Combined Financial Statements

and Other Information

New York City Housing

Development Corporation

October 31, 2013

NEW YORK CITY
HOUSING DEVELOPMENT
CORPORATION

New York City Housing Development Corporation

Combined Financial Statements and Additional Information

Year Ended October 31, 2013

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Report of Independent Auditors

Management and the Members of the
New York City Housing Development Corporation

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the New York City Housing Development Corporation (the "Corporation"), a component unit of the City of New York, as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the Corporation as of October 31, 2013 and the respective changes in financial position and cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Corporation's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 25, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended October 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

U.S. generally accepted accounting principles require that management's discussion and analysis and the schedule of funding progress on pages 4 to 10 and 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's basic financial statements. The supplementary information included in Schedule 2 on pages 70 to 72 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information included in Schedule 2 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplementary information included in Schedule 2 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ernst & Young LLP

January 27, 2014

INTRODUCTION

The New York City Housing Development Corporation ("HDC" or the "Corporation") is a State public benefit corporation that finances affordable housing in New York City. HDC issues tax-exempt and taxable debt and uses the proceeds along with other monies of the Corporation to make loans to finance new residential construction and the rehabilitation of existing multi-family housing. HDC, which is financially self-supporting, also lends its own internally-generated funds for these purposes. All of these activities are reported in the financial statements under the heading "Housing Development Corporation."

HDC currently has two active subsidiaries that are discretely presented as component units in the financial statements. The New York City Residential Mortgage Insurance Corporation ("REMIC") insures residential mortgages in New York City. The New York City Housing Assistance Corporation ("HAC") made mortgage loans for affordable housing in the 1980s. Presently, it provides rental subsidy assistance to a small number of residential developments.

The Corporation's annual financial report consists of three parts: *management's discussion and analysis* (this section), the basic *financial statements (statements of net position)*, and *required supplementary information* which includes the schedule of funding progress and follows directly after the notes to the financial statements.

This section of the Corporation's annual financial report presents our discussion and analysis of the Corporation's financial performance during the fiscal year that ended on October 31, 2013. This period is also referred to as Fiscal Year 2013. Data is presented for the primary governmental entity HDC only. Reported amounts have been rounded to facilitate reading.

FINANCIAL HIGHLIGHTS

- In spite of the current economic conditions, significant growth in assets and liabilities has continued from last fiscal year due to ongoing financing activities.
- Twenty-nine bond series sold, totaling $1.78 billion, to create and preserve affordable housing. Of the total issued, $1.49 billion was new money and $291.0 million was refinancing of previously issued debt.
- Total assets of $12.97 billion increased by $733.4 million or 5.99% from 2012 as a result of borrowing activities noted above and related mortgages.
- Total liabilities of $11.32 billion increased by $659.6 million or 6.19% from 2012 as a result of the bonds issued noted above.
- Total net position of $1.66 billion increased by $83.0 million or 5.25% from 2012 due to normal operating activities and non-operating revenue of grant income.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Corporation is a self-supporting entity and follows enterprise fund reporting. An enterprise fund reports activity that is financed with debt that is secured solely by a pledge of the net revenue from that activity as well as activity that is not supported by taxes or similar revenues. HDC's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting matches revenues and expenses to the time period in which they are earned or attributable, respectively, which may differ from the period in which the associated cash is received or expended.

Enterprise fund statements offer short-term and long-term financial information about the Corporation's activities. While detailed sub-fund information is not presented in the Corporation's financial statements, separate accounts are maintained for each bond issue and component unit, as well as the Corporation's general operating fund, known as the Corporate Services Fund. These sub-funds permit HDC to control and manage money for particular purposes and to demonstrate that the Corporation is properly using specific resources. In addition, HDC also services construction and permanent loans on behalf of New York City's Department of Housing Preservation and Development ("HPD").

HDC's Assets, Deferred Outflows and Liabilities

The statement of net position presents the Corporation's assets, deferred outflows, liabilities, and net position as of October 31, 2013. The following table represents the changes in the primary entity, HDC's, net position between October 31, 2012 and 2013 and should be read in conjunction with the financial statements. (Dollar amounts are in thousands):

	2013	2012	Change	Percent Change
Assets				
Cash and Investments	$2,912,333	$2,418,087	$494,246	20.44%
Mortgage Loans	8,770,284	8,516,076	254,208	2.99
Other	1,288,910	1,303,978	(15,068)	(1.16)
Total Assets	$12,971,527	$12,238,141	$733,386	5.99%
Deferred Outflows	$10,825	$1,586	$9,239	582.53%
Liabilities				
Bonds Payable (net)	$9,506,374	$8,805,325	$701,049	7.96%
Payable to New York City	1,047,053	991,226	55,827	5.63
Other	763,787	861,079	(97,292)	(11.30)
Total Liabilities	$11,317,214	$10,657,630	$659,584	6.19%
Net Position				
Restricted for bond obligations	$1,015,914	$835,816	$180,098	21.55%
Unrestricted	649,224	746,281	(97,057)	(13.01)
Total Net Position	$1,665,138	$1,582,097	$83,041	5.25%

Assets of the Corporation consist largely of the following: mortgage loans; cash and investments from bond proceeds, debt service and other reserves; funds designated for various housing programs; and other assets, which include participation interests in cash flows from pools of mortgage loans, housing-related notes receivable and purpose investments, and working capital. Total assets grew 5.99% or $733.4 million from 2012 due to the Corporation's ongoing debt issuances and lending activities. In the prior fiscal year, total assets increased $561.4 million or 4.81%.

As noted above, the growth in total assets in 2013 was due primarily to the Corporation's ongoing debt issuance and lending activities. When HDC sells bonds, the bond proceeds are an investment asset until converted to a loan asset once disbursed. The asset value is generally offset by the related bond liability.

Deferred outflows consist primarily of the deferred loss incurred on the early retirement of debt. During FY 2013 the Corporation defeased $202 million of the New York City Housing Authority ("NYCHA") 2005 Series A bonds. The Corporation funded part of the defeasance escrow requirement by issuing the 2013 Series A bonds for NYCHA. The defeasance of the debt related to the 2005 Series A bonds incurred a loss in the amount of $8.9 million. (See Note 9: "Deferred Outflow of Resources").

Liabilities of the Corporation can be grouped into three main categories. The largest is HDC bonds outstanding, which totaled almost $9.51 billion at October 31, 2013. The second largest category is "Payable to New York City" (the "City"). This includes construction loan funds administered on behalf of HPD and other assets which will ultimately revert to the City pursuant to various loan participation and other agreements. These include loan assets which are currently held by HDC and pledged to pay HDC bonds, but transfer to the City when the related bonds are retired. The last category, "Other", includes payable to mortgagors, accounts and other payables, and unearned revenue received in advance. Payable to mortgagors are funds held and administered by HDC but are the property of others, such as escrows held by HDC in the course of its loan servicing functions. Accounts and other payables mainly consist of funds held by HDC in escrow to retire certain bonds, and payables to other entities as part of a participation loan agreement for short-term loan funding. Unearned revenue is where HDC receives certain prepaid fee income as cash, which will be earned over the appropriate time period. This unearned revenue is shown as a liability.

