960, under Article III of the Private Housing Finance Law, to finance low and moderate income housing, primarily through the issuance of municipal securities and the making of mortgage loans to eligible borrowers. Since its inception, the Agency has issued over \$29.1 billion in bonds to finance low and moderate income housing. The Agency administers finance programs which, combined with other federal, state, and local resources, benefit the families and communities of New York State (the “State”).

During its 58 year history, the Agency’s mandate has been legislatively expanded to allow for the financing of housing which meets a variety of needs of the people of New York. As a result, the Agency is authorized to issue bonds to reimburse the State for appropriated expenditures for various housing capital programs.

The Agency and its corporate existence shall continue until terminated by law; provided, however that no such law shall take effect so long as the Agency has bonds, notes or other obligations outstanding.

Bond Issuances and Mortgage Financings - Fiscal 2018

During fiscal 2018, the Agency issued bonds totaling \$1,303.8 million to finance 40 new projects that contain 6,995 housing units, of which 91% or 6,380 are set aside for low income households.

Details are as follows:

Project Name	Total Units	Affordable Units	Mortgage Amount	Bonds Authorized to be Issued
PROJECTS FINANCED UNDER THE AFFORDABLE HOUSING REVENUE BOND RESOLUTION*				
22 South West Apartments	189	188	\$ 53,015,000	\$ 53,290,000
3500 Park Avenue	115	114	24,100,000	24,170,000
86 Dekalb Apartments	167	167	20,700,000	20,765,000
Clinton Avenue Apartments	210	209	27,500,000	27,540,000
Cottage Place Gardens III Apartments	70	70	19,940,000	20,060,000
Craft Apartments	75	74	15,560,000	15,590,000
Curran, Martinelli and Hall Apartments	279	279	39,500,000	39,580,000
Drum Hill Flats	52	51	9,760,000	9,790,000
E.L. Tower	193	193	12,905,000	12,950,000
Eastman Reserve	187	187	25,500,000	25,610,000
Edwin's Place Supportive Housing Residence Apartm	126	125	37,850,000	37,975,000
Farmington Gardens II	104	104	11,500,000	11,550,000
Fort Schuyler House	139	138	24,330,000	24,465,000
Fountain Avenue Building B1	200	199	60,000,000	60,280,000
Fountain Avenue Building B3	144	143	25,750,000	25,825,000
Fountain Seaview, Building B6	422	420	75,000,000	75,250,000
Frederick Douglass Apartments	87	87	7,700,000	7,735,000
Grand Street Apartments	77	76	12,360,000	12,395,000
Greyston Apartments	139	139	15,500,000	15,530,000
INHS Scattered Site Preservation Apartments	98	98	10,300,000	10,345,000
Intrada Saratoga Springs	158	157	16,075,000	16,165,000
Jefferson Avenue	90	89	15,880,000	15,895,000
Libertad Elmira	91	90	9,700,000	9,700,000
Linwood Park Apartments	100	99	28,000,000	28,065,000
Main Street Houses	62	61	6,400,000	6,410,000
New Rochelle RAD1 Apartments	203	203	24,250,000	24,270,000
Oyster Bay Gardens	48	48	9,520,000	9,540,000
Project Hope Senior Housing (2050 Bartow)	100	99	18,885,000	19,010,000
Ravenhall Apartments	216	215	63,300,000	63,485,000
Regina Pacis Apartments	168	167	19,050,000	19,050,000
Riverview Lofts	116	115	29,000,000	29,110,000
Riverview Manor & Piotr Stadnitski Gardens	212	210	14,100,000	14,180,000
Sleepy Hollow Apartments	229	228	20,000,000	20,205,000
St. Vincent DePaul Apartments	89	88	26,000,000	26,100,000
The Forge on Broadway	158	158	25,000,000	25,085,000
Town Side at Pre-Emption	88	88	9,295,000	9,315,000
Townhomes Apartments	204	204	28,125,000	28,200,000
SUBTOTAL	5,405	5,380	891,350,000	894,480,000

Bond Issuances and Mortgage Financings - Fiscal 2018 (continued)

Project Name	Total Units	Affordable Units	Mortgage Amount	Bonds Authorized to be Issued
<u>PROJECTS FINANCED AS DIRECT PURCHASES OR PRIVATE PLACEMENTS</u>				
260 Kent Avenue	332	66	175,000,000	175,000,000
Halletts Point Building 1	405	81	125,000,000	125,000,000
Schlobohm Walsh and Flynn Apartments	853	853	109,330,000	109,330,000
SUBTOTAL	<u>1,590</u>	<u>1,000</u>	<u>409,330,000</u>	<u>409,330,000</u>
GRAND TOTAL	<u>6,995</u>	<u>6,380</u>	<u>\$ 1,300,680,000</u>	<u>\$ 1,303,810,000</u>

* The amount shown as "Bonds Authorized to be Issued" under this resolution includes the allocable portion of a debt service reserve fund.

During fiscal 2018, the Agency was authorized to issue an additional \$455.3 million in bonds to finance eight projects under a multi-year program.

Project Name	Additional Bonds as Authorized Under Multi- Year Programs
15 Hudson Yards	\$ 42,000,000
325 Kent Avenue	44,400,000
43-25 Hunter Street*	104,500,000
606 West 57th Street	100,000,000
7 West 21st Street*	36,350,000
Riverside Center 1	55,965,000
Riverside Center 3	37,215,000
Riverside Center 4	34,865,000
	<u>\$ 455,295,000</u>

The Agency had eight credit substitutions totaling \$1.7 billion whereby the short term letters of credit were substituted with another letter of credit bank or were privately placed with institutions.

Project Name	Amount
160 Madison Avenue	\$ 200,000,000
43-25 Hunter Street	243,500,000
625 West 57th Street	407,000,000
626 Flatbush Avenue	71,144,990
7 West 21st Street	182,000,000
855 Sixth Avenue	187,000,000
Maestro West Chelsea	135,000,000
Riverside Center 2	275,000,000
	<u>\$ 1,700,644,990</u>

The Agency issued \$10.1 million in bonds to refund debt instruments previously issued. These projects were refunded into the Agency's Affordable Housing Revenue Bonds Resolution and were privately placed with a private institution.

Project Name	Amount
Copague Commons	\$ 9,190,000
Hemlock Ridge Apartments	935,000
	<u>\$ 10,125,000</u>

*The bonds issued for these projects were issued in connection with the respective issuances listed above.

Bond Issuances and Mortgage Financings - Fiscal 2017

During fiscal 2017, the Agency issued bonds totaling \$1,090.5 million to finance 34 new projects that contain 7,166 housing units, of which 85% or 6,126 are set aside for low income households.

Details are as follows:

Project Name	Total Units	Affordable Units	Mortgage Amount	Bonds Authorized to be Issued
<u>PROJECTS FINANCED UNDER PUBLICLY OFFERED INDIVIDUAL REVENUE BOND RESOLUTIONS</u>				
572 11th Avenue	164	46	\$ 103,000,000	\$ 103,000,000
<u>PROJECTS FINANCED UNDER THE AFFORDABLE HOUSING REVENUE BOND RESOLUTION*</u>				
AP Lofts at Larkinvillle	147	146	\$ 20,730,000	\$ 20,800,000
Asteri Utica	49	49	5,360,000	5,365,000
Buena Vista	454	452	51,555,000	51,555,000
Capital District Apartments	584	581	56,100,000	56,100,000
Century Sunrise	105	104	16,700,000	16,700,000
CNYS Catherine Street Development	50	50	8,550,000	8,640,000
Cornerstone Pointe Apartments	66	66	7,270,000	7,300,000
Crossroads at Baldwin Place	64	62	12,200,000	12,265,000
Elizabeth Square	75	75	4,550,000	4,570,000
Fountain Avenue Building A2	267	266	45,000,000	45,125,000
Heritage Gardens	83	82	8,000,000	8,030,000
HKBBE Apartments	262	257	18,450,000	18,535,000
Kingsbridge Heights Apartments	136	135	35,500,000	35,615,000
La Central Supportive	161	160	33,130,000	33,210,000
Marion Avenue	100	99	21,395,000	21,535,000
Meadows at Middle Settlement	93	93	13,000,000	13,000,000
Michelangelo Apartments	494	492	82,565,000	82,565,000
Moxey A. Rigby Apartments	101	100	36,670,000	36,850,000
Packet Boat Landing/DePaul Aero	60	60	8,750,000	8,810,000
Roosevelt Residences	50	50	8,210,000	8,225,000
Savanna Hall	73	72	13,250,000	13,370,000
Skyline Gardens Apartments	189	188	17,390,000	17,460,000
Temple Hill II & Bella Vista I	162	160	18,465,000	18,540,000
The Grand	138	135	32,600,000	32,690,000
Upper Falls Square	150	150	23,000,000	23,190,000
Via Vyse Avenue	121	120	23,500,000	23,570,000
West Middle School	59	59	10,370,000	10,425,000
SUBTOTAL	<u>4,293</u>	<u>4,263</u>	<u>632,260,000</u>	<u>634,040,000</u>

Bond Issuances and Mortgage Financings - Fiscal 2017 (continued)

Project Name	Total Units	Affordable Units	Mortgage Amount	Bonds Authorized to be Issued
<u>PROJECTS FINANCED AS DIRECT PURCHASES OR PRIVATE PLACEMENTS</u>				
810 Fulton Street	363	73	\$ 125,000,000	\$ 125,000,000
Blue Heron Trail 1 Apartments	82	82	10,250,000	10,250,000
Ocean Bay Apartments	1,395	1,393	213,250,000	213,250,000
Riverside Center 1	486	156	168,856,583 **	2,500,000
Riverside Center 3	216	64	257,177,849 **	1,250,000
Riverside Center 4	167	49	514,608,729 **	1,250,000
SUBTOTAL	<u>2,709</u>	<u>1,817</u>	<u>1,289,143,161</u>	<u>353,500,000</u>
GRAND TOTAL	<u>7,166</u>	<u>6,126</u>	<u>\$ 2,024,403,161</u>	<u>\$ 1,090,540,000</u>

* The amount shown as "Bonds Authorized to be Issued" under this resolution includes the allocable portion of a debt service reserve fund.

** In connection with the making of the mortgage loan for this project, the amount shown includes the funds to be available from additional bonds anticipated to be issued in fiscal year 2018 by the Agency.

During fiscal 2017, the Agency was authorized to issue an additional \$811.85 million in bonds to finance 15 projects under a multi-year program.

Project Name	Additional Bonds as Authorized Under Multi- Year Programs
149 Kent Avenue Apartments	\$ 4,715,000
222 East 44th Street	53,535,000
229 Cherry Street	11,535,000
325 Kent Avenue	1,885,000
33 Bond Street	185,000,000
43-25 Hunter Street	179,000,000
44th Drive Apartments	44,400,000
572 11th Avenue	111,900,000
605 West 42nd Street*	20,000,000
606 West 57th Street	11,000,000
88 Leonard Street*	13,000,000
Riverside Center 1	13,080,000
Riverside Center 3	103,000,000
Riverside Center 4	35,300,000
The Victory*	24,500,000
	<u>\$ 811,850,000</u>

The Agency issued a total of \$1.16 billion in bonds which refunded bonds that have previously been issued. Each of the new bond series were privately placed with a private institution.

Project Name	Amount
125 West 31st Street	\$ 176,800,000
150 East 44th Street	97,800,000
605 West 42nd Street	539,000,000
80 DeKalb Apartments	104,000,000
88 Leonard Street	132,000,000
The Victory	114,500,000
	<u>\$ 1,164,100,000</u>

The Agency issued \$65.8 million in bonds to refund debt instruments previously issued. These projects were refunded into the Agency's Affordable Housing Revenue Bonds Resolution and were privately placed with a private institution.

Project Name	Amount
Harris Park Apartments	\$ 4,440,000
Historic Pastures Mansions	7,490,000
Marcus Garvey Apartments	37,900,000
Marien Heim Towers	15,970,000
	<u>\$ 65,800,000</u>

*The bonds issued for these projects were issued in connection with the respective refunding listed above.

Condensed Financial Information

NEW YORK STATE HOUSING FINANCE AGENCY

Statements of Net Position (in thousands)

	2018	October 31, 2017 (Restated)	2016	% Change	
				2018-2017	2017-2016
Assets:					
Cash	\$ 216,989	\$ 268,633	\$ 331,113	(19%)	(19%)
Mortgage loans receivable - net	16,782,114	15,713,871	14,134,407	7%	11%
Investments including accrued interest receivable	2,325,267	2,162,416	2,254,695	8%	(4%)
Other assets	80,434	74,524	65,533	8%	14%
Total assets	<u>19,404,804</u>	<u>18,219,444</u>	<u>16,785,748</u>	7%	9%
Deferred outflows of resources:					
Deferred outflows relating to other postemployment benefits	2,359	2,696	—	(13%)	N/A
Accumulated decrease in fair value of hedging derivatives	10,521	18,369	27,552	(43%)	(33%)
Deferred outflows relating to pension	2,794	1,840	3,829	52%	(52%)
Total deferred outflows of resources	<u>15,674</u>	<u>22,905</u>	<u>31,381</u>	(32%)	(27%)
Liabilities:					
Bonds payable and other debt obligations	17,733,852	16,780,581	15,448,200	6%	9%
Derivative instruments - interest rate swaps	10,521	18,369	27,552	(43%)	(33%)
Interest payable	78,598	60,553	44,802	30%	35%
Accounts payable and other	19,419	17,806	14,826	9%	20%
Amounts received in advance and other	458,898	437,017	469,256	5%	(7%)
Other postemployment benefits	40,136	41,212	47,112	(3%)	(13%)
Total liabilities	<u>18,341,424</u>	<u>17,355,538</u>	<u>16,051,748</u>	6%	8%
Deferred inflows of resources:					
Deferred inflows relating to other postemployment benefits	2,523	134	—	1,783%	N/A
Gain on defeasance - net	823	789	1,306	4%	(40%)
Deferred inflows relating to pension	2,712	348	456	679%	(24%)
Total deferred inflows of resources	<u>6,058</u>	<u>1,271</u>	<u>1,762</u>	377%	(28%)
Net position	<u>\$ 1,072,996</u>	<u>\$ 885,540</u>	<u>\$ 763,619</u>	21%	16%

Assets

Mortgage Loans Receivable - Net

Mortgage loans receivable – net increased by approximately \$1.068 billion, or 7% from \$15.714 billion (86% of total assets) at October 31, 2017 to \$16.782 billion (86% of total assets) at October 31, 2018. This compares with an increase of approximately \$1.579 billion, or 11% from \$14.134 billion (84% of total assets) at October 31, 2016 to \$15.714 billion (86% of total assets) at October 31, 2017. The increase in each period was a result of increased lending activity.

Cash and Investments

Restricted cash and investments are held principally by a bond trustee or a depository. These funds are held for the following purposes:

- Bond proceeds held to fund construction loans for projects with mortgage commitments remaining to be funded. Such funds are invested until disbursed to borrowers and constitute the largest portion of restricted investments held.
- As reserves for debt held under the specific requirements of bond resolutions.
- To fund debt service on bonds when such payments are due.
- Funds received from governmental entities to be disbursed to projects on whose behalf such funds were received.
- Escrow and reserve funds held for the benefit of the projects on whose behalf such funds were remitted.
- Funds available to be advanced for subsidy loans.

Unrestricted cash and investments are held principally by a depository. These assets are held to fund the operating costs of the Agency. When unrestricted funds are committed to be advanced as subsidy loans, the funds are transferred to restricted assets.

Primarily as a result of fluctuations in the amount of bond proceeds remaining on deposit, investments (including accrued interest receivable thereon) increased from \$2.162 billion at October 31, 2017 to \$2.325 billion at October 31, 2018, an increase of approximately \$163 million, or 8%, as compared with a decrease from \$2.255 billion at October 31, 2016 to \$2.162 billion at October 31, 2017, a decrease of approximately \$93 million, or 4%.

Other Assets

Other assets primarily represent interest receivable due on mortgage loans. Other assets increased from \$74.5 million at October 31, 2017 to \$80.4 million at October 31, 2018, an increase of approximately \$5.9 million, or 8%.

This compares with the increase from \$65.5 million at October 31, 2016 to \$74.5 million at October 31, 2017, an increase of approximately \$9.0 million, or 14%. The increases in each year were primarily a result of the continued rise in interest rates which resulted in higher rates on new loans closed and also higher rates on variable rate loans. Additionally, the State has committed additional resources to fund subsidy loans.

Deferred Outflows of Resources

The Agency has entered into various interest rate swap contracts in order to manage risk associated with interest on its State Revenue Bond Program portfolio. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* ("GASB No. 53"), the Agency recognizes the fair value of all derivative instruments as either an asset or liability on its statements of net position with the offsetting gains or losses recognized in earnings or as either deferred inflows or outflows, if deemed an effective hedge (see note 11). For fiscal 2018, 2017 and 2016, all of the Agency's interest rate swaps were determined to be effective hedges. Therefore, the Agency recorded the decrease in the fair value of these interest rate swaps as a liability along with a corresponding deferred outflow of resources.

Due to the aforementioned continued rise in interest rates, the liability position of the interest rate swaps decreased from approximately \$18.4 million at October 31, 2017 to \$10.5 million at October 31, 2018, a decrease of approximately \$7.9 million, or 43%. This compares with a decrease from approximately \$27.6 million at October 31, 2016 to \$18.4 million at October 31, 2017, a decrease of approximately \$9.2 million, or 33%.

Liabilities

Bonds Payable and Other Debt Obligations

At approximately 97% of total liabilities as of October 31, 2018 and 2017 and at approximately 96% of total liabilities as of October 31, 2016, bonds payable and other debt obligations comprise the largest component of the Agency's liabilities over the aforementioned periods. Funds generated by the sale of bonds are used to fund mortgage loans. The payments due on mortgage loans receivable, together with interest earnings, are used to fund the debt service payments due on bonds payable and other debt obligations.

Bonds payable and other debt obligations increased from \$16.781 billion at October 31, 2017 to \$17.734 billion at October 31, 2018, an increase of approximately \$953 million, or 6%. This was a result of the activity during fiscal 2018 in which bonds were issued in the amount of approximately \$2.711 billion and retired or redeemed, in the amount of approximately \$1.758 billion. This compares with the increase from \$15.448 billion at October 31, 2016 to \$16.781 billion at October 31, 2017, an increase of approximately \$1.333 billion, or 9%.

Interest Payable

Primarily as a result of continued bond issuance activity and the continued rise in interest rates, interest payable increased from \$60.6 million at October 31, 2017 to \$78.6 million at October 31, 2018, an increase of approximately \$18.0 million, or 30%. This compares with the increase from \$44.8 million at October 31, 2016 to \$60.6 million at October 31, 2017, an increase of approximately \$15.8 million, or 35%.

Accounts Payable and Other

Accounts payable and other increased from \$17.8 million in fiscal 2017 to \$19.4 million in fiscal 2018, an increase of approximately \$1.6 million, or 9%, primarily as a result of a delay in the payment of certain funds due to the State and the accrual of certain expenses relating to new Agency lease which was signed in December 2018. This compares with the increase from \$14.8 million in fiscal 2016 to \$17.8 million in fiscal 2017, an increase of approximately \$3.0 million, or 20%.

Amounts Received in Advance and Other

Amounts received in advance and other increased from \$437.0 million in fiscal 2017 to \$458.9 million in fiscal 2018, an increase of approximately \$21.9 million, or 5%, primarily as a result of the receipt of additional principal reserve payments which are held on mortgages financed by variable rate debt until such time as the bonds are amortized. At that time, the funds are applied to the related mortgage balance. This compares with the decrease from \$469.3 million in fiscal 2016 to \$437.0 million in fiscal 2017, a decrease of approximately \$32.3 million, or 7%. The decrease was primarily due to the release of funds on deposit held as principal reserve funds, as instructed by Fannie Mae for bond restructure.

Other Postemployment Benefits

The Agency provides certain group health care benefits to eligible retirees (and for eligible dependents and survivors of such retirees). The balance in other postemployment benefits represents the accumulated unfunded actuarial liability required to pay the cost of retiree health care benefits. An actuarial calculation is performed on a bi-annual basis and is rolled forward to the next fiscal year. The accumulated amount of other postemployment benefits decreased from \$41.2 million in fiscal 2017 to \$40.1 million in fiscal 2018, a decrease of approximately \$1.1 million, or 3%. The decline was a result of the change in the discount rate of 3.65% per annum as of October 31, 2017, 3.32% per annum as of October 31, 2016 and 3.66% per annum as of October 31, 2015. Additionally, the balance was affected by the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75") in fiscal 2018, effective in fiscal 2017. This compares with a decrease from \$47.1 million in fiscal 2016 to \$41.2 million in fiscal 2017, a decrease of approximately \$5.9 million, or 13%, which was calculated under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* ("GASB No. 45") which was superseded by GASB No. 75 (see note 12 for detail).