Total liabilities of the Corporation were $11.32 billion at October 31, 2013. Liabilities grew 6.19% or $659.6 million from the prior year, principally as a result of HDC issuing 29 new bond series during Fiscal Year 2013, net of bond redemptions and retirements. There was a net increase in the Payable to the City as a whole. Three separate transactions primarily impacted this payable during the year. First, the aforementioned origination or purchase of a participation interest with the City in Mitchell Lama subordinate loans, interest and restructured City loans caused a net increase of $80.1 million in the Payable to the City. Second, there was a decrease of $5.1 million in the participation loan program with HPD due to the receipt of non-operating revenues and bond credit facility fees. Lastly, there was a decrease of $19.0 million in the administration of construction and permanent loans on behalf of the City (HPD). "Other" liabilities primarily include accounts and other payables, payable to mortgagors, and unearned revenue. Accounts and others payable decreased by a net of $129.1 million in fiscal year 2013 mainly due to the expiration of a construction loan participating agreement between the Corporation and other entities, and also due to the utilization of funds held in escrow to retire certain bonds. Payable to mortgagors and others increased by a net of $5.1 million mainly due to funds held in escrows by HDC for its loan servicing function and other payables. Unearned revenue increased by a net of $26.8 million due to construction financing fees, bond financing fees, prepaid debt service and a fee paid for a guaranty agreement described in the footnotes. (See Note 17: "Financial Guaranties").

Net position of the Corporation is the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources, and totaled $1.66 billion for the Corporation as of October 31, 2013. This represents an increase of $83 million or 5.25% over the prior year. In 2012, total net position increased $131.5 million or 9.1%. The growth in the Corporation's net position of $83 million in 2013 includes $37.6 million from normal operating activities and $45.4 million from non-operating revenues. A further discussion of this increase of revenues in excess of expenses is described below.

Net position is classified as restricted or unrestricted assets, with restricted assets being committed by law or contract to specific purposes. HDC's most significant restricted assets include debt service reserves for HDC bond issues and undisbursed bond proceeds held prior to construction advances. Unrestricted assets may be classified as designated or undesignated. Designated assets are those allocated by action or policy for specific purposes determined by HDC's Members, such as rating agency reserves (to support the Corporation's general obligation rating), specific housing loan programs to which the Corporation has committed resources under the Mayor's New Housing Marketplace Program, and working capital. Virtually all of the Corporation's net position is either restricted or designated.

HDC's Revenues and Expenses

The Statement of Revenues, Expenses and Changes in Net Position presents revenues recognized in and expenses attributed to the fiscal year ended October 31, 2013. The table below summarizes the primary entity, HDC's, revenues and expenses and presents comparative data. It should be read in conjunction with the financial statements. (Dollar amounts are in thousands):

	2013	2012	Change	Percent Change
Revenues				
Interest on Loans and Participation Interests	$214,822	$206,059	$8,763	4.25%
Investment Earnings	27,359	24,627	2,732	11.09
Fees and Charges	48,674	54,947	(6,273)	(11.42)
Other Revenues	4,596	2,880	1,716	59.58
Total Revenues	$295,451	$288,513	$6,938	2.40%
Expenses				
Bond Interest	$166,871	$159,196	$7,675	4.82%
Operating Expenses	50,885	43,855	7,030	16.03
Other (Revenues) Expenses	(5,346)	(45,995)	40,649	88.37
Total Expenses	$212,410	$157,056	$55,354	35.24%
Change in Net Position	$83,041	$131,457	$(48,416)	(36.83)%
Net Position, Beginning of year	1,582,097	1,450,640	131,457	9.06
Net Position, End of Year	$1,665,138	$1,582,097	$83,041	5.25%

Revenues of the Corporation are classified as operating and non-operating. Interest income from mortgage and other loan-related interest represents the Corporation's major source of operating revenue, which also includes various loan and bond program fees such as commitment, financing, and mortgage insurance and servicing fees. The Corporation's non-operating revenues consist mostly of earnings on investments including purpose investments and revenues from grant income. Investment income accrues to the benefit of the program for which the underlying sources of funds are utilized. Also reported separately as part of non-operating revenues (expenses) is the amount of unrealized appreciation or (depreciation) on investments reported by the Corporation during the year.

HDC's expenses are also classified as operating and non-operating. Operating expenses consist primarily of interest on bonds, which accounted for 76.63% of operating expenses in Fiscal Year 2013. Other operating expenses include corporate operating expenses (salaries, overhead, and depreciation) and fees. Non-operating expenses are relatively minor and consist largely of amortization of the capitalized value of a purchased cash flow.

HDC's change in net position for Fiscal Year 2013 was positively or negatively affected as described below:

- Interest on loans increased by $10.1 million or 4.97%. The increase in mortgage interest earned was mainly due to the continued increase in the mortgage loan portfolio from the prior year. Income on Participation Interest decreased by $1.4 million in total because there were no prepayments of loans in Mitchell-Lama programs during the year. In 2012, interest on loans increased by $18.5 million or 10.0% from the previous year.
- Earnings on investments increased by $2.7 million or 11.09%. In 2012, earnings on investments decreased by $4.1 million or 14.4% from the previous year.
- As required by Governmental Accounting Standards Board Statement ("GASB") No. 31, the Corporation annually records a fair value adjustment relating to its investment portfolio. This adjustment records any appreciation or (depreciation) in the value of the portfolio at October 31. This year the fair value adjustment resulted in net unrealized depreciation of $29.9 million due mainly to a sharp drop in price of some long term investment securities. This valuation adjustment had a significant impact on the Corporation's reported net income for the fiscal year. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long term securities that carry a higher yield, with the intent to hold the investment to maturity. As a result the unrealized depreciation is only reported as an accounting loss, and holding the securities to maturity decreases the likelihood of the loss becoming realized. In 2012, the unrealized appreciation was $1.9 million from the fair market value of the investment portfolio.
- Fees and charges decreased by a net of $6.3 million or 11.42%. This was mainly due to a $7.4 million decrease in negative arbitrage fees earned. HDC's consent fees collection decreased by $2.1 million. This fee was passed through to the City as a non-operating expense relating to a participation loan interest previously purchased by the Corporation in FY 2012. There was an increase of $1.7 million in loan satisfaction fees due to prepayment of certain loans. There was an increase

in low income housing tax credit and monitoring fees by $1.3 million. Net commitment fees increased by $0.8 million due to an increase in loan financing activities and a net decrease of $0.6 million in servicing and other fees including credit fees for preservation loans enhanced by the Corporation, top-loss guaranty fees and HDC guaranty fees. In 2012, fees and charges increased by $13.1 million or 31.4% mainly due to the implementation of the GASB 65 pronouncement in 2012.