NEW YORK STATE HOUSING FINANCE AGENCY

Statements of Revenues, Expenses and Changes in Net Position (in thousands)

	Fiscal Year Ended October 31,			% Change	
	2018	2017	2016	2018-2017	2017-2016
	(Restated)				
Operating revenues:					
Interest on mortgage loans	\$ 448,296	\$ 301,970	\$ 198,184	48%	52%
Investment income	25,522	13,343	7,401	91%	80%
Fees, charges and other	74,737	77,368	66,696	(3%)	16%
Recoveries	4,825	7,937	6,716	(39%)	18%
Total operating revenues	<u>553,380</u>	<u>400,618</u>	<u>278,997</u>	38%	44%
Operating expenses:					
Interest expense	414,616	270,711	168,468	53%	61%
Earnings on investments credited to mortgagors	7,368	4,945	2,320	49%	113%
Other postemployment benefits	3,368	3,215	2,148	5%	50%
General expenses	28,066	23,366	21,919	20%	7%
Cost of issuance and other financial expenses	1,726	2,708	3,767	(36%)	(28%)
Supervising agency fee	10,303	10,238	10,474	1%	(2%)
Allowances for losses on loans	128,332	76,377	40,097	68%	90%
Unrealized loss (gain) on investments held	1,879	453	(184)	315%	346%
Total operating expenses	<u>595,658</u>	<u>392,013</u>	<u>249,009</u>	52%	57%
Non-operating revenues (expenses):					
Net transfers from Agencies of the State of New York	222,072	92,023	44,727	141%	106%
Federal grant revenue	4,580	5,946	5,290	(23%)	12%
Federal grant expense	(4,580)	(5,946)	(5,290)	(23%)	12%
Reserve funds received from mortgagors	7,322	5,761	2,628	27%	119%
Gain on Extinguishment of debt	340	4,057	—	(92%)	N/A
Net non-operating revenues	<u>229,734</u>	<u>101,841</u>	<u>47,355</u>	126%	115%
Net position:					
Increase in net position	<u>187,456</u>	<u>110,446</u>	<u>77,343</u>	70%	43%
Total net position - beginning of fiscal year (previously stated)	885,540	763,619	686,276	16%	11%
Effect of implementing GASB No. 75	<u>—</u>	<u>11,475</u>	<u>—</u>	N/A	N/A
Total net position - beginning of fiscal year (restated)	885,540	775,094	686,276	14%	13%
Total net position - end of fiscal year	<u>\$ 1,072,996</u>	<u>\$ 885,540</u>	<u>\$ 763,619</u>	21%	16%

Operating revenues

Interest on Mortgage Loans

Interest on mortgage loans increased from \$302.0 million in fiscal 2017 to \$448.3 million in fiscal 2018, an increase of approximately \$146.3 million, or 48%, as compared with an increase from \$198.2 million in fiscal 2016 to \$302.0 million in fiscal 2017, an increase of approximately \$103.8 million, or 52%. The increases were the result of increased lending activity and the continued rise in interest rates. Interest on mortgage loans represents the Agency's primary source of funds available to pay interest expense due on bonds payable.

Investment Income

Primarily as a result of the fluctuations in interest rates on invested funds and additional investments held due to the timing of bond sales and the timing of the advance of mortgage funds, investment income increased from \$13.3 million in fiscal 2017 to \$25.5 million in fiscal 2018, an increase of approximately \$12.2 million, or 91%. This compares with an increase from \$7.4 million in fiscal 2016 to \$13.3 million in fiscal 2017, an increase of approximately \$5.9 million, or 80%.

Fees, Charges and Other

Fees, charges and other represent revenues earned from borrowers relating to outstanding mortgage loans, in addition to charges for tax credit monitoring and mortgage origination fees. It also includes various one-time payments due to the Agency, including public purpose fees due under certain conditions, in accordance with the terms of various regulatory agreements. Primarily as a result of the Agency's greater focus on all affordable mortgage lending, fees, charges and other decreased from \$77.4 million in fiscal 2017 to \$74.7 million in fiscal 2018, a decrease of approximately \$2.7 million, or 3%. This compares with an increase from \$66.7 million in fiscal 2016 to \$77.4 million in fiscal 2017, an increase of approximately \$10.7 million, or 16%.

Recoveries

Recoveries represent payments received relating to mortgages for which an allowance had previously been established. Primarily as a result of the refinancings of certain mortgages in the Mitchell Lama mortgage portfolio, other mortgage loan payoffs throughout the periods and the repayment of subsidy loans, the Agency received recovery amounts relating to loans for which an allowance had been established in prior fiscal years. Recoveries decreased from \$7.9 million in 2017 to \$4.8 million in fiscal 2018, a decrease of approximately \$3.1 million, or 39%. This compares with the increase from \$6.7 million in 2016 to \$7.9 million in fiscal 2017, an increase of approximately \$1.2 million, or 18%. The amounts fluctuate due to the volume and specific components of various refinancings and other loan payoffs.

Operating expenses

Interest Expense

Interest expense increased from \$270.7 million in fiscal 2017 to \$414.6 million in fiscal 2018, an increase of approximately \$143.9 million, or 53%. This compares with an increase from \$168.5 million in fiscal 2016 to \$270.7 million in fiscal 2017, an increase of approximately \$102.2 million, or 61%. The increase in interest expense from fiscal 2016 to fiscal 2017 and from fiscal 2017 to fiscal 2018 is primarily due to the increase in outstanding bonds and the rise in interest rates.

Earnings on Investments Credited to Mortgagors

During the construction period, certain mortgages are credited with the earnings on unadvanced bond proceeds held in the construction financing accounts and the capitalized interest accounts. Fluctuations result from the timing of the granting of credits to mortgagors and interest earned on investments during the period. Earnings on investments credited to mortgagors increased from \$4.9 million in fiscal 2017 to \$7.4 million in fiscal 2018, representing an increase of approximately \$2.5 million, or 49%. This compares with an increase from \$2.3 million in fiscal 2016 to \$4.9 million in fiscal 2017, representing an increase of approximately \$2.6 million, or 113%.

General Expenses

General expenses include certain administrative expenses in addition to other financial expenses. General expenses increased from \$23.4 million in fiscal 2017 to \$28.1 million in fiscal 2018, an increase of approximately \$4.7 million, or 20%, as compared with an increase from \$21.9 million in fiscal 2016 to \$23.4 million in fiscal 2017, an increase of approximately \$1.5 million, or 7%. The changes were primarily the result of increases in staffing, the cost of the Agency's upcoming move and other personnel services expenses relating to the Governor's housing plan initiative.

Cost of Issuance and Other Financial Expenses

Cost of issuance and other financial expenses represent the following: cost of issuance expenses associated with issuing bonds, letter of credit fees and remarketing fees. Cost of issuance and other financial expenses decreased from \$2.7 million in fiscal 2017 to \$1.7 million in fiscal 2018, a decrease of approximately \$1.0 million, or 36% as a result of decreased arbitrage costs incurred in fiscal 2017. This compares with a decrease from \$3.8 million in fiscal 2016 to \$2.7 million in fiscal 2017, a decrease of approximately \$1.1 million, or 28%.

Supervising Agency Fee

Supervising Agency Fee includes amounts due to the State and certain State agencies, including the New York State Division of Housing and Community Renewal ("DHCR"). Supervising Agency Fees amounts due to the State increased by approximately \$100 thousand, or 1% from \$10.2 million in fiscal 2017 to \$10.3 million in fiscal 2018. This compares with a decrease from \$10.5 million in fiscal 2016 to \$10.2 million in fiscal 2017, a decrease of approximately \$300 thousand, or 2%.

Allowance for Losses on Loans

On an annual basis, the Agency analyzes its mortgage loans balances to determine their collectability. A determination is made by management to establish or adjust the allowance for losses on loans previously established based on this analysis.

Included in the allowance for losses on loans are subsidy loans made by the Agency using Agency funds. Such loans are made in the form of subordinate mortgage loans and are recorded as mortgage loans receivable. The balance of such loans is included in the allowance for losses on loans because they are not secured by credit enhancement and their terms require scheduled payments which are deferred until other obligations are satisfied. Therefore, an allowance is established for the full amount of each of these subsidy loans. When payments are made relating to subsidy mortgages, the amount received is recorded as recovery income.

Allowance for losses on loans increased from \$76.4 million in fiscal 2017 to \$128.3 million in fiscal 2018, an increase of approximately \$51.9 million, or 68%. This compares with an increase from \$40.1 million in fiscal 2016 to \$76.4 million in fiscal 2017, an increase of approximately \$36.3 million, or 90%. Each year's increase primarily relates to the increased use of Agency funds to finance subsidy loans and the restructuring of certain Mitchell Lama first mortgage loans to subordinate debt.

Non-operating revenues (expenses)

Net Transfers from Agencies of the State of New York

Net Transfers from Agencies of the State of New York increased from \$92.0 million in fiscal 2017 to \$222.1 million in fiscal 2018, an increase of approximately \$130.1 million, or 141%. This compares with an increase from \$44.7 million in fiscal 2016 to \$92.0 million in fiscal 2017, an increase of approximately \$47.3 million, or 106%. The increases represent the increased receipt of funds from state sources, received by the Agency to fund subsidy loans.

In addition, during fiscal 2018, 2017 and 2016, the Agency transferred \$2.3 million, \$1.8 million and \$1.0 million, respectively, to its subsidiary The Affordable Housing Corporation ("AHC") in order to contribute to the cost of its administrative salaries and other direct expenses.

Federal Grants

Federal Grants represent funds received from the federal government which are then remitted to various housing developments. Federal Grants decreased from \$5.9 million in fiscal 2017 to \$4.6 million in fiscal 2018, a decrease of approximately \$1.3 million, or 23%. This compares with an increase from \$5.3 million in fiscal 2016 to \$5.9 million in fiscal 2017, an increase of approximately \$600 thousand, or 12%. Federal Grants represent Housing Assistance Payments received from the U.S. Department of Housing and Urban Development to subsidize a portion of the rent paid by eligible tenants in two housing projects. The amounts vary based on the eligible tenant's family income during the period.

Gain on Extinguishment of Debt

Gain on extinguishment of debt decreased from \$4.1 million in fiscal 2017 to \$340 thousand in fiscal 2018, a decrease of approximately \$3.7 million, or 92%. This compares with an increase from \$0 in fiscal 2016 to \$4.1 million in fiscal 2017 as a result of the write-off of the bond premium relating to the State Personal Income Tax Revenue Bonds: 2007 Series C, 2008 Series B and 2009 Series A which were refunded in fiscal 2017. In fiscal 2018, bonds were redeemed due to a mortgage payoff in the Affordable Housing Revenue Bond Program which resulted in the reported gain of \$345 thousand.

New York State Housing Finance Agency

(A Component Unit of the State of New York)

STATEMENTS OF NET POSITION

(in thousands)

	October 31,	
	2018	(Restated) 2017
Assets		
Current Assets:		
Cash held principally by Trustee and Depository - Restricted	\$ 180,793	\$ 256,230
Cash held principally by Trustee and Depository - Unrestricted	36,196	12,403
Investments - Restricted	2,001,400	1,853,159
Investments - Unrestricted	261,250	238,877
Accrued interest receivable on investments	11,095	3,557
Mortgage loans and other loans - net	358,235	255,131
Interest receivable and other	66,606	67,173
Total current assets	2,915,575	2,686,530
Non-current Assets:		
Investments - Restricted	33,313	20,217
Investments - Unrestricted	18,209	46,606
Mortgage loans and other loans - net	16,423,879	15,458,740
Capital assets - internal use software	13,828	7,351
Total non-current assets	16,489,229	15,532,914
Total assets	19,404,804	18,219,444
Deferred outflows of resources		
Deferred outflows: Other postemployment benefits	2,359	2,696
Accumulated decrease in fair value of hedging derivatives	10,521	18,369
Deferred outflows: Pension	2,794	1,840
Total deferred outflows of resources	15,674	22,905
Liabilities		
Current Liabilities:		
Bonds payable and other debt obligations	1,190,658	1,221,031
Funds received from mortgagors	38,460	38,994
Accounts payable and other	18,561	15,515
Interest payable	78,598	60,553
Funds received from governmental entities	48,487	84,295
Earnings restricted to project development	22,649	9,193
Amounts received in advance and other	320,662	301,919
Total current liabilities	1,718,075	1,731,500
Non-current Liabilities:		
Bonds payable and other debt obligations (net)	16,543,194	15,559,550
Derivative instrument - interest rate swaps	10,521	18,369
Unearned revenues, amounts received in advance and other	28,640	2,616
Other postemployment benefits	40,136	41,212
Net pension liability	858	2,291
Total non-current liabilities	16,623,349	15,624,038
Total liabilities	18,341,424	17,355,538
Deferred inflows of resources		
Deferred inflows: Other postemployment benefits	2,523	134
Gain on defeasance - net	823	789
Deferred inflows: Pension	2,712	348
Total deferred inflows of resources	6,058	1,271
Net position		
Restricted for bond and other obligations	798,311	631,661
Unrestricted	274,685	253,879
Total net position	\$ 1,072,996	\$ 885,540

See notes to financial statements.

New York State Housing Finance Agency

(A Component Unit of the State of New York)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

(in thousands)

	Fiscal Year Ended October 31,	
	2018	(Restated) 2017
Operating revenues		
Interest on mortgage loans	\$ 448,296	\$ 301,970
Fees, charges and other	74,737	77,368
Investment income	25,522	13,343
Recoveries	4,825	7,937
Total operating revenues	553,380	400,618
Operating expenses		
Interest	414,616	270,711
Earnings on investments and other funds credited to mortgagors and lessees	7,368	4,945
Other postemployment benefits	3,368	3,215
General expenses	28,066	23,366
Other financial expenses	1,726	2,708
Supervising agency fee	10,303	10,238
Allowance for losses on loans	128,332	76,377
Unrealized loss on investments held	1,879	453
Total operating expenses	595,658	392,013
Operating (loss) income	(42,278)	8,605
Non-operating revenues (expenses)		
Transfers from Agencies of New York State	222,072	92,023
Federal grant revenue	4,580	5,946
Federal grant expense	(4,580)	(5,946)
Reserve funds received from mortgagors (net)	7,322	5,761
Gain on extinguishment of debt	340	4,057
Net non-operating revenues	229,734	101,841
Increase in net position	187,456	110,446
Total net position - beginning of fiscal year	885,540	775,094
Total net position - end of fiscal year	\$ 1,072,996	\$ 885,540

See notes to financial statements.

New York State Housing Finance Agency

(A Component Unit of the State of New York)

STATEMENTS OF CASH FLOWS

(in thousands)

	Fiscal Year Ended October 31,	
	2018	(Restated) 2017
Cash flows from operating activities		
Interest on loans	\$ 473,241	\$ 279,247
Fees, charges and other	74,737	77,368
Operating expenses	(47,803)	(35,990)
Principal payments on mortgage loans	2,023,284	1,660,600
Mortgage loans advanced	(3,219,763)	(3,309,018)
Funds received from mortgagors	82,774	66,592
Funds returned to mortgagors	(62,903)	(93,973)
Funds received from governmental entities	227,699	112,974
Distribution of funds received from governmental entities	(35,941)	(7,795)
Recoveries and other	2,266	(26)
Net cash used in operating activities	(482,409)	(1,250,021)
Cash flows from non-capital financing activities		
Interest payments	(396,659)	(256,451)
Issuance of bonds	2,710,956	2,530,409
Retirement and redemption of bonds	(1,757,780)	(1,196,506)
Federal grant revenue	4,580	5,946
Federal grant expense	(4,580)	(5,946)
Net cash provided by non-capital financing activities	556,517	1,077,452
Cash flows from investing activities		
Investment income	31,440	16,915
Proceeds from sales or maturities of investments	11,659,367	10,514,431
Purchases of investments	(11,816,559)	(10,421,256)
Net cash (used in) provided by investing activities	(125,752)	110,090
Net decrease in cash	(51,644)	(62,479)
Cash at beginning of fiscal year	268,633	331,112
Cash at end of fiscal year	\$ 216,989	\$ 268,633
Reconciliation of operating (loss) income to net cash used in operating activities:		
Operating income	\$ (42,278)	\$ 8,605
Adjustments to reconcile operating loss to net cash used in operating activities:		
Interest Expense	414,616	270,711
Investment Income	(23,643)	(12,890)
Allowance for losses on loans	128,332	76,377
Other	40,808	29,602
Changes in assets and liabilities - net:		
Mortgage loan receivables	(1,196,479)	(1,648,418)
Interest receivable and other	24,945	(22,723)
Accounts and other payables	(47,707)	(34,028)
Funds received from mortgagors	218,997	82,743
Net cash used in operating activities	\$ (482,409)	\$ (1,250,021)
Non-cash investing activities		
Unrealized gain (loss) on investments held	\$ 1,879	\$ (453)

See notes to financial statements.

NEW YORK STATE HOUSING FINANCE AGENCY

(A COMPONENT UNIT OF THE STATE OF NEW YORK)

NOTES TO THE FINANCIAL STATEMENTS

FISCAL YEARS ENDED OCTOBER 31, 2018 AND 2017

NOTE 1 – THE AGENCY

The New York State Housing Finance Agency (“Agency”), a component unit of the State of New York (“State”), is a corporate governmental agency constituted as a public benefit corporation under the provisions of the State Private Housing Finance Law. The Agency is empowered to finance or contract for the financing of the construction, acquisition or refinancing of loans for: (a) housing units for sale or rent to low and moderate income persons, families, and senior citizens, (b) municipal health facilities, (c) non-profit health care facilities, (d) community related facilities and (e) to provide funds to repay the State for amounts advanced to finance the cost of various housing assistance programs. The Agency is also empowered, through its Capital Grant Low Rent Assistance Program, to provide rental housing to low and middle income persons or families. Additionally, the Agency participates in the federal government’s housing assistance programs, principally those established by Section 236 of the National Housing Act and Section 8 of the U.S. Housing Act of 1937. These federal programs provide interest reduction and rental assistance subsidies, respectively, to eligible projects and tenants.

The Agency administers the State’s Housing Project Repair and Infrastructure Trust Fund Programs. The Housing Project Repair Program is to be used to correct construction-related and energy, health and safety problems or deficiencies at Mitchell-Lama housing projects that are at current economic rent or that enter into mortgage modification agreements with the Agency. The Infrastructure Trust Fund Programs provide grants for the development of affordable housing throughout New York State.

The Agency finances most of its activities through the issuance of bonds. As of October 31, 2018 and 2017, the Agency is authorized to issue bonds up to the amount of approximately \$26.78 billion to finance housing projects. Additionally, as of October 31, 2018, the Agency is authorized to issue Service Contract Obligation Revenue Bonds, Service Contract Revenue Bonds and Personal Income Tax Revenue Bonds in the amount of approximately \$5.98 billion (approximately \$5.38 billion as of October 31, 2017).

In accordance with section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards, the Agency’s financial statements are included in the State of New York’s annual financial statements as a component unit of the State.

The Private Housing Finance Law, as amended in 1985, established the New York State Housing Trust Fund Corporation (“HTFC”) and the New York State Affordable Housing Corporation (“AHC”), both public benefit corporations, as subsidiary corporations of the Agency. In addition, as amended through 1990, such law established the New York State Homeless Housing and Assistance Corporation (“HHAC”). These corporations are component units of the State; accordingly, they are not component units of the Agency in accordance with the requirements of the Governmental Accounting Standards Board (“GASB”) Statement No. 61 (GASB Statement No. 61), *Financial Reporting Entity: Omnibus*. Therefore, the financial activities of these corporations are not included in the accompanying financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. **BASIS OF ACCOUNTING:** The Agency utilizes the accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. The financial statements are prepared in accordance with generally accepted accounting principles as prescribed by GASB. The Agency's operating revenues consist of interest on loans, fees and charges associated with bond financing and loans and investment income. All other revenue, which primarily consist of transfers between the Agency and other Agencies of the State of New York and grant revenue are considered non-operating. Operating expenses include interest expense, expenses for administering the various bond programs, Agency administration expenses, bond issuance and financing costs and allowance for loan losses. All other expenses are considered non-operating.
- B. **INVESTMENTS:** Investments, other than collateralized investment agreements, are recorded at fair value, which are based on quoted market prices or matrix pricing for securities that are not traded actively. Collateralized investment agreements are reported at cost plus accrued interest. For the purpose of financial statement presentation, the Agency does not consider any of its investments to be cash equivalents.
- C. **INTEREST AND INVESTMENT REVENUE:** Interest and investment revenue is accrued and recognized as revenue when earned.
- D. **FEES, CHARGES AND OTHER REVENUE:** Servicing fees, mortgage origination fees, commitment fees and other fees due to the Agency, are recognized as revenue in the period in which they are earned.
- E. **ADMINISTRATIVE EXPENSES:** Administrative and other expenses are recognized as expense in the period incurred.
- F. **INTERAGENCY SERVICES:** The Agency has agreements with related public benefit corporations to provide managerial, administrative and financial functions for these organizations. Pursuant to these agreements, the Agency's general expenses are allocated to reflect the services utilized by each of the respective related public benefit corporations. The Agency is reimbursed for such expenses, to the extent the related public benefit corporations have funds available.
- G. **COSTS OF ISSUANCE EXPENSE:** The costs of issuing bonds are expensed in the period incurred.
- H. **FEDERAL GRANTS:** Grants received from the Federal government are recognized as non-operating revenue when eligibility requirements are met.
- I. **ACCRUED VACATION BENEFITS:** Vacation benefits are recorded in the period earned.
- J. **BOND PREMIUM:** Bond premium is amortized over the life of the related bonds using the effective interest method.
- K. **RESTRICTED ASSETS:** The assets governed by bond or note resolutions are restricted. Cash and investments included in restricted fund accounts are held by trustee banks. Additionally, restricted assets include funds available to be advanced as subsidy loans which were committed but not yet disbursed.
- L. **USE OF NET POSITION:** When both restricted and unrestricted resources are available for a particular restricted use, it is the Agency's policy to use restricted resources first, and then unrestricted as needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- M. **USE OF ESTIMATES:** The preparation of the financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts and disclosures included in the Agency's financial statements during the reporting periods. Actual amounts could differ from these estimates.
- N. **ALLOWANCE FOR POTENTIAL LOSSES ON LOANS:** An allowance has been established for possible uncollectible mortgage loans and accrued interest (see note 3). Annually, the allowance is reviewed for reasonableness. Provisions for uncollectible receivables are recorded when it has been determined that a probable loss has occurred.
- O. **NET POSITION:** The Agency's Net Position represents the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources. It consists largely of mortgage loans and investments. The Agency's net position is categorized as follows:
- Restricted Net Position: Represents assets that have been restricted in use in accordance with the terms of bond indentures, grant awards, agreements or by State law, reduced by the outstanding balance of any debt that is attributable to those assets. This includes mortgage loan assets, bond proceeds and reserve funds that are pledged to bondholders and funds held pursuant to contractual obligations with New York State.
- Unrestricted Net Position: Represent assets that do not meet the definition of restricted.
- P. **REFUNDING OF DEBT:** Gains or losses in connection with advanced refundings are recorded as either a deferred inflow (gain) or deferred outflow (loss) of resources and amortized as an adjustment to interest expense over the original life of the refunded bonds or the life of the refunding bonds, whichever is shorter.
- Q. **DERIVATIVE INSTRUMENTS:** The Agency has entered into various interest rate swap contracts in order to manage the risks associated with interest due on its State Revenue Bond Program portfolio. The Agency recognizes the fair value of all derivative instruments as either an asset or liability on its statements of net position with the offsetting gains or losses recognized in earnings or as either deferred inflows or outflows if deemed an effective hedge.
- R. **CAPITAL ASSETS – INTERNAL USE SOFTWARE:** Expenditures for the purchase, development or licensing of computer software having a cost greater than \$500 thousand are capitalized and amortized on a straight-line basis, generally over the license term (if applicable) or the estimated useful life of the software.
- S. **RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS:** In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75"). The objective of this Statement is to improve accounting and financial reporting by state and local governments for OPEB. It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions of this statement are effective for fiscal years beginning after June 15, 2017. Refer to Note 3 "Impact of the Adoption of GASB No. 75" for further information regarding the impact of the adoption of GASB No. 75 on the financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In March 2017, GASB issued Statement No. 85, *Omnibus 2017* ("GASB No. 85"). The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits ("OPEB")). The provisions of this statement are effective for fiscal years beginning after June 15, 2017. The adoption of this standard did not have an impact on the Agency's financial statements.

In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues* ("GASB No. 86"). The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The provisions of this statement are effective for fiscal years beginning after June 15, 2017. The adoption of this standard did not have an impact on the Agency's financial statements.

- T. ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED: In March 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations* ("GASB No. 83"). The primary objective of this Statement is to provide financial statement users with information about asset retirement obligations (ARO's) that were not addressed in GASB standards by establishing uniform accounting and financial reporting requirements for those obligations. The requirements of this statement apply to financial statements of all state and local governments. For purposes of applying this statement, an ARO is a legally enforceable liability associated with the retirement of a tangible capital asset (that is, the tangible capital asset is permanently removed from service). The retirement of a tangible capital asset encompasses its sale, abandonment, recycling, or disposal in some other manner; however, it does not encompass the temporary idling of a tangible capital asset. This statement also applies to legally enforceable liabilities of a lessor in connection with the retirement of its leased property if those liabilities meet the definition of an ARO. The provisions of this statement are effective for fiscal years beginning after June 15, 2018. The Agency is currently evaluating the impact this standard will have on its financial statements.

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities* ("GASB No. 84"). The primary objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The provisions of this statement are effective for fiscal years beginning after December 15, 2018. The Agency is currently evaluating the impact this standard will have on its financial statements.

In June 2017, GASB issued Statement No. 87, *Leases* ("GASB No. 87"). The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The provisions of this statement are effective for fiscal years beginning after December 15, 2019. The Agency is currently evaluating the impact this standard will have on its financial statements.

In March 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* ("GASB No. 88"). The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The provisions of this statement are effective for fiscal years beginning after June 15, 2018. The Agency is currently evaluating the impact this standard will have on its financial statements.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* ("GASB No. 89"). The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* ("GASB No. 62"), which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The provisions of this statement are effective for fiscal years beginning after December 15, 2019. The Agency is currently evaluating the impact this standard will have on its financial statements.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests* ("GASB No. 90"). The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The provisions of this statement are effective for fiscal years beginning after December 15, 2018. The Agency is currently evaluating the impact this standard will have on its financial statements.

- U. RECLASSIFICATIONS: Certain reclassifications have been made to prior year balances in order to conform to current year presentation.

NOTE 3 – IMPACT OF THE ADOPTION OF GASB NO. 75

On November 1, 2017, the Agency adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75"). The objective of this Statement is to improve accounting and financial reporting by state and local governments for OPEB. It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions of this statement are effective for fiscal years beginning after June 15, 2017.

As a result of adopting this pronouncement, the Agency's Net Position as of November 1, 2016, Statement of Net Position as of October 31, 2017 and the Statement of Revenues, Expenses and Changes in Net Position for the year ended October 31, 2017 have been restated to reflect the required adjustments:

	As Previously Reported	Adjustment	Restated
	(in thousands)		
As of November 1, 2016			
Net Position	\$ 763,619	\$ 11,475	\$ 775,094
For the year ended October 31, 2017			
Other postemployment benefits	1,497	1,718	3,215
Total operating expenses	390,295	1,718	392,013
Operating income	10,323	(1,718)	8,605
Increase in net position	112,164	(1,718)	110,446
As of October 31, 2017			
Deferred outflow of resources related to OPEB	—	2,696	2,696
Other postemployment benefits	48,407	(7,195)	41,212
Deferred inflow of resources related to OPEB	—	134	134
Net position - unrestricted	244,122	9,757	253,879
Total net position	875,783	9,757	885,540

NOTE 4 – RECEIVABLES

MORTGAGE LOANS

Mortgage loans, which are financed by long-term indebtedness, are collectible through monthly payments. The Agency's bond resolutions, with respect to such mortgages, generally require among other provisions that:

- A. The Agency's mortgage is a first mortgage lien on the real property of the project;
- B. The mortgage loan shall not exceed the then established project cost or, for certain programs, a certain percentage thereof; and
- C. Mortgage repayments, together with other available monies, shall be sufficient to pay debt service on the bonds issued to finance the mortgage.

The Agency had outstanding, under various loan programs, mortgage loans receivable (net of the allowances for potential losses on loans) in the amounts of \$16.782 billion and \$15.714 billion at October 31, 2018 and 2017, respectively. The allowances for potential loan losses amounted to \$808.5 million and \$668.5 million at October 31, 2018 and 2017, respectively as described below.

While the New York State Division of Housing and Community Renewal ("DHCR") is required to set rental schedules for certain of the housing projects financed by the Agency at rates sufficient to meet current operating costs, including debt service and required reserves, mortgagors of certain projects (as described below) have experienced difficulty in collecting increased rents. The failure of a project to generate sufficient revenues may result in the inability of the mortgagor to meet its mortgage repayments, required reserves and, in certain cases, real estate taxes. The failure of a mortgagor to pay its real estate taxes could result in the Agency's mortgage lien being extinguished in foreclosure unless the Agency is able to apply its own funds or State appropriations to cure the default.

SUBORDINATE MORTGAGE LOANS

Subordinate mortgage loans are not secured by credit enhancement and their terms require payments which are deferred until other obligations are satisfied. Subordinate loans are made in the form of subsidy mortgage loans and are recorded as mortgage loans receivable. Therefore, an allowance is established for the full amount of such loans on those not making current payments. As of October 31, 2018, subsidy loans were outstanding in the amount of \$520.0 million, with an allowance established in the amount of \$517.9 million. As of October 31, 2017, subsidy loans were outstanding in the amount of \$395.8 million, with an allowance established in the amount of \$393.5 million.

In addition, subordinate loans were issued in connection with the refinancing of certain Mitchell Lama loans. Those loans are fully reserved against and amounted to \$283.1 million and \$266.9 million as of October 31, 2018 and 2017, respectively.

OTHER PROGRAMS

Allowances have been established in certain other programs in the amount of \$8.1 million as of both fiscal 2018 and 2017.

NOTE 5 – DEPOSITS AND INVESTMENTS

The Agency may become exposed to custodial credit risk in the event of bank failure which may result in deposits being encumbered and not available when needed. To mitigate this risk, Agency guidelines and policies establish a minimum capitalization of \$50.0 million for banks and \$250.0 million for trustees; ratings requirements of at least within the second highest rating category without regard to gradations by Moody's Investor Services or Standard & Poor's for banks and at least within the third highest ratings category without regards to gradations by Moody's Investor Services and Standard & Poor's for trustees. Certain deposits held in HFA's bank accounts are insured by federal depository insurance and certain are collateralized with securities held by custodian banks. The uninsured cash balances were primarily amounts temporarily held by trustees and paying agents pending debt service payments, disbursements or investments.

CREDIT RISK

Investment guidelines and policies are designed to protect principal by limiting credit risk. Therefore, the Agency has a formal investment policy which governs the investment of all Agency monies. The Agency investment guidelines require that all bond proceeds and revenues can only be invested in securities [defined as (i) bonds, debentures or other obligations issued by the Federal National Mortgage Association; (ii) obligations the principal of and interest on which are guaranteed by the United States of America; (iii) obligations of the United States of America; (iv) obligations the principal of and interest on which are guaranteed by the State; (v) obligations of the State; (vi) obligations of any agency of the United States of America; (vii) obligations of any agency of the State; and (viii) obligations the principal of and interest on which are guaranteed by an agency or instrumentality of the United States of America; provided, however, that notwithstanding anything to the contrary herein, the Agency shall not be authorized to invest in Securities set forth in clauses (i), (vi) and (vii) hereof, unless specifically authorized under authority of Section 98 of the State Finance Law]; Collateralized Investment Agreements; Repurchase Agreements; and obligations which the Comptroller is authorized to invest in under Section 98 of the State Finance Law. Securities are only purchased on a delivery versus payment basis from Primary Dealers and Broker/Dealers approved by the CFO and are delivered to the applicable Custodian/Trustee who records the interest of the Agency. Collateralized Investment Agreements may only be entered into with institutions rated at least within the second highest rating category without regard to gradations within such category by Moody's Investors Service or Standard & Poor's. Collateralized Investment Agreements are collateralized at a minimum of 103% of the principal amount of the agreement and marked to market bi-weekly. Short-term repurchase agreements may only be entered into with primary dealers with whom the Agency has executed a Security Industry Financial Market Association (SIFMA) Master Repurchase Agreement, and are collateralized at a minimum of 100% of principal. The collateral consists of United States government obligations, other securities the principal of and interest on which are guaranteed by the United States, Government National Mortgage Association obligations and obligations of agencies and instrumentalities of the Congress of the United States. The collateral shall be delivered to the Trustee/Custodian and held for the benefit of the Agency. Agency funds are invested in accordance with the investment guidelines approved by the Agency's board, which are in compliance with the New York State Comptroller's Investment Guidelines.

All of the above investments that are securities are in registered form, and are held by agents of the Agency or by the trustee under the applicable bond resolution, in the Agency's name. The agents or their custodians take possession of the securities.

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

DIVERSIFICATION STANDARDS

The Agency's investments, other than securities, shall be diversified among banks, but no more than 35% of the Agency's total invested funds may be invested with any single such institution, and investments with any single institution shall not exceed 20% of that institution's capital. These standards may be waived by the Agency's Chairman or the President and Chief Executive Officer. At October 31, 2018 and 2017, there was no single investment that exceeded 20% of the Agency's funds and no more than 35% of the Agency's total invested funds were invested with any single such institution.

INTEREST RATE RISK

Interest rate risk is minimal due to the short term duration of the Agency's investments in the other than collateralized investment agreements category. Rates on collateralized investments are linked to interest rates on applicable bonds so that interest rate risk is minimal. Securities purchased from revenues are invested in U.S. Treasury Obligations with maturities as close as practicable to the next debt service payment date or date of usage, typically six months or less. See note 6 for investment detail by maturity.

The fair value of investments excluding accrued interest as of October 31, 2018 and October 31, 2017 is as follows:

	2018	2017
	<u> </u>	<u> </u>
	(in thousands)	
Investment Type:		
Collateralized Investment Agreements	\$ 14,650	\$ 14,650
U.S. Treasury Obligations	2,281,442	2,139,464
Other	18,080	4,745
Total	<u>\$ 2,314,172</u>	<u>\$ 2,158,859</u>

NOTE 6 – MATURITY OF INVESTMENTS

As of October 31, 2018, the Agency had the following investments and maturities in two categories: Restricted Funds and Unrestricted Funds.

Values below are at fair value excluding accrued interest as of October 31, 2018:

	Investment Maturities (In Years)				
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
	(in thousands)				
<u>Restricted Funds:</u>					
Collateralized Investment Agreements	\$ 14,650	\$ —	14,650	—	—
Repurchase Agreements	18,000	18,000	—	—	—
U.S. Treasury Bills	1,746,196	1,746,196	—	—	—
U.S. Discount Notes	235,139	235,139	—	—	—
U.S. Treasury Bonds	956	162	136	658	—
U.S. Treasury Strips	11	2	—	9	—
Government Agencies	18,080	220	17,860	—	—
	<u>2,033,032</u>	<u>1,999,719</u>	<u>32,646</u>	<u>667</u>	<u>—</u>
<u>Unrestricted:</u>					
U.S. Treasury Bills	216,773	216,773	—	—	—
U.S. Treasury Bonds	264	20	244	—	—
U.S. Treasury Notes	64,099	46,137	17,962	—	—
U.S. Treasury Strips	4	1	—	3	—
	<u>281,140</u>	<u>262,931</u>	<u>18,206</u>	<u>3</u>	<u>—</u>
<u>Grand Total:</u>					
Collateralized Investment Agreements	14,650	—	14,650	—	—
Repurchase Agreements	18,000	18,000	—	—	—
U.S. Treasury Bills	1,962,969	1,962,969	—	—	—
U.S. Discount Notes	235,139	235,139	—	—	—
U.S. Treasury Bonds	1,220	182	380	658	—
U.S. Treasury Notes	64,099	46,137	17,962	—	—
U.S. Treasury Strips	15	3	—	12	—
Government Agencies	18,080	220	17,860	—	—
	<u>\$ 2,314,172</u>	<u>\$ 2,262,650</u>	<u>\$ 50,852</u>	<u>\$ 670</u>	<u>\$ —</u>

NOTE 7 – FAIR VALUE MEASUREMENT

In February 2015, GASB issued Statement No. 72. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

The Agency categorizes its fair value measurements within the fair value hierarchy established by U.S. generally accepted accounting principles. The hierarchy is based on the evaluation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Agency had the following recurring fair value measurements as of October 31, 2018 and 2017:

Investment and Derivative Instruments Measured at Fair Value

	<u>October 31, 2018</u>		<u>October 31, 2017</u>	
	Amount	Level	Amount	Level
	(\$ in thousands)			
U.S. Treasury Bills	\$ 1,962,969	2	\$ 1,660,451	2
U.S. Discount Notes	235,139	2	110,686	2
U.S. Treasury Bonds	1,220	2	1,181	2
U.S. Treasury Notes	64,099	2	82,661	2
U.S. Treasury Strips	15	2	85,137	2
Government Agencies	18,080	2	4,745	2
Total	<u>\$ 2,281,522</u>		<u>\$ 1,944,861</u>	
Interest Rate Swaps	<u>\$ (10,521)</u>	2	<u>\$ (18,369)</u>	2

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates. As of October 31, 2018 and 2017, collateralized investment agreements and repurchase agreements were held in the amounts of \$32,650 and \$213,998, respectively, and are valued at amortized cost.

NOTE 8 – BOND INDEBTEDNESS AND OTHER DEBT OBLIGATIONS

The Agency has obtained construction and/or long-term financing for all applicable projects within all programs. The issuance of debt for the financing of projects by the Agency is subject to the approval of the New York State Public Authorities Control Board. Bonds are issued under various bond resolutions adopted by the Agency to permanently finance and/or provide financing during the construction period for qualified projects.

Substantially all of the assets of each bond program of the Agency are pledged as collateral for the payment of principal and interest on bond indebtedness only of that program. The obligations of the Agency are not obligations of the State, and the State is not liable for such obligations. The ability of the Agency to meet the debt service requirements on the bonds issued to finance mortgage loans is dependent upon the ability of the mortgagors in such programs to generate

NOTE 8 – BOND INDEBTEDNESS AND OTHER DEBT OBLIGATIONS (continued)

sufficient funds to meet their respective mortgage payments as well as to meet the operating and maintenance costs of the applicable projects.

At October 31, 2018 and 2017, the total debt service reserve requirements were \$38.1 million and \$36.0 million, respectively. The Agency has sufficient funds on deposit within the debt service reserve funds to fully satisfy these requirements. In addition, as of both October 31, 2018 and 2017, the Agency has funded the amount of approximately \$8.0 million in a dedicated Risk Sharing account which is included in the FHA-Insured Multi-Family Housing Revenue Bond Program. This deposit is required by an agreement with HUD.

Included in the bond indebtedness of the Secured Loan Rental Housing Bond Program, the Service Contract Revenue Bonds Program, and the State Personal Income Tax Revenue Bond Program are variable debt as of October 31, 2018 and 2017.

The balance of the variable rate bonds outstanding are as follows:

Secured Loan Rental Housing - \$14.0 billion and \$13.7 billion at October 31, 2018 and 2017, respectively;
Service Contract Revenue - \$57.3 million and \$81.2 million at October 31, 2018 and 2017, respectively;
State Personal Income Tax Revenue – \$79.6 and \$80.0 million at October 31, 2018 and 2017, respectively.

The variable rate demand bonds are subject to purchase on the demand of the holder, at a price equal to par plus accrued interest, on seven days notice and delivery of the bonds to the respective tender agents. For each variable rate financing, there is a remarketing agent which is authorized to use its best effort to sell the repurchased bonds at par and a liquidity provider in the form of an irrevocable letter of credit or credit instrument, issued by a major bank, or government sponsored entity, on behalf of the project being financed. The letters of credit are valid with termination dates ranging from February 15, 2019 to May 6, 2049. The tender agent/trustee is entitled to draw on the liquidity facility in an amount sufficient to pay the par value of and accrued interest on bonds delivered to it in the event bonds are not remarketed to, or monies are not received from, a new bondholder in a timely manner.

As of October 31, 2018, the Agency had seven separate funding loan agreements (“Agreements”) with Citibank N.A. (“Citibank”) to finance mortgage loans under its Secured Loan Program. Under the Agreements, Citibank provides the Agency funds which the Agency then advances as loan proceeds to the projects. This is also referred to as “Back to Back” loan restructuring. This debt obligation is subject to private activity bond volume cap. At October 31, 2018 and 2017, the aggregate principal amount outstanding under this program was \$412.1 million and \$253.8 million, respectively.