- Interest expense increased from $159.2 million in 2012 to $166.9 million in 2013 or 4.82%. This was mainly due to bond issuance activities during the year. In 2012, interest expense increased by $10.4 million or 7.0% from the previous year.
- Other operating expenses increased by $7.0 million or 16.03%. Of this increased amount, $3.3 million relates mainly to bond related operating charges, and $1.8 million is related to credit enhancement fees and mortgage insurance premiums on such mortgages. There was also an increase of $1.1 million in salary related expenses and an increase of $0.8 million in other operating costs. In 2012, other operating expenses increased by $7.5 million or 20.5% from the previous year.
- Non-operating revenues (expenses) increased by a net of $40.6 million in expenses. This increase reflects the investment fair value depreciation of $29.9 million, as well as a $0.7 million change in the accrual for the section 421-a loan fund from a grant of proceeds from the New York State Battery Park City Authority ("BPCA") in FY 2013, which is $45.4 million compared to $46.1 million in FY 2012. Additionally, the Corporation made a capital transfer of $10 million to REMIC to increase the capital base of REMIC.
- As a result of the factors noted above, the Corporation's growth in net position resulting from revenues in excess of expenses amounted to $83 million, a decrease of $48.5 million from the $131.5 million excess in 2012.

DEBT ADMINISTRATION

At year-end, the Corporation had approximately $9.5 billion of bond principal outstanding, net of discount and premium, an increase of 7.96% over the prior year. The following table summarizes the changes in bonds payable between October 31, 2012 and October 31, 2013. (Dollar amounts are in thousands):

	2013	2012	Percentage Increase FY 2012 to 2013
Bonds Payable	$9,506,374	$8,805,325	7.96%

In Fiscal Year 2013, all "VRDO" bond series were successfully remarketed, and there were no bonds that were tendered and became Bank Bonds.

NEW BUSINESS

During Fiscal Year 2013, the Corporation issued 29 new taxable and tax-exempt bond series totaling $1.78 billion. Included in this total were 18 series of Housing Revenue Bond Program bonds totaling $833 million, seven series of Multi-Family Mortgage Revenue Bonds for $243 million, three series of Capital Fund Grant Program Revenue Bonds for $656 million, and one series of Multi-Family Secured Mortgage Revenue Bonds for $45 million. All of these funds are being used to provide mortgage and loan financing. In further support of its affordable housing mission, the Corporation also made low interest loans from its net position. Subsequent to October 31, 2013, HDC issued eight additional bond series totaling $403.7 million in December 2013. (See Note 20: "Subsequent Events".)

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the resources at its disposal. If you have questions about this report or need additional financial information, contact the Public Information Officer, New York City Housing Development Corporation, 110 William Street, New York, NY 10038. The Corporation also maintains information at www.nychdc.com.

New York City Housing Development Corporation
Statements of Net Position

At October 31, 2013 (with comparative summarized financial information as of October 31, 2012) (in thousands)

	New York City Housing Development Corporation	Discretely Presented Component Units: New York City Housing Assistance Corporation	Discretely Presented Component Units: New York City Residential Mortgage Insurance Corporation	Total 2013	Total 2012
Assets					
Current Assets:					
Cash and cash equivalents (note 3)	$ 701,635	$ -	$ -	$ 701,635	$ 604,649
Investments (note 3)	107,841	-	-	107,841	208,850
Receivables:					
Mortgage loans (note 4)	125,208	169	-	125,377	99,523
Accrued interest	23,776	22	-	23,798	27,785
Notes (note 5)	16,450	-	-	16,450	12,330
Other (note 7)	57,114	-	-	57,114	64,541
Total Receivables	222,548	191	-	222,739	204,179
Other assets	13	-	-	13	46
Total Current Assets	**1,032,037**	**191**	**-**	**1,032,228**	**1,017,724**
Noncurrent Assets:					
Restricted cash and cash equivalents (note 3)	1,031,522	3,142	2,658	1,037,322	694,969
Restricted investments (note 3)	1,071,335	6,537	85,659	1,163,531	1,004,420
Purpose investments (note 2C)	149,365	-	-	149,365	154,044
Mortgage loans (note 4)	391,643	-	-	391,643	485,644
Restricted receivables:					
Mortgage loans (note 4)	8,253,433	29,663	-	8,283,096	7,960,908
Loan participation receivable - The City of NY (note 6)	761,982	-	-	761,982	764,068
Accrued interest	2,200	2,525	-	4,725	3,496
Notes (note 5)	254,013	-	-	254,013	266,338
Other (note 7)	10,325	-	8	10,333	266
Total restricted receivables	9,281,953	32,188	8	9,314,149	8,995,076
Primary government/component unit receivable (payable)	2,567	(2,548)	(19)	-	-
Capital assets	1,336	-	-	1,336	1,647
Other assets (note 8)	9,769	-	-	9,769	10,010
Total Noncurrent Assets	**11,939,490**	**39,319**	**88,306**	**12,067,115**	**11,345,810**
Total Assets	**$ 12,971,527**	**$ 39,510**	**$ 88,306**	**$ 13,099,343**	**$ 12,363,534**
Deferred Outflows of Resources					
Interest rate cap (note 9)	1,944	-	-	1,944	1,586
Deferred loss on early retirement of debt (note 9)	8,881	-	-	8,881	-
Total Deferred Outflows of Resources	**$ 10,825**	**$ -**	**$ -**	**$ 10,825**	**$ 1,586**

See accompanying notes to the basic financial statements.

New York City Housing Development Statements of Net Position (continued)

At October 31, 2013 (with comparative summarized financial information as of October 31, 2012) (in thousands)

	New York City Housing Development Corporation	Discretely Presented Component Units: New York City Housing Assistance Corporation	Discretely Presented Component Units: New York City Residential Mortgage Insurance Corporation	Total 2013	Total 2012
Liabilities and Net Position					
Current Liabilities:					
Bonds payable (net) (note 10)	$ 344,830	$ -	$ -	$ 344,830	$ 392,369
Accrued interest payable	73,295	-	-	73,295	71,220
Payable to mortgagors	119,090	-	-	119,090	103,218
Restricted earnings on investments	12,851	40	-	12,891	9,773
Accounts and other payables	98,841	-	-	98,841	230,909
Total Current Liabilities	**648,907**	**40**	**-**	**648,947**	**807,489**
Noncurrent Liabilities:					
Bonds payable (net) (note 10)	9,161,544	-	-	9,161,544	8,412,956
Payable to The City of New York:					
Loan participation agreement (note 12)	761,982	-	-	761,982	764,068
Other	285,071	38,725	-	323,796	269,970
Payable to mortgagors	389,469	503	-	389,972	400,766
OPEB liability (note 14)	5,539	-	-	5,539	7,792
Unearned revenues, amounts received in advance and other	64,696	-	-	64,696	37,928
Due to the United States Government (note 15)	6	-	-	6	16
Total Noncurrent Liabilities	**10,668,307**	**39,228**	**-**	**10,707,535**	**9,893,496**
Total Liabilities	**11,317,214**	**39,268**	**-**	**11,356,482**	**10,700,985**
Net Position:					
Restricted for bond obligations (note 19)	1,015,914	242	-	1,016,156	836,248
Restricted for insurance requirement and others	-	-	49,621	49,621	49,038
Unrestricted (note 19)	649,224	-	38,685	687,909	778,849
Total Net Position	**1,665,138**	**242**	**88,306**	**1,753,686**	**1,664,135**
Total Liabilities and Net Position	**$ 12,982,352**	**$ 39,510**	**$ 88,306**	**$ 13,110,168**	**$ 12,365,120**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation Statements of Revenues, Expenses and Changes in Net Position

Year ended October 31, 2013 (with comparative summarized financial information for the year ended October 31, 2012) (in thousands)

	Discretely Presented Component Units				
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	Total 2013	Total 2012
Operating Revenues					
Interest on loans (note 4)	$ 213,927	$ -	$ -	$ 213,927	$ 203,793
Fees and charges (note 7)	48,674	-	2,203	50,877	56,746
Income on loan participation interests (note 6)	895	-	-	895	2,266
Other	4,129	-	-	4,129	2,433
Total Operating Revenues	**267,625**	**-**	**2,203**	**269,828**	**265,238**
Operating Expenses					
Interest and amortization of bond premium and discount (note 10)	166,871	-	-	166,871	159,196
Salaries and related expenses (note 13)	22,660	-	-	22,660	21,604
Trustees' and other fees	9,260	-	-	9,260	7,443
Bond issuance costs	12,787	-	-	12,787	9,462
Corporate operating expenses (note 11)	6,178	-	-	6,178	5,346
Total Operating Expenses	**217,756**	**-**	**-**	**217,756**	**203,051**
Operating Income	**49,869**	**-**	**2,203**	**52,072**	**62,187**
Non-operating Revenues (Expenses)					
Earnings on investments (note 3)	27,359	-	2,699	30,058	27,246
Unrealized gains (losses) on investments	(28,030)	(190)	(7,735)	(35,955)	2,135
Loss on early retirement of debt, net	(126)	-	-	(126)	-
Other non-operating revenues, net (note 7)	43,502	-	-	43,502	44,136
Payments to REMIC Subsidiary from HDC (note 1)	(10,000)	-	10,000	-	-
Payments from REMIC Subsidiary to HDC	467	-	(467)	-	-
Total Non-operating Revenues, net	**33,172**	**(190)**	**4,497**	**37,479**	**73,517**
Change in Net Position	**83,041**	**(190)**	**6,700**	**89,551**	**135,704**
Total net position - beginning of year	1,582,097	432	81,606	1,664,135	1,528,431
Total Net Position - End of Year	**$ 1,665,138**	**$ 242**	**$ 88,306**	**$ 1,753,686**	**$ 1,664,135**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statements of Cash Flows

Years ended October 31, 2013 and 2012 (in thousands)

		2013		2012
Cash Flows From Operating Activities				
Mortgage loan repayments	$	770,294	$	838,857
Note repayments		227,929		25,933
Receipts from fees and charges		62,087		19,417
Mortgage escrow receipts		144,541		128,620
Reserve for replacement receipts		31,865		44,932
Mortgage loan advances		(854,955)		(1,104,437)
Note advances		(222,956)		-
Escrow disbursements		(109,012)		(93,127)
Reserve for replacement disbursements		(41,964)		(37,820)
Payments to employees		(20,772)		(19,767)
Payments to suppliers for corporate operating expenses		(5,541)		(5,249)
Project contributions and funds received from NYC		75,157		112,391
Advances and other payments for NYC		(82,373)		(84,677)
Bond cost of issuance		(12,787)		(367)
Other receipts		306,045		363,619
Other payments		(360,612)		(335,273)
Net Cash (Used in) Operating Activities		**(93,054)**		**(146,948)**
Cash Flows From Non Capital Financing Activities				
Proceeds from sale of bonds		1,821,895		1,228,486
Retirement of bonds		(1,107,179)		(916,191)
Interest paid		(166,326)		(156,574)
Grant proceeds from BPCA		46,143		37,015
Payments to component units		(2,182)		1,250
Net Cash Provided by Non Capital Financing Activities		**592,351**		**193,986**
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets		(387)		(642)
Net Cash (Used in) Capital and Related Financing Activities		**(387)**		**(642)**
Cash Flows From Investing Activities				
Sale of investments		13,137,823		13,820,041
Purchase of investments		(13,220,992)		(13,877,049)
Interest and dividends collected		25,153		23,881
Net Cash (Used in) Investing Activities		**(58,016)**		**(33,127)**
Increase in cash and cash equivalents		440,894		13,269
Cash and cash equivalents at beginning of year		1,292,263		1,278,994
Cash and Cash Equivalents at End of Year	**$**	**1,733,157**	**$**	**1,292,263**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Statements of Cash Flows (continued)

Years ended October 31, 2013 and 2012 (in thousands)

	2013	2012
Reconciliation of Operating Income to Net Cash Used in Operating Activities:		
Operating Income	**$ 49,869**	**$ 60,385**
Adjustments to reconcile operating income to net cash used in operating activities:		
Depreciation expenses	698	316
Amortization of bond discount and premium	(1,469)	(3,674)
Amortization of deferred loss on early retirement of debt	77	-
Net cash provided by non-operating activities	166,326	156,574
Changes in Assets and Liabilities:		
Mortgage loans	(249,048)	(450,217)
Accrued interest receivable	1,084	562
Notes receivables	827	11,730
Other receivables	7,038	58,997
Primary government/component unit receivable (payable)	2,049	(106,763)
Other assets	(9,283)	988
Payable to The City of New York	48,806	178,046
Payable to mortgagors	5,342	32,356
Accounts and other payables	(145,639)	(106,781)
Due to the United States Government	(5)	4
Restricted earnings on investments	1,224	(1,209)
Unearned revenues, amounts received in advance and other liabilities	26,939	16,625
Accrued interest payable	2,111	5,113
Net Cash Used in Operating Activities	**$ (93,054)**	**$ (146,948)**
Non Cash Investing Activities:		
(Decrease) increase in fair value of investments	$ (28,030)	$ 1,859

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Notes to the Financial Statements
October 31, 2013

Note 1: Organization

The New York City Housing Development Corporation (the "Corporation" or "HDC") is a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State of New York (the "State"). The Corporation is also a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the "Code"). The Corporation was established in 1971 under the provisions of Article XII of the Private Housing Finance Law (the "Act") of the State and is to continue in existence for at least as long as bonds, notes or other obligations of the Corporation are outstanding.

The Corporation was created to encourage the investment of private capital through low-interest mortgage loans in order to increase the supply of safe and sanitary dwelling accommodations for families and persons whose need for housing accommodations cannot be provided by unassisted private enterprise. To accomplish its objectives, the Corporation is empowered to finance housing through new construction or rehabilitation and to provide permanent financing for multi-family residential housing. The Corporation finances significant amounts of its activities through the issuance of bonds and notes. The bonds and notes of the Corporation are not debts of either the State or The City of New York (the "City").