In fiscal year 2017, the Agency entered into a financing agreement with the Federal Financing Bank (“FFB”) for selling beneficial ownership interests in mortgage loans originated by the Agency and insured with the Federal Housing Authority (“FHA”)/HFA Risk Sharing mortgage insurance. This federal initiative reduces costs of the capital for affordable housing. The Agency has sold beneficial ownership interest in its mortgage to FFB. Beneficial ownership interest in mortgage loans that the Agency sells to the FFB are evidenced by certificates of participation from the Agency. The participation proceeds are recorded as payable to the FFB and included in Bonds Payable and Other Debt Obligations on the Statements of Net Position. The monthly mortgage payments from the borrower will be used to repay the interest to the FFB and principal payments will reflect the schedule mortgage principal payments. The FFB Loan Participation Certificate Payable balance as of October 31, 2018 and October 31, 2017 was \$2.2 million and \$2.3 million, respectively.

NOTE 8 – BOND INDEBTEDNESS AND OTHER DEBT OBLIGATIONS (continued)

The Agency classifies such bonds with a maturity in excess of one year as long term debt in accordance with GASB Interpretation No. 1, Demand Bonds Issued by State and Local Governments. For certain variable rate bonds, Fannie Mae and Freddie Mac credit enhancements have been substituted for letters of credit.

Defeasances were accomplished by placing in irrevocable trustee escrow accounts, cash and amounts invested in U.S. Treasury obligations that will generate funds sufficient to meet future payments of all interest, principal and call premiums, if applicable, on the defeased bonds. Accordingly, the defeased bonds and related assets placed in the irrevocable escrow accounts are not included in the Agency's financial statements since the Agency has legally satisfied its obligations with respect thereto, in accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities* ("GASB No. 23").

The principal amount outstanding for bond obligations defeased were as follows:

Projects or Bond Issues Defeased	Fiscal Year Defeased	Principal Amount Remaining of Obligations Defeased	
		October 31, 2018	2017
(\$ in thousands)			
North Shore University Hospital - 1970 Series A, 1974 Series A 1977 Series A	1983	\$ —	\$ 809
Wesley Nursing Home - 1971 Series A and 1977 Series A	1984	—	37
Crouse Irving Memorial Hospital - 1972 Series A and 1977 Series A	1985	—	376
Community Memorial Hospital - 1971 Series A and 1977 Series A	1985	—	20
Saint Luke's Nursing Home - 1974 Series A and 1977 Series A	1992	—	19
Downtown Nursing Home - 1974 Series A and 1977 Series A	1992	—	14
St. Johnland Nursing Home - 1974 Series A and 1977 Series A	1994	—	5
Brookdale Hospital - 1974 Series A and 1977 Series A	1995	—	95
State Personal Income Tax Revenue Bonds - various series	2017	79,645	81,895
TOTAL		\$ 79,645	\$ 83,270

NOTE 9 - SUMMARY OF BOND INDEBTEDNESS

Fiscal Year Ended October 31, 2018

(in thousands)

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018	Final Maturity Date
Mortgage Programs:						
Housing Project Bonds - 8%	\$ 8,380	1,105	—	620	485	2019
Secured Loan Rental Housing Bonds- 1.10% to 9%	16,887,075	13,851,527	1,806,351	1,505,164	14,152,714	2050
Housing Project Mortgage Revenue Bonds- 3.60% to 6.125%	484,540	435	—	285	150	2018
Affordable Housing Revenue Bonds- 0.15% to 6.80%	4,199,330	2,502,020	904,605	208,880	3,197,745	2054
Affordable Housing Revenue Bonds- (Federal New Issue Bond Program) - ("NIBP") 2009 Series 1 2.47% to 3.68%	259,460	229,625	—	4,595	225,030	2044
New Issues: 0.55% to 3.80%	16,470	4,530	—	780	3,750	2022
Total Mortgage Programs	21,855,255	16,589,242	2,710,956	1,720,324	17,579,874	
Other Programs:						
State Revenue Bond Programs - 1.943% to 5%	431,675	191,045	—	37,235	153,810	2033
Total Other Programs	431,675	191,045	—	37,235	153,810	
Total Bond Indebtedness	22,286,930	16,780,287	2,710,956	1,757,559	17,733,684	
Unamortized Bond Premium	—	294	—	126	168	
Total Net Bond Indebtedness	\$ 22,286,930	16,780,581	2,710,956	1,757,685	17,733,852	

NOTE 10 - DEBT SERVICE REQUIREMENTS
(in thousands)

		Housing Project Bonds	Affordable Housing Revenue Bonds	Affordable Housing Revenue Bonds (NIBP)	Secured Loan Rental Housing Bonds (and Other)*	Housing Project Mortgage Revenue Bonds	SCOR/ State Revenue/ Personal Income/Bond Programs**	Total
Principal:								
Fiscal Year ending October 31,								
2019	\$	485	106,755	5,555	1,037,833	150	39,880	1,190,658
2020		—	333,505	5,820	4,005	—	29,030	372,360
2021		—	413,695	6,045	4,201	—	7,500	431,441
2022		—	310,660	6,185	4,448	—	800	322,093
2023			111,920	6,060	4,610	—	800	123,390
Five years ending October 31,								
2028		—	247,120	33,880	74,726	—	33,800	389,526
2033		—	287,840	41,060	1,201,081	—	42,000	1,571,981
2038		—	365,665	50,000	2,262,513	—	—	2,678,178
2043		—	427,040	59,785	2,733,894	—	—	3,220,719
2048		—	462,215	14,390	3,613,654	—	—	4,090,259
2053		—	129,150	—	2,981,426	—	—	3,110,576
* 2058		—	2,180	—	230,323	—	—	232,503
	\$	485	3,197,745	228,780	14,152,714	150	153,810	17,733,684
Interest expense:								
Fiscal Year ending October 31,								
2019	\$	26	94,726	6,443	1,296,380	5	16,172	1,413,752
2020		—	95,264	6,279	1,307,298	—	12,701	1,421,542
2021		—	90,089	6,106	1,307,091	—	9,876	1,413,162
2022		—	81,943	5,925	1,306,871	—	9,264	1,404,003
2023		—	75,488	5,740	1,306,638	—	9,168	1,397,034
Five years ending October 31,								
2028		—	351,156	25,961	6,505,818	—	38,034	6,920,969
2033		—	306,278	20,728	6,287,092	—	12,906	6,627,004
2038		—	243,878	14,377	5,305,784	—	—	5,564,039
2043		—	162,906	6,619	3,887,790	—	—	4,057,315
2048		—	75,291	441	2,440,877	—	—	2,516,609
2053		—	9,879	—	597,928	—	—	607,807
* 2058		—	797	—	18,119	—	—	18,916
	\$	26	1,587,695	98,619	31,567,686	5	108,121	33,362,152
Total debt service requirements:								
Fiscal Year ending October 31,								
2019	\$	511	201,481	11,998	2,334,213	155	56,052	2,604,410
2020		—	428,769	12,099	1,311,303	—	41,731	1,793,902
2021		—	503,784	12,151	1,311,292	—	17,376	1,844,603
2022		—	392,603	12,110	1,311,319	—	10,064	1,726,096
2023		—	187,408	11,800	1,311,248	—	9,968	1,520,424
Five years ending October 31,								
2028		—	598,276	59,841	6,580,544	—	71,834	7,310,495
2033		—	594,118	61,788	7,488,173	—	54,906	8,198,985
2038		—	609,543	64,377	7,568,297	—	—	8,242,217
2043		—	589,946	66,404	6,621,684	—	—	7,278,034
2048		—	537,506	14,831	6,054,531	—	—	6,606,868
2053		—	139,029	—	3,579,354	—	—	3,718,383
* 2058		—	2,977	—	248,442	—	—	251,419
	\$	511	4,785,440	327,399	45,720,400	155	261,931	51,095,836

*Final maturity date

**Interest rate on variable rate demand bonds in these programs are set by the Remarketing Agent and the Broker Dealer. The maximum interest rate as defined in respective bond resolutions cannot exceed 15%.

NOTE 11 – INTEREST RATE EXCHANGE AGREEMENTS (SWAPS)

The Agency has entered into three negotiated swaps as part of its risk management program, serving to increase financial flexibility and reduce interest costs. These swaps were entered into with two financial institutions, J.P. Morgan Chase and Bear Stearns, now one entity – J.P. Morgan Chase (the Counterparty) for a total notional principal of \$136,850,000. Together the maturity and amortization of these swaps correspond to the maturity and amortization of the underlying Service Contract Revenue Refunding Bonds (SCR) 2003 Series L and M and the State Personal Income Tax Revenue Bonds (Economic Development and Housing) (PIT) 2005 Series C.

The fair value balances and notional amounts of derivative instruments outstanding at October 31, 2018, classified by type, and the changes in fair value of such derivative instruments are as follows:

	Changes in fair value		Fair value at October 31, 2018		Notional
	Classification	Amount	Classification	Amount	
Cash flow hedge	Deferred outflow	\$7,847,730	Debt	(\$10,521,362)	\$136,850,000

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the LIBOR swap curve correctly anticipate future spot LIBOR interest rates. These payments are then discounted using the spot rates implied by the current LIBOR swap curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

OBJECTIVE AND TERMS OF HEDGING DERIVATIVE INSTRUMENTS

The following table displays the objective and terms of the Agency's hedging derivative instruments outstanding at October 31, 2018, along with the credit rating of the associated counterparty:

Type	Objective	Terms				Fair value	Counterparty: J.P.Morgan Credit Rating
		Notional Amount	Effective Date	Maturity Date	Fixed rate paid		
Synthetic fixed rate swap	Hedge of changes in cash flows of SCR 2003 Series L (1) and M (2) bonds and PIT 2005 Series C (3) bonds.*	(1)\$28,625,000	8/28/2003	9/15/2021	3.660%	(\$758,379)	Moody's: Aa2 S&P: A+ Fitch: AA
		(2)\$28,625,000	8/28/2003	9/15/2021	3.656%	(\$756,598)	
		(3)\$79,600,000	3/10/2005	3/15/2033	3.336%	(\$9,006,385)	

*The variable rate payment received is 65% of one month LIBOR received on all hedges.

CREDIT RISK: The Agency is exposed to credit risk on hedging derivative instruments that are in asset positions. To minimize its exposure to loss related to credit risk, it is the Agency's policy to require counterparty collateral posting provisions in its non-exchange-traded hedging derivative instruments. These terms require full collateralization of the fair value of hedging derivative instruments in asset positions (net of the effect of applicable netting arrangements) should the counterparty's credit rating not be within the two highest investment grade categories by at least one nationally recognized statistical rating agency or the rating by any nationally recognized statistical rating agency fall below the three highest investment grade rating categories. The Agency has never been required to access collateral.

It is the Agency's policy to enter into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and net the transactions' fair values so that a single sum will be owed by, or owed to, the non-defaulting party.

NOTE 11 – INTEREST RATE EXCHANGE AGREEMENTS (SWAPS) (continued)

INTEREST RATE RISK: The Agency is exposed to interest rate risk on its interest rate swaps. On its pay-fixed, receive-variable interest rate swap, as LIBOR decreases, the Agency's net payment on the swap increases.

BASIS RISK: The Agency is exposed to basis risk on its pay-fixed interest rate swap hedging derivative instruments because the variable-rate payments received by the Agency on these hedging derivative instruments are based on a rate other than interest rates the Agency pays on its hedged variable-rate debt, which is remarketed every 30 days. As of October 31, 2018, the weighted-average interest rate on the Agency's hedged variable-rate debt is 0.6086 percent, while the applicable 65% percent of LIBOR rate is 1.4817 percent.

TERMINATION RISK: The Agency or its counterparty may terminate a derivative instrument if the other party fails to perform under the terms of the contract. If at the time of termination, a hedging derivative instrument is in a liability position, the Agency would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

ROLLOVER RISK: The Agency is exposed to rollover risk on hedging derivative instruments should a termination event occur prior to the maturity of the hedged debt.

The Agency's potential risks on these swap agreements are reduced due to financing agreements in place, obligating the State to pay the Agency, subject to annual appropriation, all amounts due under the swap agreements.

The table that follows represents debt service payments relating to the Agency's hedged derivative instrument payments and debt. As of October 31, 2018, the debt service requirements of the Agency's hedged variable rate debt and net receipts or payments on associated derivative instruments for the period hedged are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for the term of the respective swaps. As these rates vary, interest payments on variable-rate bonds and net receipts or payments on the hedging derivative instruments will vary.

Year Ended			Fixed Interest		
October 31,	Principal	Interest	Rate Swaps, net	Total	
(in thousands)					
2019	\$ 25,400	\$ 2,101	\$ 2,585	\$ 30,086	
2020	26,550	1,692	2,028	30,270	
2021	7,500	1,332	1,539	10,371	
2022	800	1,251	1,431	3,482	
2023	800	1,238	1,416	3,454	
2024-2028	33,800	5,134	5,876	44,810	
2029-2033	42,000	1,742	1,994	45,736	
TOTAL	\$ 136,850	\$ 14,490	\$ 16,869	\$ 168,209	

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

PLAN DESCRIPTION AND BENEFITS PROVIDED

The Agency provides postemployment healthcare benefits (including Medicare Part B reimbursement) and prescription drug coverage through participation in the New York State Health Insurance Program (“NYSHIP”), as sponsored and administered by the State of New York to eligible retirees and eligible dependents and survivors of retirees. The State has the authority to establish and amend the benefit provisions offered and contribution requirements. The plan is considered a single employer defined benefit plan for financial reporting purposes. The Agency has elected to fund postretirement health benefits on a pay-as-you-go basis. Therefore, no plan assets exist in a trust that meets the specified criteria in paragraph 4 of GASB No. 75.

Under the plan, eligible retired employees receive health care benefits with retirees paying 25% of dependent coverage costs and 10% of individual employee costs. The Agency’s plan complies with the NYSHIP benefit provisions. In addition, as provided for in Civil Service Law Section 167, the Agency applies the value of accrued sick leave of employees who retire out of service to the retiree’s share of costs for health benefits.

Contributions towards part of the costs of these benefits are required of the retirees.

EMPLOYEES COVERED BY BENEFIT TERMS

At October 31, 2017 and 2015, the following employees were covered by the benefit terms:

	2017	2015
Actives	94	87
Retirees	70	66
Vestees	1	1
Beneficiaries	3	3
Spouses of Retirees	37	33
Total	205	190

TOTAL OPEB LIABILITY

The Agency’s reported total OPEB liability of \$40.1 million and \$41.2 million as of October 31, 2018 and 2017, respectively. The liability amounts measured as of October 31, 2017 and 2016 was determined by an actuarial valuation as of October 31, 2017 and 2015, respectively.

ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the October 31, 2017 and 2016 actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Discount Rate: 3.65% per annum as of October 31, 2017, 3.32% per annum as of October 31, 2016 and 3.66% per annum as of October 31, 2015 (The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index).

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (continued)

Inflation: 2.3% per annum, compounded annually.

Salary Scale: 3.5% per annum, compounded annually.

Other Key Actuarial Assumptions: The plan has not had a formal actuarial experience study performed.

Valuation date	October 31, 2015	October 31, 2017
Measurement date	October 31, 2016	October 31, 2017
Actuarial cost method	Entry Age Normal	Entry Age Normal

Health Cost Trend: The healthcare trend assumption is based on the Society of Actuaries-Getzen Model version 2017 utilizing the baseline assumptions included in the model. Further adjustments are made for changes due to the Affordable Care Act (“ACA”), aging, percentage of costs associated with administrative expenses, inflation on administrative costs and potential excise tax due to ACA. Excise taxes are estimated based on 2018 premium rates, 2018 adjusted thresholds of \$11,850 for individual coverage and \$30,950 for family coverage and increases in those threshold at assumed inflation (plus 1% for 2018). The trend assumption for the Medicare Part B reimbursement is base on the lessor of 4.5% and the rates (without excise tax) contained in the table below beginning in 2018. For determining retiree contributions, the less than age 65 trend (with Excise Tax) are applied to all ages since the premium rate does not vary by age. The health cost trend assumption at sample years is as follows:

<u>< Age 65</u>					<u>>= Age 65</u>				
<u>Calendar</u>		<u>With</u>			<u>Calendar</u>		<u>With</u>		
<u>Year</u>	<u>Trend</u>	<u>Excise Tax</u>	<u>Trend</u>	<u>Excise Tax</u>	<u>Year</u>	<u>Trend</u>	<u>Excise Tax</u>	<u>Trend</u>	<u>Excise Tax</u>
2016	11.9%	11.9%	0.0%	0.0%	2026	4.9	5.7	4.9	4.9
2017	8.5	8.5	8.2	8.2	2031	4.9	5.7	4.9	4.9
2018	6.2	6.2	5.5	5.5	2036	5	5.6	5	5
2019	5.6	6.2	5.3	5.3	2046	4.8	5.3	4.8	5.7
2020	5.1	5.3	5.1	5.1	2056	4.7	5	4.7	5.3
2021	5.1	5.9	5.1	5.1					

For purposes of applying the Entry Age Normal cost method, the healthcare trend prior to the first calendar year shown in the table above is based on the ultimate rate, which is 4.0% for costs prior to age 65 and 4.1% of costs at age 65 and later.

Retiree’s Share of Benefit-Related Costs: 25% of dependent coverage costs and 10% of individual employee costs.

Mortality Rates: Healthy Lives: RPH-2006 Healthy Mortality Tables with White Collar adjustments adjusted to reflect Mortality Improvement Scale MP-2017 and projected forward on a generational basis, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement and reflecting mortality improvements both before and after the valuation date. Disabled Lives: RPH-2006 Disability Mortality Tables adjusted to reflect Mortality Improvement Scale MP-2017 and projected forward on a generational basis reflecting mortality improvements both before and after the valuation date.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (continued)

For purposes of applying the Entry Age Normal cost method, the healthcare trend prior to the first calendar year shown in the table above is based on the ultimate rate, which is 4.0% for costs prior to age 65 and 4.1% of costs at age 65 and later.

CHANGES IN THE TOTAL OPEB LIABILITY

	Total OPEB Liability	
	Fiscal Year Ended	
	<u>2018</u>	<u>2017</u>
Balance as of the beginning of the year	\$ 41,212,000	\$ 37,457,163
Changes for the year:		
Service cost	1,634,576	1,436,911
Interest on total OPEB liability	1,403,699	1,404,881
Effect of economic/demographic gains or losses	(540,185)	(166,022)
Effect of assumptions changes or inputs	(2,431,444)	2,107,000
Benefit payments	(994,302)	(894,933)
Implicit rate subsidy payments	<u>(148,000)</u>	<u>(133,000)</u>
Net changes	<u>(1,075,656)</u>	<u>3,754,837</u>
Balance as of the end of the year	\$ <u>40,136,344</u>	\$ <u>41,212,000</u>

SENSITIVITY OF THE OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability of the Agency, calculated using the discount rate of 3.65%, as well as what the Agency's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current rate.

	1% Decrease 2.65%	Discount Rate 3.65%	1% Increase 4.65%
Total OPEB liability	\$46,933,380	\$40,136,344	\$34,715,994

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the total OPEB liability of the Agency, calculated using the current healthcare cost trend rates as well as what the Agency's total OPEB liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates.

	1% Decrease	Healthcare Cost Trend Assumption	1% Increase
Total OPEB liability	\$34,506,354	\$40,136,344	\$47,314,021

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (continued)**OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB**

For the years ended October 31, 2018 and 2017, the Agency recognized OPEB expense of \$3.4 million and \$3.2 million, respectively.

At October 31, 2018 and 2017, the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Payments subsequent to measurement date	\$—	\$1,060,000
Differences between expected and actual experience	(\$542,319)	\$—
Changes of assumptions	(\$1,981,177)	\$1,296,616
Total	<u>(\$2,523,496)</u>	<u>\$2,356,616</u>

In accordance with GASB No. 75, the Agency reported \$1.1 million as deferred outflows of resources related to the Agency's OPEB contribution subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ending October 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended October 31:	
2019	(\$177,036)
2020	(177,036)
2021	(177,036)
2022	(475,648)
2023	(220,124)
Thereafter*	—

*Note that additional future deferred inflows and outflows of resources may impact these numbers.

NOTE 13 – PENSION PLANS

NEW YORK STATE AND LOCAL EMPLOYEES’ RETIREMENT SYSTEM

PLAN DESCRIPTION & BENEFITS PROVIDED

The Agency, together with its subsidiary AHC, participate in the New York State and Local Employees’ Retirement System (“ERS”) which together with the New York State and Local Police and Fire Retirement System (“PFRS”) is collectively referred to as New York State and Local Retirement System (“NYSLRS”). These are cost-sharing multiple-employer retirement systems. The NYSLRS provides retirement benefits as well as death and disability benefits. The net position of the NYSLRS is held in the New York State Common Retirement Fund (the “Fund”), which was established to hold all net assets and record changes in plan net position allocated to the NYSLRS. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. NYSLRS benefits are established under the provisions of the New York State Retirement and Social Security Law (“RSSL”). Once a public employer elects to participate in the NYSLRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Agency also participates in the Public Employees’ Group Life Insurance Plan (“GLIP”), which provides death benefits in the form of life insurance. The NYSLRS is included in the State’s financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The amount the Agency is billed by NYSLRS for pension costs also include pension costs relating to AHC. As a result, the Agency's deferred amount for pensions and net pension liability includes the portion relating to AHC. The service agreement between the Agency and AHC provides for an allocation of these costs to AHC, representing its share of these amounts.