Pursuant to Governmental Accounting Standards Board Statement ("GASB") No. 14, "The Financial Reporting Entity," the Corporation's financial statements are included in the City's financial statements as a component unit for financial reporting purposes.

Primary Government Entity

For the purpose of these financial statements, the Corporation is the primary government entity. Financial activity in HDC's bond and loan programs and in its Corporate Services Fund are aggregated and reported in the financial statements under Housing Development Corporation. The Corporation sells bonds, administers bond proceeds and manages bond revenues and repayments in accordance with bond resolutions adopted by its Board Members (See Note 10: "Bonds Payable"). Bond proceeds are used to make loans and provide for related costs and reserves, and loan repayments are applied to pay principal and interest on the related bonds (See Note 4: "Mortgage Loans"; Note 5: "Notes Receivable"; and Note 6: "Loan Participation Receivable for The City of New York"). Corporation resources that are not pledged under or governed by a bond resolution are managed in the Corporate Services Fund. This fund accounts for (1) fees and earnings transferred from the bond and loan programs; (2) fees earned on loans serviced for HDC and for the City; (3) income from Corporate Services Fund investments; (4) grant revenues; (5) payments of the Corporation's operating expenses; (6) loan assets made with corporate funds; and (7) tax credit monitoring fees.

The Corporation currently has two active subsidiaries that are reported as Discretely Presented Component Units in the financial statements and two inactive subsidiaries.

The New York City Housing Assistance Corporation ("HAC") and the New York City Residential Mortgage Insurance Corporation ("REMIC") represent active subsidiaries and together with the Housing New York Corporation ("HNYC") and the Real Estate Owned Corporation comprise the reporting entity. HAC and REMIC have been included in the Corporation's financial statements as discretely presented component units of HDC. All of these entities have been reported as component units because HDC's Members comprise all or a controlling majority of the Board for each entity and HDC's staff provides all services for each entity.

Discretely Presented Component Units

(A) New York City Housing Assistance Corporation

HAC is a public benefit corporation established pursuant to Section 654-b of the Act as a subsidiary of the Corporation.

HAC is empowered to receive monies from any source, including, but not limited to, the Corporation, the City or the State, for the purpose of assisting rental developments to maintain rentals affordable to low and moderate-income persons for whom the ordinary operation of private enterprise cannot supply safe, sanitary and affordable housing accommodations. In order to accomplish this objective, HAC may transfer, lend, pledge or assign these monies to any rental development or assist the Corporation in financing such developments. As a subsidiary of HDC, HAC's functions are administered by the Corporation and its Board Members substantially overlap with HDC's Board Members, so it is reported as a discretely presented component unit in HDC's financial statements.

(B) New York City Residential Mortgage Insurance Corporation

REMIC is a public benefit corporation established pursuant to Section 654-d of the Act as a subsidiary of HDC. REMIC is the successor entity to the New York City Rehabilitation Mortgage Insurance Corporation ("Old REMIC"), which was dissolved on January 27, 1993. REMIC has the authority to insure residential mortgage loans throughout the City in order to promote the preservation of neighborhoods which are blighted, are becoming blighted or may become blighted, to discourage divestment and encourage the investment of mortgage capital in such neighborhoods and to provide safe, sanitary and affordable housing accommodations to persons and families for whom the ordinary operations of private enterprise cannot supply such accommodations.

REMIC is required to maintain three reserves. The Housing Insurance Fund can be used as a revolving fund solely for the payment of liabilities arising from housing insurance contracts issued by REMIC. The Housing Insurance Fund requirement as of any particular date is established by statute and must be in an amount equal to the aggregate of (i) one hundred percent of the insured amounts due and payable pursuant to housing insurance contracts, plus (ii) twenty percent of the insured amounts under housing insurance contracts other than insured amounts which are due and payable pursuant to (i) above, plus (iii) twenty percent of the amounts to be insured under REMIC's commitments to insure. The Housing Insurance Fund requirement at October 31, 2013 is $49,559,000.

REMIC must also maintain a Mortgage Insurance Fund which shall be used solely for the payment of liabilities arising from mortgage insurance contracts of the Old REMIC. The Mortgage Insurance Fund requirement at October 31, 2013 is $62,000, which constitutes one hundred percent of Old REMIC's insured mortgage loans.

Any income or interest earned on these two reserves in excess of their respective requirements is transferred at least annually to the Premium Reserve Fund. The Premium Reserve Fund must also be maintained to provide for the payment of REMIC's liabilities arising from its operations, including liabilities arising from housing and mortgage insurance contracts. REMIC also maintains an Operating Fund for operation purposes. During fiscal year 2013, to increase REMIC's capital base, the Corporation made a capital contribution of $10 million to REMIC. The additional capital capacity will be used by REMIC to maintain its rating while affording it the opportunity to insure more mortgage loans. As a component unit of HDC, REMIC functions are administered by the Corporation. The Premium Reserve Fund and Operating Fund have a combined balance of $37,997,000 at October 31, 2013. REMIC is a component unit because HDC's Members comprise a controlling majority of the Board and HDC's staff provides all services for REMIC.

(C) Housing New York Corporation

The Housing New York Corporation is a public benefit corporation established pursuant to Section 654-c of the Act as a subsidiary of the Corporation. Authorization for the funding of the Housing New York Program ended on July 1, 1995. Consequently, HNYC can no longer issue bonds or notes to fund the Housing New York Program.

Upon repayment of all of the outstanding HNYC bonds on November 3, 2003, HNYC became an inactive subsidiary of the Corporation and its remaining funds were transferred out of HNYC. However, HNYC is not expected to be dissolved.

<u>Blended Component Unit</u>

(D) Real Estate Owned Corporation

The NYC HDC Real Estate Owned Corporation ("REO Subsidiary Corporation"), was established under Section 654-a of the Act on September 20, 2004. The REO Subsidiary Corporation has the power to hold property whenever, in the sole discretion of the Corporation, it has become necessary to acquire a project in the case of sale under foreclosure or in lieu of foreclosure to effectuate the purposes of the Act. There was no activity undertaken by this subsidiary during fiscal year 2013. The REO Subsidiary Corporation is treated as a blended component unit of HDC.

Note 2: Summary of Significant Accounting Policies

The Corporation follows the principles of fund accounting, with a sub-fund for each bond series, for the Corporate Services Fund, and for each component unit. Each fund's assets, liabilities and net position are accounted for as separate entities and follow enterprise fund reporting. Certain individual funds are aggregated into larger categories for the purpose of financial reporting. The accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. In its accounting and financial reporting, the Corporation follows the pronouncements of the GASB.

Other significant accounting policies are:

A. Revenue and Expense Recognition

The Corporation's operating revenues consist of earnings on loans and loan participation interests, fees and charges associated with both financing and servicing mortgages and loans, and other revenues that are received to cover the costs of raising capital. All other revenue, which is primarily investment income and grant revenue are considered non-operating. Revenues are recognized when earned.

Operating expenses include bonding costs, expenses for administering the various bond resolutions, personnel expenses, corporate operating expenses, bond issuance and financing costs, and depreciation expense. The Corporation reports all other expenses, including distributions of first mortgage earnings to the City in connection with loan participations and the payment, if necessary, of mortgage loan principal receipts on bond payments, as non-operating expenses. Expenses are recognized as incurred. Virtually all resources are either restricted or designated. Net position has been restricted in accordance with terms of an award, agreement or by state law. Designated assets are committed for specific purposes pursuant to HDC policy and/or Board directives. Please see Note 19: "Net Position" for more detailed information.

B. Cash Equivalents and Investments

Short-term bank deposits and investments with stated maturities of 90 days or less are reported as Cash and Cash Equivalents. All investments are reported at fair value, except for investment agreements. The Corporation's investment agreements, which can take the form of open time deposits or fixed repurchase agreements, are reported at an amount equal to principal and accrued interest.

Generally Accepted Accounting Principles ("GAAP") generally require that restricted assets be reported as non-current assets. In the case of cash equivalents and investments, this treatment generally causes restricted investments with maturities less than one year to be reported as non-current. However, to more accurately report the alignment of HDC's current liability for payment of bond principal and interest with funds available to satisfy these liabilities, HDC has included in Current Assets the cash, cash equivalents and investments held as of October 31, 2013 to cover $492,595,000 for payment of bond principal and interest due in the following year.

C. Purpose Investments

As part of its financing activities, HDC has made four housing development loans that are secured by GNMA certificates rather than mortgages on the related properties. The GNMA certificates provide payments at such times and in such amounts as to fully repay the respective HDC loans, and are the only source of repayment for these loans. As such, the GNMA certificates are treated under U.S. Treasury regulations as acquired program obligations. The GNMA certificates are classified in the financial statements as purpose investments and identified separately from other investments and restricted investments in the financial statements. However, interest earned on the GNMA certificates is included in investment income.

It is the Corporation's policy to record GNMA certificates at amortized cost, which amounted to $149,365,000 and $154,044,000, at October 31, 2013 and October 31, 2012, respectively. The fair value of these purpose investments amounted to $152,031,000 and $165,926,000, at October 31, 2013 and at October 31, 2012, respectively.

D. Earnings on Investments

Investment earnings on monies held for the City, project reserves for replacement and certain other project escrows are not reported as revenues; rather, they are reported as payable to the City or payable to mortgagors, respectively.

E. Allowance for Credit Losses

HDC's loans are underwritten according to standards the Corporation believes prudent and are closely monitored for payment and for management of the associated housing developments. In addition, many of the Corporation's mortgages have credit enhancements through letters of credit, mortgage insurance and other supports. As such, HDC believes that the likelihood of experiencing material credit losses relating to its bonded mortgage programs is unlikely. Management has determined that current charges against income are not required.

F. Summarized Financial Information

The financial statements include summarized comparative information as of and for the year ended October 31, 2012 in total but not by reporting unit. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended October 31, 2012 (which are available from the Corporation and on its website).

G. Recent and Upcoming Accounting Pronouncements

In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans* ("GASB 67"). The objective of this Statement is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Since this standard impacts the financial reporting of pension plans, the Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. The Corporation has not completed the process of evaluating the impact of GASB 68 on its financial statements. The Corporation contributes to the New York City Employees' Retirement System

("NYCERS"), an employer participating cost-sharing multi-employer plan. NYCERS and the City of New York are currently implementing GASB 68. HDC expects to receive its allocable costs and the implementation of GASB 68 to occur in fiscal year 2014.

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations* ("GASB 69"). The objective of this Statement is to improve the accounting for mergers and acquisitions among state and local governments by providing guidance specific to the situations and circumstances encountered within the governmental environment. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2013. The Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

In February 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guaranty* ("GASB 70"). The objective of this Statement is to improve the comparability of financial statements among governments by requiring consistent reporting by those governments that extend and/or receive nonexchange financial guaranty. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. The Corporation does not anticipate that the implementation of this standard will have an impact on its financial statements.

Note 3: Investments and Deposits

The Corporation is authorized to engage in investment activity pursuant to the Act and the Corporation's respective bond resolutions. Investment policies are set for the Corporation by the Members of the Corporation on an annual basis, through the annual adoption of written investment guidelines. Investments are reviewed on a periodic basis by the Corporation's Audit Committee. Day-to-day investment decisions are made by the Corporation's Investment Committee. The Corporation principally invests in securities of the United States and its agencies, open time deposits ("OTDs") in the form of investment agreements, demand accounts, and repurchase agreements. In fiscal year 2013, HDC continued investing in taxable municipal bonds of New York State and New York City, consistent with the Corporation's statute and Investment Guidelines. The Corporation did not enter into any reverse repurchase agreements during the year ended October 31, 2013. Management of the Corporation is not aware of any violations of any provisions of the foregoing policies.

All securities, other than securities held by the respective trustees for the benefit of the bondholders, were held by the Corporation or its agents in the Corporation's name. Bond program investments are held by the trustee of the applicable program. All investment transactions are recorded on a delivery basis.

All investment transactions are recorded on the trade date. Investments, other than purpose investments, at October 31, 2013, were as follows:

		Investment Maturities at October 31, 2013 (in Years)			
Investment Type	2013	Less than 1	1-5	6-10	More than 10
(in thousands)					
Money Market and NOW Accounts	$1,407,458	1,407,458	—	—	—
FHLMC	330,346	60,151	86,124	119,427	64,644
U.S. Treasury (Bonds, Notes, Bills)	236,486	232,247	—	4,239	—
Fixed Repurchase Agreements	223,018	223,018	—	—	—
Open Time Deposits	198,759	45,000	97,600	—	56,159
FHLB	183,506	—	123,902	32,032	27,572
FNMA	145,425	—	20,997	101,078	23,350
NYS/NYC Municipal Bonds *	67,845	13,323	26,445	—	28,077
Federal Farm Credit Bonds	56,070	—	5,061	39,025	11,984
Term Repurchase Agreements	52,769	5,676	47,093	—	—
Farmer MAC	8,367	—	—	8,367	—
Total	$2,910,049	1,986,873	407,222	304,168	211,786
Less amounts classified as cash equivalents	(1,730,873)	(1,730,873)	—	—	—
Total investments	$1,179,176	256,000	407,222	304,168	211,786

**Note: Primarily taxable VRDO instruments which can be put weekly.*

In addition to the investments identified above, as of October 31, 2013 and 2012, the Corporation held $2,284,000 and $33,932,000, respectively, uninvested as cash in various trust and escrow accounts.

As required by GASB No. 31 the Corporation has recorded a fair value adjustment in its investment portfolio. The adjustment resulted in the Corporation recording a net depreciation of its investment portfolio of $28,030,000 for 2013. This valuation adjustment had a significant impact on the Corporation's reported net income for the fiscal year. As part of the Corporation's investment policies, it looks to invest its bond and corporate related reserves in long term securities that carry a higher yield, with the intent to hold the investments to maturity. As a result, the unrealized loss is only reported as an accounting loss, and holding the securities to maturity decreases the likelihood of the loss becoming realized.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Corporation's Investment Guidelines charge the Investment Committee with "…determining appropriate investment instruments…based on…length of time funds are available for investment purposes..." among other factors. Thus, maturities are matched to the Corporation's liquidity needs.