EMPLOYEE CONTRIBUTIONS

Pension legislation enacted in 1973, 1976, 1983, 2009 and 2012 established distinct classes of membership. For convenience, the system uses a tier concept, ranging from Tier 1 to 6, to distinguish these groups. Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

Employee contributions for employees of the Agency and AHC for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Year 2018	\$197,483
Year 2017	\$140,488
Year 2016	\$120,414

NOTE 13 – PENSION PLANS (continued)

- Chapter 260 of the Laws of 2004 of the State of New York allows local employers to bond or amortize a portion of their retirement bill for up to 10 years in accordance with the following schedule:
 - For State fiscal year (“SFY”) 2004-05, the amount in excess of 7 percent of employees’ covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the bonding/amortization was instituted.
 - For SFY 2005-06, the amount in excess of 9.5 percent of employees’ covered pensionable salaries.
 - For SFY 2007-08, the amount in excess of 10.5 percent of employees’ covered pensionable salaries.

This law requires participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts relating to the NYSLRS’s fiscal years ending March 31, 2005 through 2008. The Agency has made all required payments on a current basis.

PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At October 31, 2018 and 2017, the Agency reported a liability of approximately \$858 thousand and \$2.291 million respectively for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2018 and 2017 respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the net pension liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2018 and 2017, the Agency’s proportion was 0.0265803% and 0.0243816% respectively.

For the years ended October 31, 2018 and 2017, the Agency recognized pension expense of approximately \$1,301,715 and \$1,497,326 respectively. At October 31, 2017, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$305,972	\$252,844
Changes of Assumptions	568,834	—
Net difference between projected and actual earnings on pension plan investments	1,245,979	2,459,437
Changes in proportion and differences between contributions and proportionate share of contributions	673,489	—
Total	<u>\$2,794,274</u>	<u>\$2,712,281</u>

NOTE 13 – PENSION PLANS (continued)

There were no amounts reported as deferred outflows of resources related to pensions resulting from the Agency's contributions subsequent to the measurement date. The cumulative net amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended October 31:

2019	\$448,245
2020	\$342,468
2021	(\$499,246)
2022	(\$209,474)

ACTUARIAL ASSUMPTIONS

The total pension liability at March 31, 2018 was determined by using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liability to March 31, 2018. The actuarial valuations for NYSLRS used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation rate	2.5%
Salary scale	3.8% in ERS, 4.5% in PFRS, indexed by service
Investment rate of return, including inflation	7.0% compounded annually, net of investment expenses
Cost of living adjustments	1.3% annually
Decrement	Developed from the Plan's 2015 experience study of the period April 1, 2010 – March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014

NOTE 13 – PENSION PLANS (continued)

The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36%	4.55%
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies*	2	3.75
Opportunistic Portfolio	3	5.68
Real Asset	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100%</u>	

The real rate of return is net of the long-term inflation assumption of 2.50%

- * Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity, respectively.

DISCOUNT RATE

The discount rate used to calculate the total pension liability as of March 31, 2018 and 2017 was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the NYSLRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13 – PENSION PLANS (continued)

SENSITIVITY OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO THE DISCOUNT RATE ASSUMPTION

The following presents the collective net pension liability of participating employers calculated using a discount rate assumption of 7.0%, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate (in thousands):

	<u>1% Decrease</u>	<u>Current Assumption</u> (in thousands)	<u>1% Increase</u>
October 31, 2018	6.0%	7.0%	8.0%
Agency's proportionate share of the pension liability	\$6,490	\$858	(\$3,907)
October 31, 2017	6.0%	7.0%	8.0%
Agency's proportionate share of the pension liability	\$7,317	\$2,291	(\$1,958)

DEFERRED COMPENSATION PLAN

Some employees of the Agency have elected to participate in the State's deferred compensation plan in accordance with Internal Revenue Code Section 457. Agency employees contributed \$350 thousand and \$282 thousand during fiscal 2018 and fiscal 2017, respectively.

NEW YORK STATE VOLUNTARY DEFINED CONTRIBUTION PROGRAM

In March 2012, Chapter 18 of the Laws of 2012 was signed into law and allows Agency employees that meet certain requirements, to participate in the State University of New York ("SUNY") optional retirement plan called the NYS Voluntary Defined Contribution Plan ("VDC Program").

Beginning July 1, 2013, all non-union employees hired on or after July 1, 2013 with an annual salary of \$75,000 or more were given the option of joining the VDC program. The VDC Program provides benefits that are based on contributions made by both the Agency and the participant. Employee contribution rates range from 4.5% to 6%, dependent upon annual salary. The employer contribution rate is 8% of gross income. All contributions and any subsequent earnings are to be held by the Agency in a segregated account and credited to the individual accounts for each plan participant. Employees vest after one year of service, at which time their entire account balance is transferred to an investment firm of their choosing within the VDC Program. The amount owed to participants upon retirement is based solely on the account balance at the time of withdrawal. Employees may irrevocably choose either the New York State and Local Employees' Retirement System or the VDC Program, but not both. As of October 31, 2017, there were no Agency employees enrolled in the VDC Program.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

LOANS

The Agency originates commitments to lend mortgage funds to borrowers in the normal course of business to meet the financing needs of developers providing affordable housing in the State of New York. Commitments to advance such funds are contractual obligations to lend to developers so long as all established contractual conditions are satisfied.

As of October 31, 2018 and 2017, the Agency held undistributed bond proceeds which will be used to fund its outstanding loan commitments in the amounts of \$970.5 million and \$2.26 billion, respectively.

OFFICE LEASES

The Agency is obligated under leases for office locations in the City of New York (the “City”) and Buffalo. The Agency and the State of New York Mortgage Agency (“SONYMA”) entered into an operating lease for office space in the City which commenced in fiscal year 1994 for a term of fifteen years. The lease was renewed during the fiscal year ended October 31, 2007, effective January 1, 2009 for a term of ten years, and expires on January 31, 2019. During fiscal 2019, the Agency will make its final payments on the city office lease, totaling \$591 thousand.

Rental expense for all office locations for both fiscal years ended October 31, 2018 and October 31, 2017 was \$2.9 million, net of allocations to certain State-related agencies.

Subsequent to the end of fiscal 2018, the Agency entered into a new lease agreement for the 641 Lexington location.

LITIGATION

In the ordinary course of business, the Agency is party to various administrative and legal proceedings. While the ultimate outcome of these matters cannot presently be determined, it is the Agency’s opinion that the resolution of these matters will not have a material effect on its financial condition.

RISK MANAGEMENT

The Agency is subject to normal risks associated with its operations, including property damage, general liability and crime. Such risks are managed through the purchase of commercial insurance. There have been no decreases in coverage in the last three years.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent to October 31, 2018, a total of \$440.3 million of bonds were issued to finance various housing projects in the course of the Agency's normal business activities.

Required Supplemental Schedules

New York State Housing Finance Agency

(A Component Unit of the State of New York)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL OPEB

LIABILITY AND RELATED RATIOS

	Year Ending October 31	
	2018	2017
Total OPEB Liability		
Service cost	\$ 1,634,576	\$ 1,436,911
Interest on total OPEB liability	1,403,699	1,404,881
Effect of economic/demographic (gains) or losses	(540,185)	(166,022)
Effect of assumption changes or inputs	(2,431,444)	2,107,000
Benefit payments	(1,142,302)	(1,027,933)
Net change in total OPEB liability	(1,075,656)	3,754,837
 Total OPEB liability - beginning of year	41,212,000	37,457,163
Total OPEB liability - end of year	\$ 40,136,344	\$ 41,212,000
 Covered payroll	9,111,864	7,833,910
 Total OPEB liability as a % of covered payroll	440.48%	526.07%

This schedule is presented to illustrate the requirement to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SCHEDULE

Changes in Benefit Terms: None.

Changes in Assumptions: The changes listed below reflect differences in actuarial assumptions used in measuring the liability as of October 31, 2017 versus the measurement as of October 31, 2016:

- A change in the discount rate from 3.32% as of October 31, 2016 to 3.65% as of October 31, 2017.
- The per capita claim cost assumption and health cost trend assumption have been updated since the prior valuation.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75 to pay related benefits.

New York State Housing Finance Agency

(A Component Unit of the State of New York)

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS TO THE NYSLRS LAST 10 FISCAL YEARS

	2018	2017	2016	2015	2014
	(\$ in thousands)				
Contractually required contribution	\$ 1,325	1,175	1,400	1,400	1,200
Contributions in relation to the contractually required contribution	1,325	1,175	1,400	1,400	1,200
Contribution deficiency (excess)	\$ —	—	—	—	—
Covered payroll	\$ 9,250	7,909	7,811	7,700	7,200
Contributions as a percentage of covered payroll	14%	15%	18%	18%	17%

	2013	2012	2011	2010	2009
	(\$ in thousands)				
Contractually required contribution	\$ 1,300	1,500	975	577	490
contribution	1,300	1,500	975	577	490
Contribution deficiency (excess)	\$ —	—	—	—	—
Covered payroll	\$ 6,600	7,000	7,700	8,100	7,800
Contributions as a percentage of covered payroll	20%	21%	13%	7%	6%

NOTES TO SCHEDULE

Valuation Date: Actuarially determined contribution rates are calculated as of April 1, one year prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine to actuarially determined employer contributions are as follows:

Actuarial cost method	Entry age normal
Inflation rate	2.50%
Salary scale	3.8% in ERS, 4.5% in PFRS, indexed by service
Investment rate of return, including inflation	7.0% compounded annually, net of investment expenses
Cost of living adjustments	1.3% annually
Decremets	Developed from the Plan's 2015 experience study of the period April 1, 2010 — March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014

New York State Housing Finance Agency

(A Component Unit of the State of New York)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE NEW YORK STATE HOUSING FINANCE AGENCY'S PROPORTIONATE SHARE OF THE NYSLRS NET PENSION LIABILITY OCTOBER 31, 2018, 2017, 2016 AND 2015

	2018	2017	2016	2015
The Agency's portion of the net pension liability	.0265803%	.0243816%	.0239870%	.0219085%
The Agency's proportionate share of the net pension liability	\$ 858,000	\$ 2,291,000	\$ 3,850,000	\$ 740,000
The Agency's covered payroll	\$ 9,111,864	\$ 7,909,000	\$ 7,811,000	\$ 7,681,000
The Agency's proportionate share of the net pension liability as a percentage as a percentage of its covered payroll	9.4%	29.0%	49.3%	9.6%
Plan fiduciary net position as a percentage of the total pension liability	98.2%	94.7%	90.7%	97.9%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Supplementary Section

New York State Housing Finance Agency
SCHEDULES OF NET POSITION
October 31, 2018
(in thousands)

	Programs with Bond Financing				
	Mortgage Programs				
	Affordable Housing Program	Affordable Housing Program (NIBP)	Secured Loan Rental Housing Program (and Other)	Moral Obligation Housing Programs	Housing Project Mortgage Revenue Program
Assets					
Current Assets:					
Cash held principally by Trustee and Depository - Restricted	\$ 58,399	5,120	20,831	569	1,752
Cash held principally by Trustee and Depository - Unrestricted	—	—	—	—	10
Investments - Restricted	1,071,867	28,332	536,071	321	44,477
Investments - Unrestricted	—	—	—	—	565
Accrued interest receivable on investments	4,224	52	1,265	—	626
Mortgage loans and other loans - net	277,994	5,397	33,858	140	—
Interest receivable and other	12,608	349	28,405	3	—
Total current assets	1,425,092	39,250	620,430	1,033	47,430
Non-current Assets:					
Investments - Restricted	13,588	—	802	—	14,650
Investments - Unrestricted	—	—	—	—	—
Mortgage loans and other loans - net	2,154,328	220,900	13,915,666	170	—
Capital assets - internal use software	—	—	—	—	—
Total non-current assets	2,167,916	220,900	13,916,468	170	14,650
Total assets	3,593,008	260,150	14,536,898	1,203	62,080
Deferred outflows of resources					
Deferred outflows: Other postemployment benefits	—	—	—	—	—
Accumulated decrease in fair value of hedging derivatives	—	—	—	—	—
Deferred outflows: Pension	—	—	—	—	—
Total deferred outflows of resources	—	—	—	—	—
Liabilities					
Current Liabilities:					
Bonds payable and other debt obligations	106,755	5,555	1,037,833	485	150
Funds received from mortgagors	4,794	18	1,942	—	—
Accounts payable and other	—	—	—	—	—
Interest payable	45,884	3,242	29,251	19	5
Advances from (to) other programs	93	—	—	—	—
Funds received from governmental entities	—	—	6,877	—	—
Earnings restricted to project development	15,986	352	240	—	—
Amounts received in advance and other	7,745	528	307,034	—	—
Total current liabilities	181,257	9,695	1,383,177	504	155
Non-current Liabilities:					
Bonds payable and other debt obligations (net)	3,090,990	223,225	13,114,881	—	—
Derivative instrument - interest rate swaps	—	—	—	—	—
Unearned revenues, amounts received in advance and other	3,562	—	1,700	—	—
Other postemployment benefits	—	—	—	—	—
Net pension liability	—	—	—	—	—
Total non-current liabilities	3,094,552	223,225	13,116,581	—	—
Total liabilities	3,275,809	232,920	14,499,758	504	155
Deferred inflows of resources					
Deferred inflows: Other postemployment benefits	—	—	—	—	—
(Loss) gain on defeasance - net	—	—	—	—	—
Deferred inflows: Pension	—	—	—	—	—
Total deferred inflows of resources	—	—	—	—	—
Net position					
Restricted for bond and other obligations	317,199	27,230	37,140	699	60,542
Unrestricted	—	—	—	—	1,383
Total net position (deficit)	\$ 317,199	27,230	37,140	699	61,925

Supplemental Schedule I

Other Programs	Programs without Bond Financing		Total
	Mortgage and Other Programs	Agency Operating Funds	
State Revenue Bond Programs	Project Improvement and Other Programs		
6	60,848	33,268	180,793
—	—	36,186	36,196
1,493	318,839	—	2,001,400
—	—	260,685	261,250
1	2,406	2,521	11,095
39,880	966	—	358,235
200	20,136	4,905	66,606
41,580	403,195	337,565	2,915,575
—	4,273	—	33,313
—	—	18,209	18,209
113,930	18,751	134	16,423,879
—	—	13,828	13,828
113,930	23,024	32,171	16,489,229
155,510	426,219	369,736	19,404,804
—	—	2,359	2,359
10,521	—	—	10,521
—	—	2,794	2,794
10,521	—	5,153	15,674
39,880	—	—	1,190,658
—	—	31,706	38,460
—	48	18,513	18,561
197	—	—	78,598
—	348	(441)	—
—	39,500	2,110	48,487
2	5,573	496	22,649
2,026	3,329	—	320,662
42,105	48,798	52,384	1,718,075
114,098	—	—	16,543,194
10,521	—	—	10,521
—	20,433	2,945	28,640
—	—	40,136	40,136
—	—	858	858
124,619	20,433	43,939	16,623,349
166,724	69,231	96,323	18,341,424
—	—	2,523	2,523
823	—	—	823
—	—	2,712	2,712
823	—	5,235	6,058
(1,516)	356,988	29	798,311
—	—	273,302	274,685
(1,516)	356,988	273,331	1,072,996

New York State Housing Finance Agency
SCHEDULES OF PROGRAM REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Fiscal Year Ended October 31, 2018
(in thousands)

	Programs with Bond Financing				
	Mortgage Programs				
	Affordable Housing Program	Affordable Housing Program (NIBP)	Secured Loan Rental Housing Program (and Other)	Moral Obligation Housing Programs	Housing Project Mortgage Revenue Program
Operating revenues					
Interest on mortgage loans	\$ 117,759	8,929	316,650	40	122
Fees, charges and other	—	—	—	37	39
Investment income	4,769	376	10,980	11	1,715
Recoveries	1,451	—	—	—	153
Total operating revenues	123,979	9,305	327,630	88	2,029
Operating expenses					
Interest	87,460	6,522	317,015	96	44
Earnings on investments and other funds credited to mortgagors and lessees	—	—	7,368	—	—
Other postemployment benefits	—	—	—	—	—
General expenses	71	—	—	—	—
Other financial expenses	24	—	34	—	2
Supervising agency fee	—	—	—	—	—
Allowance for losses on loans	389	—	—	—	557
Unrealized loss on investments held	303	—	166	—	2
Total operating expenses	88,247	6,522	324,583	96	605
Operating income (loss)	35,732	2,783	3,047	(8)	1,424
Non-operating revenues (expenses)					
Transfers from (to) Agencies of New York State	—	—	—	—	—
Federal grant revenue	—	—	—	—	—
Federal grant expense	—	—	—	—	—
Reserve funds received from mortgagors (net)	6,919	331	72	—	—
Transfers between programs	264	—	(1,585)	1	(16)
Gain (loss) on extinguishment of debt	135	—	259	—	(54)
Net non-operating revenues (expenses)	7,318	331	(1,254)	1	(70)
Increase (Decrease) in net position	43,050	3,114	1,793	(7)	1,354
Total net position - beginning of fiscal year (restated)	274,150	24,115	35,347	706	60,571
Total net position (deficit) - end of fiscal year	\$ 317,200	27,229	37,140	699	61,925

Supplemental Schedule II

Programs with Bond Financing		Programs without Bond Financing	
Other Program	Mortgage and Other Programs	Agency Operating Funds	Total
State Revenue Bond Programs	Project Improvement and Other Programs		
3,567	1,229	—	448,296
1,004	12,252	61,405	74,737
23	2,995	4,653	25,522
—	3,221	—	4,825
4,594	19,697	66,058	553,380
3,479	—	—	414,616
—	—	—	7,368
—	—	3,368	3,368
—	17	27,978	28,066
473	86	1,107	1,726
—	—	10,303	10,303
—	127,386	—	128,332
—	784	624	1,879
3,952	128,273	43,380	595,658
642	(108,576)	22,678	(42,278)
—	224,385	(2,313)	222,072
—	4,580	—	4,580
—	(4,580)	—	(4,580)
—	—	—	7,322
(437)	1,302	471	—
—	—	—	340
(437)	225,687	(1,842)	229,734
205	117,111	20,836	187,456
(1,722)	239,879	252,494	885,540
(1,517)	356,990	273,330	1,072,996

New York State Housing Finance Agency

(A Component Unit of the State of New York)

SCHEDULES OF PROGRAM CASH FLOWS

Fiscal Year Ended October 31, 2018

(in thousands)

	Programs with Bond Financing				
	Mortgage Programs				Mortgage Programs
	Affordable Housing Program	Affordable Housing Program (NIBP)	Secured Loan Rental Housing Program (and Other)	Moral Obligation Housing Programs	Housing Project Mortgage Revenue Program
Cash flows from operating activities					
Interest on loans	\$ 114,797	9,036	305,687	40	122
Fees, charges and other	—	—	—	37	39
Operating expenses	(96)	—	(34)	—	(1)
Principal payments on mortgage loans	264,010	5,145	1,714,054	425	1,384
Mortgage loans advanced	(732,347)	—	(2,357,269)	—	(558)
Funds received from mortgagors	8,752	—	37,104	—	332
Funds returned to mortgagors	(27,061)	—	(8,302)	—	(74)
Funds received from governmental entities	—	—	—	—	—
Distribution of funds received from governmental entities	—	—	—	—	—
Recoveries and other	1,921	332	(1,131)	—	(195)
Net cash (used in) provided by operating activities	(370,024)	14,513	(309,891)	502	1,049
Cash flows from non-capital financing activities					
Interest payments	(79,898)	(6,599)	(306,420)	(76)	(16)
Issuance of bonds	904,605	—	1,806,351	—	—
Retirement and redemption of bonds	(208,880)	(5,375)	(1,505,385)	(620)	(285)
Federal grant revenue	—	—	—	—	—
Federal grant expense	—	—	—	—	—
Net cash provided by (used in) non-capital financing activities	615,827	(11,974)	(5,454)	(696)	(301)
Cash flows from investing activities					
Investment income	11,965	424	10,032	11	1,558
Proceeds from sales or maturities of investments	5,512,606	70,882	4,502,609	1,755	155,247
Purchases of investments	(5,786,409)	(73,251)	(4,205,163)	(1,753)	(156,576)
Net cash (used in) provided by non-capital financing activities	(261,838)	(1,945)	307,478	13	229
Net (decrease) increase in cash	(16,035)	594	(7,867)	(181)	977
Cash at beginning of fiscal year	74,434	4,526	28,698	750	785
Cash at end of fiscal year	\$ 58,399	5,120	20,831	569	1,762
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:					
Operating income (loss)	\$ 35,732	2,783	3,047	(8)	1,424
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:					
Interest expense	87,460	6,522	317,015	96	44
Investment income	(4,466)	(376)	(10,814)	(11)	(1,713)
Allowance for losses on loans	389	—	—	—	557
Other	469	332	(1,097)	—	(346)
Changes in assets and liabilities - net:					
Mortgage loan receivables	(468,337)	5,145	(643,215)	425	826
Interest receivable and other	(2,962)	107	(10,963)	—	—
Accounts and other payables	—	—	(34)	—	(1)
Funds received (to) from mortgagors	(18,309)	—	36,170	—	258
Net cash (used in) provided by operating activities	\$ (370,024)	14,513	(309,891)	502	1,049
Non-cash investing activities					
Unrealized gain on investments held	\$ 303	—	166	—	2