Credit Risk: The Corporation's investment guidelines and policies are designed to protect principal by limiting credit risk. This is accomplished by making decisions based on a review of ratings, collateral, and diversification requirements that vary according to the type of investment.

As of October 31, 2013, investments in Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac") and Federal Home Loan Bank ("FHLB") were rated by Standard & Poor's and/or Moody's Investors Service (Fannie Mae, Freddie Mac, FHLB, Farmer MAC and Federal Farm Credit Bank are collectively referred to as "Agency"). These ratings were AA+ and A-1+ by Standard & Poor's, and Aaa and P-1 by Moody's for long-term and short-term instruments, respectively. Investments in Fannie Mae, Freddie Mac and FHLB are implicitly guaranteed by the U.S. government. They carry ratings equivalent to the credit ratings for the U.S. government. Some investments were not rated by Fitch Ratings. Of the investments that were rated by Fitch Ratings, they carried ratings from AAA to BBB+. Money market accounts are not rated; however the providers are rated and they are backed by either collateral held or letters of credit provided by third parties.

Ratings for investments in NYS/NYC municipal bonds are based on each issuer's rating for its general obligation debt. The issuers' ratings carried a range from AAA to AA by Standard & Poor's, Aa1 to Aa2 by Moody's, and AAA to AA by Fitch Ratings Service. Money Market, Open Time Deposits and Repurchase Agreements in the form of OTDs are not rated; however, the providers are rated.

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Corporation, and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the Corporation.

The Corporation manages custodial credit risk by limiting its investments to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of the Corporation, and accordingly, the Corporation was not exposed to custodial credit risk on its investment securities.

As of October 31, 2013, open time deposits in the amount of $59,698,000, repurchase agreements in the amount of $275,787,000, NYS/NYC municipal bonds in the amount of $1,609,000, and demand accounts in the amount of $1,407,458,000 were collateralized by high quality instruments such as U.S. Treasury Notes, U.S. Treasury Bills, and Agency investments and Letters of Credits held by the Corporation's agent in the name of the Corporation. A portion of collateral supporting the demand accounts were in the form of FHLB letters of credit. All such investments are not subject to custodial credit risk.

For deposits, custodial credit risk is the risk that in the event of a bank failure the Corporation's deposit may not be returned to it. HDC bank deposits amounted to $11,642,000 at October 31, 2013, of which $10,641,000 was uninsured by Federal Deposit Insurance Corporation ("FDIC") and uncollateralized. Correspondingly, $1,702,000 was secured in trust accounts, which are protected under state law and $9,940,000 was held in Demand Deposit Accounts ("DDA"). HDC limits its deposits to highly rated institutions, and such deposits are either in trust accounts or partially insured through the FDIC. Under the deposit insurance provision of the Dodd-Frank Act, all funds in a "noninterest-bearing transaction account" were insured in full by the FDIC from December 31, 2010, through December 31, 2012. However, this coverage has expired. The maximum coverage of $250,000 is available to depositors under the FDIC's general deposit insurance rules. All of the Corporation's funds held in the DDA are subject to this provision.

Concentration of Credit Risk: The Corporation reviews its credit concentration monthly. The Corporation's Credit Risk unit monitors concentration risk amongst issuers and reports to the members of the Corporation's Audit Committee.

The following table shows issuers that represent 5% or more of total investments at October 31, 2013 ($ in thousands):

Issuer	Dollar Amount	Percentage
NY Community Bank*	$664,288	22.83%
Signature Bank*	476,331	16.37
FHLMC	315,345	10.84
FHLB	198,508	6.82
FNMA	145,426	5.00

**Note: Covered by FHLB securities and/or FHLB letter of credit collateral held at FHLB as the Corporation's collateral agent.*

Note 4: Mortgage Loans

The Corporation had outstanding, under various loan programs, mortgage loans of $8,770,284,000 and $8,516,076,000 as of October 31, 2013 and 2012, respectively. These amounts represent the portion of mortgage loans for which the Corporation has advanced monies. The portion of mortgage loans that has not yet been advanced is recorded as investments and this amounted to $1,366,713,000 and $800,940,000 at October 31, 2013 and October 31, 2012, respectively. (See Note 16: "Commitments".)

Changes in Mortgage Loans

The changes in Mortgage Loans are as follows:

Mortgage loans outstanding at October 31, 2011	$8,131,798,000
Mortgage Advances	1,128,828,000
Principal Collections	(744,745,000)
Discount/Premium Amortized	195,000
Mortgage loans outstanding at October 31, 2012	8,516,076,000
Mortgage Advances	961,324,000
Principal Collections	(707,133,000)
Discount/Premium Amortized	17,000
Mortgage loans outstanding at October 31, 2013	$8,770,284,000

(A) New York City Housing Development Corporation

The HDC mortgage loans listed above were originally repayable over terms of 2.25 to 50 years and bear interest at rates from 0.03% to 10.36% per annum. Almost all mortgage loans receivable are collateralized by first or second mortgages on the property of the housing sponsors and contain exculpatory clauses with respect to the liability of the principals of such housing sponsors. The table above does not include loans which are not secured by mortgages, which include a military housing loan and a loan to the New York City Housing Authority ("NYCHA"), each of which are secured by notes (See Note 5: "Notes Receivable"), and loans secured by GNMA certificates (See Note 2C: "Purpose

Investments”). Of the total HDC mortgages including those that are in the Mitchell-Lama programs held as of October 31, 2013, 79% are first mortgages and 21% are subordinate loans.

(B) Housing Assistance Corporation

The Housing Assistance Corporation financed construction and capitalized interest costs for eight affordable housing projects during the period of 1986 to 1990. These loans, funded by the City, accrue interest at the rate of 0-1% per annum. As of October 31, 2013, there were five loans remaining and the total outstanding loan balance was $29,832,000 and $29,999,000 at October 31, 2013 and October 31, 2012, respectively.

Note 5: Notes Receivable

HDC has two loans outstanding that are secured by notes and pledged revenues. Military Housing Notes Receivable of $45,965,000 was received in connection with the 2004 Series A Class I & II Military Housing Revenue Bond (Fort Hamilton LLC Project) issuance. The notes are secured by pledged revenues of the development under a Master Trust Indenture. The interest rate on the mortgage loan is a blended rate of 6.32% which is equal to the bond interest rate. The interest on the mortgage is collected semi-annually on the debt service date.

During fiscal year 2013, notes receivable from NYCHA received in connection with the Corporation’s 2005 Series A Capital Fund Program Revenue Bonds were replaced upon the issuance of the Corporation’s 2013 Series A Capital Fund Program Revenue Bonds (the “2013 Series A Bonds”) (See Note 10: Bonds Payable). As of October 31, 2013 the outstanding NYCHA Notes Receivable of the 2013 Series A Bonds was $200,805,000.