Supplemental Schedule III

Programs with Bond Financing	Programs without Bond Financing		
Other Program	Mortgage and Other Programs	Agency Operating Funds	Total
State Revenue Bond Programs	Project Improvement and Other Programs		
3,554	40,005	—	473,241
1,004	12,252	61,405	74,737
(473)	(103)	(47,096)	(47,803)
37,235	1,031	—	2,023,284
—	(129,589)	—	(3,219,763)
24,507	4,004	8,075	82,774
(23,758)	—	(3,708)	(62,903)
—	227,699	—	227,699
—	(35,941)	—	(35,941)
(436)	1,303	472	2,266
41,633	120,661	19,148	(482,409)
(3,650)	—	—	(396,659)
—	—	—	2,710,956
(37,235)	—	—	(1,757,780)
—	4,580	—	4,580
—	(4,580)	—	(4,580)
(40,885)	—	—	556,517
23	3,923	3,504	31,440
56,405	1,026,560	333,303	11,659,367
(57,236)	(1,207,950)	(328,221)	(11,816,559)
(808)	(177,467)	8,586	(125,752)
(60)	(56,806)	27,734	(51,644)
66	117,654	41,720	268,633
6	60,848	69,454	216,989
642	(108,576)	22,678	(42,278)
3,479	—	—	414,616
(23)	(2,211)	(4,029)	(23,643)
—	127,386	—	128,332
37	(1,815)	43,228	40,808
37,235	(128,558)	—	(1,196,479)
(13)	38,776	—	24,945
(473)	(103)	(47,096)	(47,707)
749	195,762	4,367	218,997
41,633	120,661	19,148	(482,409)
—	784	624	1,879

BOND INDEBTEDNESS AND OTHER DEBT OBLIGATIONS

(in thousands)

Supplemental Schedule IV

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Housing Project Bonds:					
Simeon DeWitt Apartments, 8% — 1978, maturing in varying semi-annual installments to 2018	\$ 4,565	530	—	345	185
Towpath Towers, 8% — 1978, maturing in varying semi-annual installments to 2019	3,815	575	—	275	300
	8,380	1,105	—	620	485
Secured Loan Rental Housing Bonds and Other:					
5.15% to 5.30% — 1998 Series B, maturing in varying semi-annual installments to 2039	3,400	2,685	—	2,685	—
1.25% to 4.95% — 2003 Series B, maturing in varying semi-annual installments to 2033	4,700	655	—	30	625
	8,100	3,340	—	2,715	625
Multi-Family FHA Insured Mortgage Housing Revenue Bonds					
6.79% — 1998 Series A (Federally Taxable), maturing in varying semi-annual installments to 2039	2,540	2,125	—	40	2,085
	2,540	2,125	—	40	2,085
FFB Loan - Housing Revenue Debt Obligation					
3.83% - maturing in 2047					
<i>**Financing agreement with the Federal Financing Bank - "FFB"(see note 8).</i>	2,283	2,283	—	42	2,241
Multi-Family Housing Revenue Bonds					
(Fannie Mae-Backed Program)					
4.60% to 6.85% — 1994 Series A	1,405	625	—	625	—
Children's Rescue Fund Housing Revenue Bonds					
6.25% to 7.625% — 1991 Series A	11,020	575	—	575	—
Multi-Family Housing Revenue Bonds					
(Secured Mortgage Program)					
7.95% to 9% — 1994 Series B (Federally Taxable), maturing in varying annual installments to 2026	12,220	1,005	—	85	920
3.65% to 5.35% — 1999 Series A, maturing in varying annual installments to 2031	7,565	4,860	—	245	4,615
varying annual installments to 2032	5,755	4,055	—	170	3,885
4.65% to 6.30% — 1999 Series J	3,960	2,790	—	2,790	—
4.05% to 5.60% — 2001 Series A, maturing in varying annual installments to 2033	2,150	1,520	—	60	1,460
3% to 5.40% — 2001 Series G, maturing in varying annual installments to 2034	10,465	7,520	—	295	7,225
5% to 5.65% — 2001 Series K, maturing in varying annual installments to 2034	3,795	2,855	—	100	2,755
4.90% to 5.375% — 2002 Series A, maturing in varying annual installments to 2035	6,640	4,940	—	180	4,760
4.50% to 5.375% — 2002 Series C, maturing in varying annual installments to 2034	3,170	2,330	—	90	2,240
5.375% — 2002 Series D, maturing in varying annual installments to 2034	1,600	310	—	10	300
1.75% to 5.10% — 2004 Series B refunding, maturing in varying semi-annual installments to 2027	32,245	2,785	—	2,005	780
Walnut Hill Apartments Multi-Family Housing Revenue Bonds					
1.10% to 5% — 2003 Series A	10,030	5,485	—	5,485	—
Watergate II Apartments Multi-Family Housing Revenue Bonds					
1.10% to 4.90% — 2004 Series A, maturing in varying semi-annual installments to 2045	7,800	4,705	—	145	4,560
Framark Place Apartments Multi-Family Housing Revenue Bonds					
5.20% to 5.35% — 2004 Series A, maturing in varying semi-annual installments to 2036	1,800	1,395	—	50	1,345

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Washington Apartments Multi-Family Housing Revenue Bonds 4.50% to 5.15% — 2004 Series A, maturing in varying semi-annual installments to 2036	2,695	2,060	—	70	1,990
Nathan Hale Senior Village Multi-Family Housing Revenue Bonds 1.15% to 4.60% — 2004 Series A, maturing in varying semi-annual installments to 2039	5,745	3,185	—	90	3,095
Horizons at Fishkill Apartments Multi-Family Housing Revenue Bonds 4.10% to 5% — 2004 Series A, maturing in varying semi-annual installments to 2036	5,975	4,655	—	155	4,500
Extra Place Apartments Multi-Family Housing Revenue Bonds 4.25% to 5% — 2004 Series A, maturing in varying semi-annual installments to 2037	3,310	1,950	—	115	1,835
Tall Oaks Apartments Multi-Family Housing Revenue Bonds 4.15% to 4.95% — 2004 Series A, maturing in varying semi-annual installments to 2036	5,930	2,570	—	105	2,465
East 84th Street Housing Revenue Bonds variable rate demand — 1995 Series A , maturing in 2028	61,200	60,000	—	—	60,000
Union Square South Housing Revenue Bonds variable rate demand — 1996 Series A , maturing in 2024	50,000	49,000	—	—	49,000
250 West 50th Street Housing Revenue Bonds variable rate demand — 1997 Series A, maturing in 2029	103,500	100,500	—	—	100,500
Tribeca Landing Housing Revenue Bonds variable rate demand — 1997 Series A, maturing in 2029	59,000	52,000	—	1,800	50,200
240 East 39th Street Housing Revenue Bonds variable rate demand — 1997 Series A, maturing in 2030	119,000	114,000	—	3,500	110,500
345 East 94th Street Housing Revenue Bonds variable rate demand — 2016 Series A, maturing in 2030	43,600	43,600	—	—	43,600
variable rate demand — 2016 Series B, (Federally Taxable), maturing in 2030	10,900	10,650	—	500	10,150
Tribeca Park Housing Revenue Bonds variable rate demand — 1997 Series A, maturing in 2029	82,000	77,500	—	—	77,500
variable rate demand — 1997 Series B (Federally Taxable), maturing in 2029	2,000	2,000	—	800	1,200
variable rate demand — 2000 Series A	3,500	—	—	—	—
Chelsea Arms Housing Revenue Bonds variable rate demand — 1998 Series A	18,000	—	—	—	—
750 Sixth Avenue Housing Revenue Bonds variable rate demand — 1998 Series A, maturing in 2031	39,500	39,500	—	—	39,500
variable rate demand — 1999 Series A, maturing in 2031	28,500	28,500	—	—	28,500
variable rate demand — 2000 Series A, maturing in 2031	2,600	2,600	—	300	2,300
Talleyrand Crescent Housing Revenue Bonds variable rate demand — 1999 Series A	36,500	35,000	—	35,000	—
101 West End Avenue Housing Revenue Bonds variable rate demand — 1998 Series A	43,000	43,000	—	43,000	—

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 1999 Series A	62,000	62,000	—	62,000	—
variable rate demand — 2000 Series A	21,000	17,300	—	17,300	—
South Cove Plaza Housing Revenue Bonds					
variable rate demand — 1999 Series A	32,000	32,000	—	32,000	—
Related-East 39th Street Housing Revenue Bonds					
variable rate demand — 1999 Series A, maturing in 2032	33,700	33,700	—	—	33,700
variable rate demand — 2000 Series A, maturing in 2032	36,300	36,300	—	—	36,300
150 East 44th Street Housing Revenue Bonds					
variable rate demand — 2000 Series A	90,000	—	—	—	—
variable rate demand — 2001 Series A	13,000	—	—	—	—
variable rate demand — 2017 Series A, maturing in 2032	97,800	97,800	—	—	97,800
Theatre Row Tower Housing Revenue Bonds					
variable rate demand — 2000 Series A, maturing in 2032	50,000	50,000	—	—	50,000
variable rate demand — 2001 Series A, maturing in 2032	10,000	10,000	—	—	10,000
variable rate demand — 2002 Series A, maturing in 2032	14,800	14,800	—	—	14,800
363 West 30th Street Housing Revenue Bonds					
variable rate demand — 2000 Series A, maturing in 2032	17,000	17,000	—	—	17,000
66 West 38th Street Housing Revenue Bonds					
variable rate demand — 2000 Series A, maturing in 2033	7,000	7,000	—	—	7,000
variable rate demand — 2000 Series B (Federally Taxable), maturing in 2033	31,000	5,900	—	2,800	3,100
variable rate demand — 2001 Series A, maturing in 2033	36,000	36,000	—	—	36,000
variable rate demand — 2002 Series A, maturing in 2033	46,800	46,800	—	—	46,800
350 West 43rd Street Housing Revenue Bonds					
variable rate demand — 2001 Series A, maturing in 2034	26,000	26,000	—	—	26,000
variable rate demand — 2002 Series A, maturing in 2034	60,000	60,000	—	—	60,000
variable rate demand — 2004 Series A, maturing in 2034	23,000	10,100	—	2,000	8,100
Related-West 20th Street Housing Revenue Bonds					
variable rate demand — 2000 Series A, maturing in 2033	29,000	29,000	—	—	29,000
variable rate demand — 2000 Series B (Federally Taxable), maturing in 2033	8,000	3,000	—	—	3,000
variable rate demand — 2001 Series A, maturing in 2033	51,000	51,000	—	—	51,000
Saville Housing Revenue Bonds					
variable rate demand — 2002 Series A, maturing in 2035	55,000	55,000	—	—	55,000
Related-West 23rd Street Housing Revenue Bonds					
variable rate demand — 2001 Series A, maturing in 2033	26,000	26,000	—	—	26,000
variable rate demand — 2001 Series B (Federally Taxable), maturing in 2033	27,500	8,000	—	—	8,000

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2002 Series A, maturing in 2033	73,000	73,000	—	—	73,000
The Victory Housing Revenue Bonds variable rate demand — 2017 Series A, maturing in 2033	114,500	114,500	—	—	114,500
variable rate demand — 2017 Series B, maturing in 2033	24,000	24,000	—	1,000	23,000
Worth Street Housing Revenue Bonds variable rate demand — 2001 Series A, maturing in 2033	51,000	51,000	—	—	51,000
variable rate demand — 2001 Series B (Federally Taxable), maturing in 2033	27,900	5,800	—	2,700	3,100
variable rate demand — 2002 Series A, maturing in 2033	39,200	37,000	—	—	37,000
360 West 43rd Street Housing Revenue Bonds variable rate demand — 2002 Series A, maturing in 2033	33,700	33,700	—	—	33,700
variable rate demand — 2003 Series A, maturing in 2033	45,300	32,800	—	—	32,800
900 Eighth Avenue Housing Revenue Bonds variable rate demand — 2002 Series A, maturing in 2035	93,100	89,500	—	—	89,500
1500 Lexington Avenue Housing Revenue Bonds variable rate demand — 2002 Series A, maturing in 2034	38,000	38,000	—	—	38,000
variable rate demand — 2004 Series A, maturing in 2034	5,000	4,200	—	1,100	3,100
Biltmore Tower Housing Revenue Bonds variable rate demand — 2002 Series A, maturing in 2034	72,000	72,000	—	—	72,000
variable rate demand — 2003 Series A, maturing in 2034	43,300	43,300	—	—	43,300
20 River Terrace Housing Revenue Bonds variable rate demand — 2002 Series A, maturing in 2035	100,000	100,000	—	—	100,000
variable rate demand — 2004 Series A, maturing in 2034	1,500	1,500	—	—	1,500
10 Liberty Street Housing Revenue Bonds variable rate demand — 2003 Series A, maturing in 2035	95,000	95,000	—	—	95,000
Parkledge Apartments Housing Revenue Bonds variable rate demand — 2003 Series A, maturing in 2035	39,000	32,100	—	600	31,500
Chelsea Apartments Housing Revenue Bonds variable rate demand — 2003 Series A, maturing in 2036	95,500	95,500	—	—	95,500
Historic Front Street Housing Revenue Bonds variable rate demand — 2003 Series A, maturing in 2036	46,300	46,300	—	—	46,300
The Helena Housing Revenue Bonds variable rate demand — 2003 Series A, maturing in 2036	42,000	42,000	—	—	42,000
variable rate demand — 2004 Series A, maturing in 2036	101,000	101,000	—	—	101,000

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Related-Tribeca Green Housing Revenue Bonds					
variable rate demand — 2003 Series A, maturing in 2036	109,200	103,800	—	—	103,800
variable rate demand — 2003 Series B (Federally Taxable), maturing in 2036	800	800	—	—	800
100 Maiden Lane Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2037	95,000	95,000	—	—	95,000
variable rate demand — 2004 Series B	3,000	800	—	800	—
North End Avenue Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2036	98,800	98,800	—	—	98,800
variable rate demand — 2004 Series B (Federally Taxable), maturing in 2036	3,400	3,100	—	400	2,700
Sea Park East Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2036	18,700	13,300	—	—	13,300
Sea Park West Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2036	22,900	14,100	—	—	14,100
Archstone Westbury Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2036	62,200	62,200	—	—	62,200
variable rate demand — 2004 Series B (Federally Taxable), maturing in 2036	15,800	9,470	—	1,345	8,125
4.57% — 2012 Series A (Federally Taxable), maturing in 2036	7,200	7,200	—	—	7,200
Rip Van Winkle House Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2034	11,500	10,700	—	—	10,700
10 Barclay Street Housing Revenue Bonds					
variable rate demand — 2004 Series A, maturing in 2037	135,000	135,000	—	—	135,000
Reverend Polite Avenue Apartments Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2036	16,000	7,435	—	—	7,435
125 West 31st Street Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2038	176,800	176,800	—	—	176,800
Clinton Green North Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2038	100,000	100,000	—	—	100,000
variable rate demand — 2006 Series A, maturing in 2038	47,000	47,000	—	—	47,000
Clinton Green South Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2038	75,000	75,000	—	—	75,000
variable rate demand — 2006 Series A, maturing in 2038	46,500	46,500	—	—	46,500
Related-Ocean Park Apartments Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2035	28,400	28,400	—	—	28,400
250 West 93rd Street Housing Revenue Bonds variable rate demand — 2005 Series A, maturing in 2038	61,500	60,400	—	—	60,400

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2005 Series B (Federally Taxable), maturing in 2038	5,300	4,700	—	300	4,400
variable rate demand — 2007 Series A (Federally Taxable), maturing in 2038	1,100	1,100	—	—	1,100
Tower 31 Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2036	83,800	83,800	—	—	83,800
88 Leonard Street Housing Revenue Bonds					
variable rate demand — 2017 Series A (Federally Taxable), maturing in 2037	112,500	112,500	—	—	112,500
variable rate demand — 2017 Series B (Federally Taxable), maturing in 2037	32,500	32,345	—	1,765	30,580
Tiffany Gardens Multi-Family Housing Revenue Bonds 4.50% to 5.125% — 2005 Series A, maturing in varying semi-annual installments to 2037	5,550	4,500	—	135	4,365
Friendship House Apartments Multi-Family Housing Revenue Bonds					
5.10% — 2005 Series A, maturing in varying semi-annual installments to 2041	2,840	2,410	—	55	2,355
55 West 25th Street Housing Revenue Bonds					
variable rate demand — 2005 Series A, maturing in 2038	164,500	164,500	—	—	164,500
188 Ludlow Street Housing Revenue Bonds					
variable rate demand — 2006 Series A, maturing in 2038	83,000	83,000	—	—	83,000
Division Street Multi-Family Housing Revenue Bonds					
5% to 5.10% — 2006 Series A, maturing in varying semi-annual installments to 2038	1,525	1,255	—	40	1,215
Gateway to New Cassel Housing Revenue Bonds					
variable rate demand — 2006 Series A, maturing in 2039	9,500	5,700	—	100	5,600
Golden Age Apartments Multi-Family Housing Revenue Bonds					
5% — 2006 Series A, maturing in varying semi-annual installments to 2037	2,800	1,755	—	55	1,700
Related - Taconic West 17th Street Housing Revenue Bonds					
variable rate demand — 2009 Series A, maturing in 2039	126,000	126,000	—	—	126,000
Crotona Estates Apartments Multi-Family Housing Revenue Bonds					
4.95% — 2006 Series A, maturing in varying semi-annual installments to 2038	2,760	2,020	—	55	1,965
Related - Capitol Green Apartments Housing Revenue Bonds					
variable rate demand — 2006 Series A, maturing in 2036	10,900	10,900	—	—	10,900
3.45% to 4.375% — 2006 Series B	5,600	95	—	95	—
Avalon Bowery Place I Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2037	93,800	93,800	—	—	93,800
St. Philip's Housing Revenue Bonds					
4.05% to 4.65% — 2006 Series A, maturing in varying semi-annual installments to 2038	16,250	11,100	—	315	10,785
Kensico Terrace Apartments Multi-Family Housing Revenue Bonds					
4.35% to 4.90% — 2006 Series A, maturing in varying semi-annual installments to 2038	4,130	3,380	—	100	3,280

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Admiral Halsey Senior Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	6,650	2,250	—	200	2,050
Related - Weyant Green Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	3,800	3,800	—	—	3,800
Related - McCarthy Manor Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	6,800	6,800	—	—	6,800
600 West 42nd Street Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2041	268,000	249,335	—	—	249,335
variable rate demand — 2008 Series A, maturing in 2041	100,000	99,800	—	31,225	68,575
variable rate demand — 2009 Series A, maturing in 2041	108,000	119,975	—	—	119,975
316 Eleventh Avenue Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2041	152,000	152,000	—	—	152,000
variable rate demand — 2007 Series B (Federally Taxable), maturing in 2041	39,500	6,900	—	—	6,900
variable rate demand — 2009 Series A, maturing in 2041	32,600	32,600	—	—	32,600
455 West 37th Street Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2041	136,000	136,000	—	—	136,000
variable rate demand — 2007 Series B (Federally Taxable), maturing in 2041	32,000	8,000	—	700	7,300
Related - Warren Knolls Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	6,700	6,700	—	—	6,700
Related - West Haverstraw Senior Citizens Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	6,700	6,700	—	—	6,700
Prospect Plaza Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2039	23,300	8,000	—	—	8,000
Horizons at Wawayanda Housing Revenue Bonds 5.15% — 2007 Series A, maturing in varying semi-annual installments to 2040	8,600	7,645	—	155	7,490
Park Drive Manor II Apartments Multi-Family Housing Revenue Bonds 4.85% — 2007 Series A, maturing in varying semi-annual installments to 2038	3,980	3,275	—	95	3,180
Highland Avenue Senior Apartments Multi-Family Housing Revenue Bonds 4.70% to 5% — 2007 Series A, maturing in varying semi-annual installments to 2039	6,920	5,885	—	160	5,725
North Street Y Senior Apartments Multi-Family Housing Revenue Bonds 5.05% — 2007 Series A, maturing in varying semi-annual installments to 2039	2,100	1,805	—	50	1,755

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Cannon Street Senior Apartments Multi-Family Housing Revenue Bonds 5.30% — 2007 Series A, maturing in varying semi-annual installments to 2039	1,860	1,585	—	40	1,545
Related - 42nd and 10th Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2041	166,100	166,100	—	—	166,100
variable rate demand — 2008 Series A, maturing in 2041	81,000	81,000	—	—	81,000
variable rate demand — 2010 Series A, maturing in 2041	102,900	72,900	—	—	72,900
Tri-Senior Development Housing Revenue Bonds 5.10% to 5.40% — 2007 Series A, maturing in varying semi-annual installments to 2042	14,700	12,885	—	245	12,640
Related - Overlook Apartments Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2037	5,400	4,500	—	—	4,500
Grace Towers Housing Revenue Bonds variable rate demand — 2007 Series A, maturing in 2040	19,900	11,530	—	—	11,530
Baisley Park Gardens Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2039	18,800	17,000	—	400	16,600
Related - Caroline Apartments Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2043	16,900	16,900	—	—	16,900
West 37th Street Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2042	18,900	18,900	—	—	18,900
variable rate demand — 2008 Series B (Federally Taxable), maturing in 2042	31,500	7,600	—	1,000	6,600
variable rate demand — 2009 Series A, maturing in 2042	25,200	25,200	—	—	25,200
variable rate demand — 2009 Series B, maturing in 2042	30,900	30,900	—	—	30,900
West Village Apartments Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2039	9,700	5,900	—	200	5,700
330 Riverdale Avenue Apartments Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2041	28,700	14,200	—	—	14,200
320 West 38th Street Housing Revenue Bonds variable rate demand — 2014 Series A, maturing in 2042	225,000	243,000	—	—	243,000
variable rate demand — 2014 Series B-1, maturing in 2042	35,000	17,000	—	—	17,000
Shore Hill Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2045	39,000	19,500	—	—	19,500
505 West 37th Street Housing Revenue Bonds variable rate demand — 2008 Series A, maturing in 2042	95,600	95,600	—	—	95,600
variable rate demand — 2008 Series B (Federally Taxable), maturing in 2042	138,000	58,400	—	—	58,400

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2009 Series A, maturing in 2042	100,800	100,800	—	—	100,800
variable rate demand — 2009 Series B, maturing in 2042	119,600	119,600	—	—	119,600
College Arms Apartments Housing Revenue Bonds					
variable rate demand — 2008 Series A, maturing in 2048	11,390	10,490	—	100	10,390
80 DeKalb Avenue Housing Revenue Bonds					
variable rate demand — 2017 Series A 1/2, maturing in 2042	104,000	104,000	—	—	104,000
Related - Clarkstown Maplewood Gardens Housing Revenue Bonds					
variable rate demand — 2009 Series A, maturing in 2049	4,085	4,085	—	—	4,085
8 East 102nd Street Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2044	135,690	135,690	—	—	135,690
variable rate demand — 2010 Series B (Federally Taxable), maturing in 2044	8,010	8,010	—	—	8,010
330 West 39th Street Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2044	65,000	64,500	—	—	64,500
Clinton Park Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2044	70,000	70,000	—	—	70,000
25 Washington Street Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2044	19,700	17,500	—	—	17,500
29 Flatbush Avenue Housing Revenue Bonds					
variable rate demand — 2010 Series A, maturing in 2044	90,000	90,000	—	—	90,000
variable rate demand — 2015 Series A, maturing in 2044	9,000	9,000	—	—	9,000
variable rate demand — 2015 Series B, (Federally Taxable), maturing in 2044	41,000	40,300	—	11,200	29,100
2180 Broadway Housing Revenue Bonds					
variable rate demand — 2011 Series A, maturing in 2044	96,300	96,300	—	—	96,300
variable rate demand — 2011 Series B (Federally Taxable), maturing in 2044	27,320	27,320	—	750	26,570
Gotham West Housing Revenue Bonds					
variable rate demand — 2011 Series A-1, maturing in 2045	133,000	133,000	—	—	133,000
variable rate demand — 2011 Series A-2, maturing in 2045	67,000	67,000	—	—	67,000
variable rate demand — 2011 Series B (Federally Taxable), maturing in 2045	20,000	11,750	—	4,000	7,750
variable rate demand — 2012 Series A-1, maturing in 2045	173,000	173,000	—	—	173,000
variable rate demand — 2012 Series A-2, maturing in 2045	87,000	87,000	—	—	87,000
variable rate demand — 2013 Series A (Federally Taxable) maturing in 2012	40,000	40,000	—	—	40,000

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
160 West 62nd Street Housing Revenue Bonds					
variable rate demand — 2011 Series A-1, maturing in 2044	155,000	155,000	—	—	155,000
variable rate demand — 2011 Series A-2, maturing in 2044	80,000	80,000	—	—	80,000
variable rate demand — 2011 Series B (Federally Taxable), maturing in 2044	25,000	24,000	—	1,500	22,500
Clinton Park Phase II Housing Revenue Bonds					
variable rate demand — 2011 Series A-1, maturing in 2049	83,000	83,000	—	—	83,000
variable rate demand — 2011 Series A-2, maturing in 2049	42,000	42,000	—	—	42,000
variable rate demand — 2011 Series B (Federally Taxable), maturing in 2049	20,000	20,000	—	—	20,000
111 Nassau Street Housing Revenue Bonds					
variable rate demand — 2011 Series A, maturing in 2044	65,240	65,240	—	—	65,240
variable rate demand — 2011 Series B (Federally Taxable), maturing in 2044	6,260	3,460	—	700	2,760
Related West 30th Street Housing Revenue Bonds					
variable rate demand — 2012 Series A-1, maturing in 2045	73,000	73,000	—	—	73,000
variable rate demand — 2012 Series A-2, maturing in 2045	37,000	37,000	—	—	37,000
variable rate demand — 2013 Series A maturing in 2045	53,200	53,200	—	—	53,200
variable rate demand — 2015 Series A maturing in 2045	41,800	41,800	—	—	41,800
175 West 60th Street Housing Revenue Bonds					
variable rate demand — 2012 Series A-1, maturing in 2046	40,000	40,000	—	—	40,000
variable rate demand — 2012 Series A-2, maturing in 2046	20,000	20,000	—	—	20,000
variable rate demand — 2013 Series A-1, maturing in 2046	33,000	33,000	—	—	33,000
variable rate demand — 2013 Series A-2, maturing in 2046	17,000	17,000	—	—	17,000
variable rate demand — 2014 Series A-1, maturing in 2046	27,000	27,000	—	—	27,000
variable rate demand — 2014 Series A-2, maturing in 2046	13,000	13,000	—	—	13,000
variable rate demand — 2014 Series B, (Federally Taxable), maturing in 2046	15,000	15,000	—	—	15,000
Jackson Avenue Apartments Housing Revenue Bonds					
variable rate demand — 2012 Series A, maturing in 2044	27,335	27,100	—	370	26,730
variable rate demand — 2012 Series B maturing in 2044	325	—	—	—	—
variable rate demand — 2015 Series A (Federally Taxable) maturing in 2044	5,140	4,910	—	100	4,810
11th Street Apartments Housing Revenue Bonds					
variable rate demand — 2012 Series A, maturing in 2044	21,000	17,930	—	305	17,625
variable rate demand — 2015 Series A, (Federally Taxable) maturing in 2044	2,745	2,540	—	—	2,540

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Dock Street Apartments Housing Revenue Bonds					
variable rate demand — 2012 Series A, maturing in 2046	34,700	34,700	—	—	34,700
variable rate demand — 2013 Series B, maturing in 2046	65,800	65,800	—	—	65,800
626 Flatbush Avenue Apartments Housing Revenue Bonds					
variable rate demand — 2013 Series A	40,000	40,000	—	40,000	—
variable rate demand — 2013 Series B	10,940	10,814	6	10,820	—
variable rate demand — 2014 Series A	20,325	20,325	—	20,325	—
variable rate demand — 2018 Series A, maturing in 2046	71,145	—	71,145	—	71,145
Riverside Center 2 Housing Revenue Bonds					
variable rate demand — 2012 Series A, maturing in 2046	25,000	25,000	—	—	25,000
variable rate demand — 2013 Series A-1, maturing in 2046	41,200	41,200	—	—	41,200
variable rate demand — 2013 Series A-2, maturing in 2046	57,000	57,000	—	—	57,000
variable rate demand — 2013 Series A-3, maturing in 2046	65,800	65,800	—	—	65,800
variable rate demand — 2015 Series A-1, maturing in 2046	60,000	60,000	—	—	60,000
variable rate demand — 2015 Series A-2, maturing in 2046	26,000	26,000	—	—	26,000
44th Drive Apartments Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2043	24,500	24,390	—	355	24,035
variable rate demand — 2014 Series A, maturing in 2043	4,020	4,020	—	—	4,020
variable rate demand — 2017 Series A, maturing in 2043	4,715	4,715	—	—	4,715
149 Kent Avenue Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2047	59,075	59,075	—	—	59,075
variable rate demand — 2013 Series B, maturing in 2047	4,400	3,585	—	—	3,585
variable rate demand — 2015 Series A, maturing in 2047	14,445	11,445	—	—	11,445
variable rate demand - 2016 Series A, maturing in 2047	3,080	3,080	—	—	3,080
variable rate demand - 2017A maturing in 2047	10,000	10,000	—	1,075	8,925
Terrace Gardens Housing Revenue Bonds					
5.34% — 2013 A, maturing in varying semi-annual installments to 2043	27,020	25,900	—	310	25,590
855 Sixth Avenue Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2047	112,000	112,000	—	—	112,000
variable rate demand — 2014 Series A, maturing in 2047	40,000	40,000	—	—	40,000
variable rate demand — 2015 Series A, maturing in 2047	35,000	35,000	—	—	35,000
Maestro West Chelsea Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2047	50,000	50,000	—	—	50,000

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2014 Series A, maturing in 2047	70,000	70,000	—	—	70,000
variable rate demand — 2015 Series A, maturing in 2047	15,000	15,000	—	—	15,000
variable rate demand — 2015 Series B	30,000	30,000	—	30,000	—
160 Madison Avenue Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2046	111,445	111,445	—	—	111,445
variable rate demand — 2013 Series B, (Federally Taxable) maturing in 2046	30,000	30,000	—	10,000	20,000
variable rate demand — 2014 Series A, maturing in 2046	68,555	68,555	—	—	68,555
Related 205 East 92nd Street Housing Revenue Bonds					
variable rate demand — 2013 Series A, maturing in 2047	40,000	40,000	—	—	40,000
variable rate demand — 2014 Series A, maturing in 2047	80,000	80,000	—	—	80,000
605 West 42nd Street Housing Revenue Bonds					
variable rate demand — 2014 Series A, maturing in 2048	84,000	84,000	—	—	84,000
variable rate demand — 2014 Series B, (Federally Taxable) maturing in 2048	375,000	375,000	—	—	375,000
variable rate demand — 2015 Series A, maturing in 2048	80,000	80,000	—	—	80,000
variable rate demand — 2017 Series A, maturing in 2048	11,000	11,000	—	—	11,000
606 West 57th Street Housing Revenue Bonds					
variable rate demand — 2014 Series A, maturing in 2049	30,000	30,000	—	—	30,000
variable rate demand — 2016 Series A, maturing in 2049	71,000	71,000	—	—	71,000
variable rate demand - 2017 Series A, (Federally Taxable) maturing in 2049	179,000	179,000	—	—	179,000
variable rate demand - 2018 Series A, (Federally Taxable) maturing in 2049	100,000	—	100,000	—	100,000
625 West 57th Street Housing Revenue Bonds					
variable rate demand — 2014 Series A	30,000	30,000	—	30,000	—
variable rate demand — 2015 Series A-1	170,000	170,000	—	170,000	—
variable rate demand — 2015 Series A-2	100,000	100,000	—	100,000	—
variable rate demand — 2016 Series A	107,000	107,000	—	107,000	—
variable rate demand — 2018 Series A, (Federally Taxable) maturing in 2049	407,000	—	407,000	—	407,000
Navy Pier Court Housing Revenue Bonds					
variable rate demand — 2014 Series A, maturing in 2048	23,700	23,700	—	—	23,700
33 Bond Street Housing Revenue Bonds					
variable rate demand — 2014 Series A	30,000	30,000	—	30,000	—
variable rate demand — 2016 Series A	35,000	35,000	—	35,000	—
variable rate demand - 2017 Series A	185,000	185,000	—	185,000	—
BAM South Housing Revenue Bonds					
variable rate demand — 2014 Series A, maturing in 2048	30,500	30,500	—	—	30,500
variable rate demand — 2014 Series B, (Federally Taxable) maturing in 2048	37,500	37,500	—	—	37,500

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2015 Series A, (Federally Taxable) maturing in 2048	100,000	100,000	—	—	100,000
Manhattan West Residential Housing Revenue Bonds					
variable rate demand — 2014 Series A, maturing in 2049	50,000	50,000	—	—	50,000
variable rate demand — 2014 Series B, (Federally Taxable) maturing in 2049	34,000	34,000	—	—	34,000
variable rate demand — 2015 Series A, maturing in 2049	37,500	37,500	—	—	37,500
variable rate demand — 2015 Series B-1, (Federally Taxable) maturing in 2049	50,000	50,000	—	—	50,000
variable rate demand — 2015 Series B-2, (Federally Taxable) maturing in 2049	50,000	50,000	—	—	50,000
variable rate demand — 2016 Series A, maturing in 2049	30,000	30,000	—	—	30,000
variable rate demand — 2016 Series B-1, (Federally Taxable) maturing in 2049	100,000	100,000	—	—	100,000
variable rate demand — 2016 Series B-2, (Federally Taxable) maturing in 2049	94,500	94,500	—	—	94,500
555 Tenth Avenue Housing Revenue Bonds					
variable rate demand — 2015 Series A, maturing in 2049	65,000	65,000	—	—	65,000
variable rate demand — 2015 Series B, (Federally Taxable) maturing in 2049	120,000	120,000	—	—	120,000
variable rate demand — 2016 Series A, (Federally Taxable) maturing in 2049	140,000	140,000	—	—	140,000
222 East 44th Street Housing Revenue Bonds					
variable rate demand — 2015 Series A, maturing in 2050	26,000	26,000	—	—	26,000
variable rate demand — 2016 Series A, maturing in 2050	23,300	23,300	—	—	23,300
variable rate demand — 2016 Series B, maturing in 2050	90,000	90,000	—	—	90,000
variable rate demand - 2017 Series A, (Federally Taxable) maturing in 2050	111,900	111,900	—	—	111,900
125 Metropolitan Avenue Housing Revenue Bonds					
variable rate demand — 2015 Series A, maturing in 2050	8,000	8,000	—	—	8,000
variable rate demand — 2015 Series B, maturing in 2050	38,700	29,695	7,816	—	37,511
525 West 52nd Street Housing Revenue Bonds					
variable rate demand — 2015 Series A-1, maturing in 2050	4,250	4,250	—	—	4,250
variable rate demand — 2015 Series A-2, maturing in 2050	3,250	3,250	—	—	3,250
variable rate demand — 2015 Series A-3, maturing in 2050	2,500	2,500	—	—	2,500
variable rate demand — 2015 Series B-1, (Federally Taxable) maturing in 2050	25,500	25,500	—	—	25,500
variable rate demand — 2015 Series B-2, (Federally Taxable) maturing in 2050	19,500	19,500	—	—	19,500
variable rate demand — 2015 Series B-3, (Federally Taxable) maturing in 2050	15,000	15,000	—	—	15,000
variable rate demand — 2016 Series A-1, maturing in 2050	23,588	23,588	—	—	23,588

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2016 Series A-2, maturing in 2050	18,038	18,038	—	—	18,038
variable rate demand — 2016 Series A-3, maturing in 2050	13,875	13,875	—	—	13,875
variable rate demand — 2016 Series B-1, (Federally Taxable) maturing in 2050	31,662	19,613	7,799	—	27,412
variable rate demand — 2016 Series B-2, (Federally Taxable) maturing in 2050	24,212	14,997	5,965	—	20,962
variable rate demand — 2016 Series B-3, (Federally Taxable) maturing in 2050	18,625	11,536	4,589	—	16,125
7 West 21st Street Housing Revenue Bonds					
variable rate demand — 2015 Series A-1	2,747	2,747	—	2,747	—
variable rate demand — 2015 Series A-2	1,126	1,126	—	1,126	—
variable rate demand — 2015 Series A-3	1,126	1,126	—	1,126	—
variable rate demand — 2015 Series B-1	65,934	65,934	—	65,934	—
variable rate demand — 2015 Series B-2	27,033	27,033	—	27,033	—
variable rate demand — 2015 Series B-3	27,033	27,033	—	27,033	—
variable rate demand — 2016 Series A-1	17,253	17,253	—	17,253	—
variable rate demand — 2016 Series A-2	7,074	7,074	—	7,074	—
variable rate demand — 2016 Series A-3	7,074	7,074	—	7,074	—
variable rate demand — 2016 Series B-1	14,066	9,554	4,512	14,066	—
variable rate demand — 2016 Series B-2	5,767	3,917	1,850	5,767	—
variable rate demand — 2016 Series B-3	5,767	3,917	1,850	5,767	—
variable rate demand — 2015 Series A, maturing in 2050	5,000	—	5,000	—	5,000
variable rate demand — 2015 Series B, maturing in 2050	120,000	—	120,000	—	120,000
variable rate demand — 2016 Series A, maturing in 2050	31,400	—	31,400	—	31,400
variable rate demand — 2016 Series B, maturing in 2050	25,600	—	25,600	—	25,600
variable rate demand — 2018 Series A, maturing in 2050	36,350	—	36,350	—	36,350
43-25 Hunter Street Housing Revenue Bonds					
variable rate demand — 2015 Series A-1	2,037	2,037	—	2,037	—
variable rate demand — 2015 Series A-2	1,574	1,574	—	1,574	—
variable rate demand — 2015 Series A-3	1,389	1,389	—	1,389	—
variable rate demand — 2015 Series B-1	34,630	34,630	—	34,630	—
variable rate demand — 2015 Series B-2	26,759	26,759	—	26,759	—
variable rate demand — 2015 Series B-3	23,611	23,611	—	23,611	—
variable rate demand — 2016 Series A-1	26,481	26,481	—	26,481	—
variable rate demand — 2016 Series A-2	20,463	20,463	—	20,463	—
variable rate demand — 2016 Series A-3	18,056	18,056	—	18,056	—
variable rate demand — 2016 Series B-1	28,519	10,359	18,159	28,518	—
variable rate demand — 2016 Series B-2	22,037	8,005	14,032	22,037	—
variable rate demand — 2016 Series B-3	19,444	7,064	12,380	19,444	—
variable rate demand — 2017 Series A-1	4,074	3,697	377	4,074	—
variable rate demand — 2017 Series A-2	3,148	2,858	290	3,148	—
variable rate demand — 2017 Series A-3	2,778	2,522	256	2,778	—
variable rate demand — 2017 Series B-1	4,074	41	4,033	4,074	—
variable rate demand — 2017 Series B-2	3,148	31	3,117	3,148	—
variable rate demand — 2017 Series B-3	2,778	28	2,750	2,778	—
variable rate demand — 2015 Series A	5,000	—	5,000	—	5,000
variable rate demand — 2015 Series B, maturing in 2050	85,000	—	85,000	—	85,000

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2016 Series A, maturing in 2050	63,500	—	63,500	—	63,500
variable rate demand — 2016 Series B, maturing in 2050	70,000	—	70,000	—	70,000
variable rate demand — 2017 Series A, maturing in 2050	10,000	—	10,000	—	10,000
variable rate demand — 2017 Series B, maturing in 2050	10,000	—	10,000	—	10,000
variable rate demand — 2018 Series A, maturing in 2050	104,500	—	104,500	—	104,500
229 Cherry Street Housing Revenue Bonds					
variable rate demand — 2015 Series A, maturing in 2050	11,700	11,700	—	—	11,700
variable rate demand — 2017 Series A, maturing in 2020	50,000	35,300	—	—	35,300
79 Avenue D Housing Revenue Bonds					
variable rate demand — 2016 Series A, maturing in 2050	7,475	7,475	—	—	7,475
variable rate demand — 2016 Series B, maturing in 2050 (Federally Taxable)	45,325	20,650	16,905	—	37,555
158 East 126th Street Housing Revenue Bonds					
variable rate demand — 2016 Series A, maturing in 2031	13,000	13,000	—	—	13,000
19 India Street Housing Revenue Bonds					
variable rate demand — 2016 Series A, maturing in 2051	37,000	37,000	—	—	37,000
435 East 13th Street Housing Revenue Bonds					
variable rate demand — 2016 Series A, maturing in 2050	12,200	12,200	—	—	12,200
variable rate demand — 2016 Series B, maturing in 2050	50,500	12,525	25,180	—	37,705
325 Kent Avenue Housing Revenue Bonds					
variable rate demand — 2015 Series A-1, maturing in 2050	14,878	10,144	4,734	—	14,878
variable rate demand — 2015 Series A-2, maturing in 2050	14,878	10,144	4,734	—	14,878
variable rate demand — 2015 Series A-3, maturing in 2050	11,445	7,803	3,642	—	11,445
variable rate demand — 2016 Series A-1, maturing in 2050	18,056	18,055	—	—	18,055
variable rate demand — 2016 Series A-2, maturing in 2050	18,056	18,056	—	—	18,056
variable rate demand — 2016 Series A-3, maturing in 2050	13,889	13,889	—	—	13,889
variable rate demand — 2017 Series A-1, maturing in 2050	16,033	16,033	—	—	16,033
variable rate demand — 2017 Series A-2, maturing in 2050	16,033	16,033	—	—	16,033
variable rate demand — 2017 Series A-3, maturing in 2050	12,333	12,333	—	—	12,333
variable rate demand — 2018 Series A-1, maturing in 2050	16,033	—	13,305	—	13,305
variable rate demand — 2018 Series A-2, maturing in 2050	16,033	—	13,305	—	13,305

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand — 2018 Series A-3, maturing in 2050	12,333	—	10,235	—	10,235
210 Livingston Street Housing Revenue Bonds					
variable rate demand — 2015 Series A-1, maturing in 2050	16,637	16,638	—	—	16,638
variable rate demand — 2015 Series A-2, maturing in 2050	6,398	6,398	—	—	6,398
variable rate demand — 2015 Series A-3, maturing in 2050	10,665	10,664	—	—	10,664
variable rate demand — 2015 Series B-1, maturing in 2050	61,366	31,694	23,088	—	54,782
variable rate demand — 2015 Series B-2, maturing in 2050	23,598	12,187	8,879	—	21,066
variable rate demand — 2015 Series B-3, maturing in 2050	39,336	20,317	14,800	—	35,117
810 Fulton Street Housing Revenue Bonds					
variable rate demand - 2017 Series A1, maturing in 2050	16,500	5,250	11,250	—	16,500
variable rate demand - 2017 Series A2, maturing in 2050	11,000	3,500	7,500	—	11,000
variable rate demand - 2017 Series B1, maturing in 2050	58,500	150	20,130	—	20,280
variable rate demand - 2017 Series B2, maturing in 2050	39,000	100	13,420	—	13,520
Riverside Center 1 Housing Revenue Bonds					
variable rate demand - 2016 Series A-1, maturing in 2051	909	909	—	—	909
variable rate demand - 2016 Series A-2, maturing in 2051	909	909	—	—	909
variable rate demand - 2016 Series A-3, maturing in 2051	682	682	—	—	682
variable rate demand - 2017 Series A-1, maturing in 2051	19,467	3,998	15,469	—	19,467
variable rate demand - 2017 Series A-2, maturing in 2051	19,467	3,997	15,470	—	19,467
variable rate demand - 2017 Series A-3, maturing in 2051	14,600	2,998	11,602	—	14,600
variable rate demand - 2018 Series A-1, maturing in 2051	20,351	—	451	—	451
variable rate demand - 2018 Series A-2, maturing in 2051	20,351	—	451	—	451
variable rate demand - 2018 Series A-3, maturing in 2051	15,263	—	338	—	338
Riverside Center 3 Housing Revenue Bonds					
variable rate demand - 2016 Series A-1, maturing in 2051	455	455	—	—	455
variable rate demand - 2016 Series A-2, maturing in 2051	455	455	—	—	455
variable rate demand - 2016 Series A-3, maturing in 2051	341	341	—	—	341
variable rate demand - 2017 Series A-1, maturing in 2051	4,195	892	3,303	—	4,195
variable rate demand - 2017 Series A-2, maturing in 2051	4,195	892	3,303	—	4,195

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
variable rate demand - 2017 Series A-3, maturing in 2051	3,146	669	2,477	—	3,146
variable rate demand - 2018 Series A-1, maturing in 2051	13,533	—	5,266	—	5,266
variable rate demand - 2018 Series A-2, maturing in 2051	13,533	—	5,266	—	5,266
variable rate demand - 2018 Series A-3, maturing in 2051	10,150	—	3,950	—	3,950
Riverside Center 4 Housing Revenue Bonds					
variable rate demand - 2016 Series A-1, maturing in 2051	455	455	—	—	455
variable rate demand - 2016 Series A-2, maturing in 2051	455	455	—	—	455
variable rate demand - 2016 Series A-3, maturing in 2051	341	341	—	—	341
variable rate demand - 2017 Series A-1, maturing in 2051	4,195	250	435	—	685
variable rate demand - 2017 Series A-2, maturing in 2051	4,195	250	435	—	685
variable rate demand - 2017 Series A-3, maturing in 2051	3,146	188	326	—	514
variable rate demand - 2018 Series A-1, maturing in 2051	12,678	—	4,492	—	4,492
variable rate demand - 2018 Series A-2, maturing in 2051	12,678	—	4,492	—	4,492
variable rate demand - 2018 Series A-3, maturing in 2051	9,507	—	3,369	—	3,369
572 11th Avenue Housing Revenue Bonds					
variable rate demand - 2017 Series A, (Federally Taxable) maturing in 2049	103,000	103,000	—	—	103,000
260 Kent Avenue Housing Revenue Bonds					
variable rate demand - 2018 Series A-1, maturing in 2051	75,000	—	19,936	—	19,936
variable rate demand - 2018 Series A-2, maturing in 2051	50,000	—	13,292	—	13,292
variable rate demand - 2018 Series A-3, maturing in 2051	50,000	—	13,292	—	13,292
Halletts Point Building 1 Housing Revenue Bonds					
variable rate demand - 2017 Series A, maturing in 2051	49,100	—	49,100	—	49,100
variable rate demand - 2017 Series B, maturing in 2051	75,900	—	22,509	—	22,509
Back to Back Debt Obligations*:					
Hemlock Ridge Apartments Housing Revenue Debt Obligation	9,000	8,979	21	9,000	—
Chappaqua Commons Housing Revenue Debt Obligation					
variable rate demand — maturing in 2019	3,370	1,937	1,416	—	3,353
variable rate demand — maturing in 2019	8,100	8,100	—	33	8,067
15 Hudson Yards Housing Revenue Debt Obligation					
variable rate demand — 2015 — maturing in 2021	10,000	10,000	—	—	10,000
variable rate demand — 2016 — maturing in 2021	28,000	28,000	—	—	28,000
variable rate demand — 2017 — maturing in 2021	42,000	—	42,000	—	42,000
111 East 172nd Street Housing Revenue Debt Obligation					
variable rate demand — maturing in 2019	25,400	20,350	—	—	20,350
variable rate demand — maturing in 2019	5,050	—	4,061	—	4,061
Copiague Commons Housing Revenue Debt Obligation	17,455	16,052	1,403	17,455	—

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
New Settlement Apartments Housing Revenue Debt Obligation					
variable rate demand — maturing in 2019	86,000	69,439	13,351	95	82,695
Blue Heron Trail Housing Revenue Debt Obligation					
variable rate demand - maturing in 2020	10,250	10,250	—	—	10,250
Ocean Bay Housing Revenue Debt Obligation					
variable rate demand - maturing in 2020	213,250	110,629	71,597	—	182,226
Schlobohm Walsh and Flynn Apartments					
variable rate demand - maturing in 2021	109,330	—	48,095	—	48,095
<i>*Back to Back debt obligations (see note 7).</i>					
Total Secured Loan Rental Housing Bonds and Other	16,887,075	13,851,527	1,806,351	1,505,164	14,152,714
Housing Project Mortgage Revenue Bonds:					
3.60% to 6.125% — 1996 Series A Refunding,					
maturing in varying semi-annual installments to 2020	484,540	435	—	285	150
	484,540	435	—	285	150
Affordable Housing Bonds:					
Affordable Housing Revenue Bonds					
3.65% to 5.25% — 2007 Series A,					
maturing in varying semi-annual installments to 2038	11,805	8,080	—	310	7,770
3.60% to 5.45% — 2007 Series B,					
maturing in varying semi-annual installments to 2045	81,570	32,040	—	1,025	31,015
2.375% to 5.45% — 2008 Series A,					
maturing in varying semi-annual installments to 2040	14,880	5,795	—	175	5,620
3.30% to 5.00% — 2008 Series B,					
maturing in varying semi-annual installments to 2045	23,000	7,905	—	160	7,745
5.00% — 2008 Series C,					
maturing in varying semi-annual installments to 2045	15,515	8,505	—	150	8,355
2.15% to 6.80% — 2008 Series D,					
maturing in varying semi-annual installments to 2041	53,740	13,960	—	275	13,685
1.80% to 5.25% — 2009 Series A,					
maturing in varying semi-annual installments to 2041	53,680	34,155	—	755	33,400
0.70% to 5.00% — 2009 Series B,					
maturing in varying semi-annual installments to 2045	80,525	58,050	—	1,190	56,860
1.10% to 4.95% — 2009 Series C,					
maturing in varying semi-annual installments to 2041	35,590	14,700	—	300	14,400
0.45% to 5.20% — 2009 Series D,					
maturing in varying semi-annual installments to 2045	70,795	33,950	—	900	33,050
0.50% to 5.00% — 2010 Series A,					
maturing in varying semi-annual installments to 2042	45,800	28,845	—	680	28,165
0.40% to 4.875% — 2010 Series B,					
maturing in varying semi-annual installments to 2042	24,600	14,645	—	355	14,290
2.625% to 5.25% — 2010 Series C,					
maturing in varying semi-annual installments to 2042	3,140	2,125	—	40	2,085
0.55% to 5.20% — 2011 Series B,					
maturing in varying semi-annual installments to 2042	16,545	4,275	—	80	4,195
0.55% to 4.875% — 2011 Series D,					
maturing in varying semi-annual installments to 2042	14,630	8,145	—	190	7,955
0.75% to 4.13% — 2012 Series A,					
maturing in 2044	22,795	16,120	—	305	15,815
0.25% to 4.00% — 2012 Series B,					
maturing in varying semi-annual installments to 2047	45,500	36,755	—	735	36,020
0.25% to 3.85% — 2012 Series C,					
maturing in varying semi-annual installments to 2044	50,355	37,535	—	575	36,960
0.70% to 3.60% — 2012 Series D,					
maturing in varying semi-annual installments to 2045	23,685	5,180	—	95	5,085

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
0.33% to 3.75% — 2012 Series E, maturing in varying semi-annual installments to 2050	157,500	104,545	—	4,205	100,340
0.40% to 4.10% — 2012 Series F, maturing in varying semi-annual installments to 2048	91,500	60,025	—	925	59,100
0.30% to 4.65% - 2013 Series A, maturing in varying semi-annual installments to 2046	61,600	18,350	—	380	17,970
0.80% to 5.20% — 2013 Series B, maturing in varying semi-annual installments to 2046	36,085	20,055	—	295	19,760
0.625% to 5.10% — 2013 Series C, maturing in varying semi-annual installments to 2045	21,955	12,910	—	190	12,720
0.850% to 5.05% — 2013 Series D, maturing in varying semi-annual installments to 2046	54,305	17,245	—	330	16,915
0.15% to 5.05% — 2013 Series E, maturing in varying semi-annual installments to 2049	125,940	62,585	—	1,055	61,530
0.45% to 4.125% — 2014 Series A, maturing in varying semi-annual installments to 2046	26,495	14,290	—	460	13,830
0.30% to 4.5% — 2014 Series B, maturing in varying semi-annual installments to 2046	127,800	71,160	—	13,220	57,940
0.40% to 4.00% — 2014 Series C, maturing in varying semi-annual installments to 2046	41,905	22,375	—	490	21,885
0.80% — 2014 Series D	13,650	13,650	—	13,650	—
0.20% to 3.875% — 2014 Series E, maturing in varying semi-annual installments to 2046	55,170	17,365	—	880	16,485
0.20% to 3.90% — 2014 Series F, maturing in varying semi-annual installments to 2047	68,470	46,570	—	14,220	32,350
0.200% to 4.000% — 2014 Series G, maturing in varying semi-annual installments to 2047	101,830	82,065	—	22,460	59,605
0.50% to 4.20% — 2015 Series A, maturing in varying semi-annual installments to 2050	33,090	30,165	—	4,720	25,445
0.35% to 4.25% — 2015 Series B, maturing in varying semi-annual installments to 2050	59,835	56,275	—	1,995	54,280
0.30% to 4.15% — 2015 Series C, maturing in varying semi-annual installments to 2048	92,790	78,535	—	23,375	55,160
0.50% to 3.95% — 2015 Series D, maturing in varying semi-annual installments to 2047	26,060	9,130	—	440	8,690
0.80% to 4.10% — 2015 Series E maturing in varying semi-annual installments to 2048	53,880	44,380	—	1,380	43,000
1.20% — 2015 Series F	13,050	12,900	—	12,900	—
1.10% to 3.95% — 2015 Series G maturing in varying semi-annual installments to 2048	50,245	50,245	—	10,295	39,950
0.40% to 3.80% — 2016 Series A maturing in varying semi-annual installments to 2051	68,420	66,070	—	15,940	50,130
0.95% to 3.55% — 2016 Series B maturing in varying semi-annual installments to 2049	105,215	105,215	—	14,230	90,985
0.60% to 3.375% — 2016 Series C maturing in varying semi-annual installments to 2049	302,690	299,920	—	2,465	297,455
0.50% to 3.20% — 2016 Series D maturing in varying semi-annual installments to 2046	55,000	54,615	—	550	54,065
0.80% to 3.45% — 2016 Series E maturing in varying semi-annual installments to 2049	62,255	62,255	—	6,215	56,040
1.00% to 3.60% — 2016 Series F maturing in varying semi-annual installments to 2049	53,450	53,450	—	12,440	41,010
Harris Park - 2016 Series G maturing in varying semi-annual installments to 2046	4,440	4,405	—	70	4,335

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
1.75% to 4.20% — 2016 Series H (Climate Bond Certified/Green Bonds) maturing in varying semi-annual installments to 2049	45,125	45,125	—	—	45,125
0.90% to 4.15% — 2016 Series I maturing in varying semi-annual installments to 2047	56,920	56,280	—	950	55,330
Marcus Garvey — 2016 Series J maturing in varying semi-annual installments to 2046	37,900	37,235	—	1,695	35,540
1.50% to 4.10% — 2017 Series A (Climate Bond Certified/Green Bonds) maturing in varying semi-annual installments to 2049	53,995	53,995	—	11,375	42,620
1.00% to 4.20% — 2017 Series B maturing in varying semi-annual installments to 2052	66,525	66,400	—	535	65,865
Historic Pastures — 2017 Series C maturing in varying semi-annual installments to 2046	7,490	7,475	—	120	7,355
1.10% to 4.20% — 2017 Series D (Climate Bond Certified/Green Bonds) maturing in varying semi-annual installments to 2049	56,285	56,285	—	4,600	51,685
0.90% to 4.25% — 2017 Series E maturing in varying semi-annual installments to 2051	99,265	99,265	—	1,270	97,995
1.20% to 3.95% — 2017 Series F maturing in varying semi-annual installments to 2050	65,680	65,680	—	—	65,680
Marien Heim — 2017 Series G maturing in varying semi-annual installments to	15,970	15,970	—	245	15,725
1.10% to 3.70 % — 2017 Series H (Climate Bond Certified/Green Bonds) maturing in varying semi-annual installments to 2049	78,420	78,420	—	—	78,420
1.05% to 3.70% — 2017 Series I maturing in varying semi-annual installments to 2049	17,460	17,460	—	—	17,460
1.15% to 3.65% — 2017 Series J maturing in varying semi-annual installments to 2050	40,915	40,915	—	—	40,915
1.40% to 3.65% — 2017 Series K, maturing in varying semi-annual installments to 2050	115,215	—	115,215	—	115,215
1.30% to 3.55% — 2017 Series L, maturing in varying semi-annual installments to 2050	80,720	—	80,720	—	80,720
1.45% to 3.80% — 2017 Series M, maturing in varying semi-annual installments to 2050	153,515	—	153,515	—	153,515
1.45% to 3.80% — 2017 Series O, maturing in varying semi-annual installments to 2050	935	—	935	—	935
1.30% to 3.55% — 2018 Series A, maturing in varying semi-annual installments to 2050	9,190	—	9,190	20	9,170
1.90% to 3.95% — 2018 Series B, maturing in varying semi-annual installments to 2050	68,880	—	68,880	—	68,880
1.75% to 3.875% — 2018 Series C, maturing in varying semi-annual installments to 2050	19,010	—	19,010	—	19,010
2.20% to 4.00% — 2018 Series D, maturing in varying semi-annual installments to 2050	99,420	—	99,420	—	99,420
1.95% to 3.95% — 2018 Series E, maturing in varying semi-annual installments to 2050	20,590	—	20,590	—	20,590
1.95% to 4.00% — 2018 Series F, maturing in varying semi-annual installments to 2050	117,355	—	117,355	—	117,355
1.40% to 4.00% — 2018 Series G, maturing in varying semi-annual installments to 2050	83,810	—	83,810	—	83,810
2.15% to 4.25% — 2018 Series H, maturing in varying semi-annual installments to 2050	135,965	—	135,965	—	135,965
	4,199,330	2,502,020	904,605	208,880	3,197,745

	Original Face Amount	Balance October 31, 2017	Issued	Retired/ Principal Payments	Balance October 31, 2018
Affordable Housing Revenue Bonds					
(Federal New Issue Bond Program "NIBP")					
Conversions:					
3.16% — 2009 Series 1, Subseries A, conversion: maturing in varying annual installments to 2043	47,660	36,880	—	870	36,010
3.16% — 2009 Series 1, Subseries B, conversion: maturing in 2043	45,080	40,570	—	1,030	39,540
3.68% — 2009 Series 1, Subseries C, conversion: maturing in 2044	24,760	22,710	—	390	22,320
2.47% — 2009 Series 1, Subseries D, conversion: maturing in varying semi-annual installments to 2043	22,260	22,125	—	—	22,125
2.47% — 2009 Series 1, Subseries E, conversion: maturing in varying semi-annual installments to 2043	21,320	19,670	—	430	19,240
2.47% — 2009 Series 1, Subseries F, conversion: maturing in varying semi-annual installments to 2044	98,380	87,670	—	1,875	85,795
New Issues:					
0.55% to 3.80% — 2011 Series 2, maturing in varying semi-annual installments to 2022	16,470	4,530	—	780	3,750
	275,930	234,155	—	5,375	228,780
Total Affordable Housing Bonds	4,475,260	2,736,175	904,605	214,255	3,426,525
State Revenue Bond Programs:					
Service Contract Revenue Bonds					
variable rate demand — 2003 Series L Refunding, maturing in varying semi-annual installments to 2021	88,750	40,575	—	11,950	28,625
variable rate demand — 2003 Series M-1 Refunding, maturing in varying semi-annual installments to 2021	63,750	25,910	—	5,345	20,565
variable rate demand — 2003 Series M-2 Refunding, maturing in varying semi-annual installments to 2021	25,000	14,665	—	6,605	8,060
	177,500	81,150	—	23,900	57,250
Consolidated Service Contract Revenue Bonds					
2% to 5% — 2011 Series A Refunding, maturing in varying semi-annual installments to 2020	71,165	5,255	—	900	4,355
	71,165	5,255	—	900	4,355
State Personal Income Tax Revenue Bonds (Economic Development and Housing)					
variable rate demand — 2005 Series C, maturing in varying semi-annual installments to 2033	80,000	80,000	—	400	79,600
1.943% to 4.911% — 2009 Series B (Federally Taxable), maturing in varying annual installments to 2019	103,010	24,640	—	12,035	12,605
	183,010	104,640	—	12,435	92,205
Total State Revenue Bond Programs	431,675	191,045	—	37,235	153,810
Total Bond Indebtedness and Other Debt Obligations	22,286,930	16,780,287	2,710,956	1,757,559	17,733,684
Unamortized Bond Premium	-	294	-	126	168
Total Net Bond Indebtedness and Other Debt Obligations	\$ 22,286,930	16,780,581	2,710,956	1,757,685	17,733,852

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Management and Members of the Board
New York State Housing Finance Agency
New York, New York

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the New York State Housing Finance Agency (the Agency), a component unit of the State of New York, which comprise the statement of net position as of October 31, 2018, and the related statements of revenues and expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst & Young LLP

January 28, 2019



Homes and Community Renewal

New York State Housing Finance Agency

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