In addition to the NYCHA Notes Receivable of the 2013 Series A Bonds, the Corporation also agreed to provide additional funds for a second note from NYCHA for the purpose of modernizing and making capital improvements at NYCHA projects across the City. The Corporation issued the 2013 Series B Capital Fund Program Revenue Bonds for this purpose (the “2013 Series B Bonds”) (See Note 10: Bonds Payable). As of October 31, 2013 the outstanding NYCHA Notes Receivable of the 2013 Series B Bonds was $23,693,000.

The 2013 Series A and B Notes Receivables are secured by a first priority pledge of NYCHA’s Capital Grant money provided by the United States Department of Housing and Urban Development (“HUD”).

Note 6: Loan Participation Receivable for The City of New York

In fiscal year 2002, the Corporation acquired interests in two real estate mortgage investment trusts in connection with its housing activities. In addition, the Corporation entered into various agreements with the City whereby HDC sold bonds and used the bond proceeds to purchase from the City interests in various mortgage loans and pools of mortgage loans.

In each of fiscal years 2002 and 2003, HDC used bond proceeds from its Multi-Family Housing Revenue Bonds, "2002 Series D", and Multi-Family Housing Revenue Bonds, "2003 Series D" bond issues to purchase a subordinated position in a 100% participation interest in a portion of the cash flows from a pool of mortgage loans the City had previously securitized in 1996. This pool is known as the Sheridan Trust II and HDC's purchased asset is the Class B Certificate. Upon completion of the 2003 transaction, HDC's participation interest covered all of the City's cash flows from the Sheridan Trust II. In September 2005, the senior lien interests were satisfied and HDC became the primary beneficiary of Sheridan Trust II. At that time, therefore, the loan asset was added to HDC's statement of net position and was valued at its principal amount.

At issuance, the 2002 Series D and 2003 Series D bonds were substantially over collateralized by their respective total loan assets. In April 2006, the Corporation issued its Multi-Family Housing Revenue Bonds, "2006 Series A" bonds to refinance the 2002 Series D and 2003 Series D bonds. At the time, the principal amount of the Sheridan Trust II had a balance of $211,455,000 that was transferred to the 2006 Series A bond program. As of October 31, 2013, the principal amount was $63,909,000. The remaining $698,073,000 in "Loan Participation Receivable - The City of New York" represents the excess face amount of collateral over the related bonds. In each case, the "Loan Participation Receivable - The City of New York" are pledged to the associated bonds but revert to the City when such bonds are retired. (See Note 12: "Payable to The City of New York".)

Note 7: Other Receivables

Other Receivables of $67,439,000 represent mortgage related fees, servicing fees receivable and Corporate Services Fund loans not secured by mortgages on the properties, interest and servicing fees receivable on HPD loans serviced (but not owned) by HDC, and 421-A grant funds due to be received from the Battery Park City Authority ("BPCA").

On March 29, 2010, The City of New York entered into a grant agreement with BPCA whereby the City is to receive funds from BPCA that exceed BPCA's operating expenses over the next seven years. This amount was anticipated to be $400,000,000. The City designated HPD and the Corporation to each receive $200,000,000 of these funds to further the purpose of creating additional affordable housing in New York City.

On April 20, 2011, the Corporation entered into a "421-A Fund Agreement" with The City of New York which further details the roles and responsibilities of the Corporation and HPD related to the use and reporting of the BPCA funds. The funds are intended to be used by HDC and HPD to address the availability of affordable housing in the City with priority given to the fifteen sub-borough areas with the highest percentage of households below the poverty line according to the most recent United States census bureau data.

On May 8, 2013, the Corporation received the third grant installment of $46,143,000 from BPCA. On October 31, 2013, the Corporation also recognized the fourth grant revenue installment in the amount of $45,455,000, which is expected to be received in fiscal year 2014. As of October 31, 2013, the cumulative total amount recognized as grant revenue was $166,851,000 and funds received from BPCA to date was $121,396,000.

Note 8: Other Non Current Assets

On June 27, 2011, a trust created by the City was dissolved and the Corporation and the City entered into the 2011 Participation Agreement. The trust when created consisted of a pledge of the income from Interest Reduction Payment Contracts ("Section 236 Contracts") from the Federal government on 32 developments. Under the 2011 Participation Agreement, the Corporation holds a 100% participation interest in the second mortgages and related Section 236 Contracts on the remaining nine properties. The Corporation paid the City $10,266,000 as the purchase price, which represents the discounted value of the future cash flows (monthly interest reduction payments).

The "2012 Participation Interest", described further in Note 12, relates to other assets and was recorded as other assets and will be amortized over the period until 2025. During fiscal year 2013, $241,000 was amortized and was recorded as a non-operating expense. The unamortized value of the 2012 Participation Interest was $9,769,000 at October 31, 2013.

Note 9: Deferred Outflow of Resources

Interest rate caps are used to mitigate the Corporation's exposure to rising interest rates on its variable rate debt. At October 31, 2013, the value of the interest rate cap for the Open Resolution was $1,944,000.

On September 10, 2013, the 2005 Series A Capital Fund Program Revenue Bonds (NYCHA) were retired through an in-substance defeasance and incurred a loss in the amount of $8,958,000 which will be amortized over the life of the related bonds. At October 31, 2013, the balance of the unamortized deferred loss on early retirement of debt was $8,881,000.

Note 10: Bonds Payable

The Corporation's authority to issue bonds and notes for any corporate purpose is limited by the Act to the extent that (i) the aggregate principal amount outstanding may not exceed $11.25 billion, exclusive of refunding bonds or notes, and (ii) the maximum Capital Reserve Fund requirement may not exceed $85 million. No bonds are currently subject to the Capital Reserve Fund requirement. These limits may be changed from time to time through State legislation. During the year ended October 31, 2013, the limit on the aggregate principal amount outstanding was raised by such legislation from $10.25 billion to $11.25 billion.

<u>Bond Programs</u>

The Corporation issues bonds and notes to fund mortgage loans for multi-family residential developments under the bond programs described below. As of October 31, 2013, the Corporation had bonds outstanding in the aggregate principal amount of $9,461,810,000. All of the bonds are separately secured, except for the bonds issued under the General Resolution which are equally and ratably secured by the assets pledged under the General Resolution (See "*C. Housing Revenue Bond Program*" below). None of the bonds under the bond programs described in "*A. Multi-Family Mortgage Revenue Bond Program*", "*D. Liberty Bond Program*", and "*E. Section 223(f) Refinancing Bond Program*" provide security under the General Resolution, and none of the bonds under these programs is secured by the General Resolution.

A. Multi-Family Mortgage Revenue Bond Program. The Corporation established its Multi-Family Mortgage Revenue Bond Program to develop privately-owned multi-family housing, all or a portion of which is reserved for low income tenants. The following describes the Corporation's activities under its Multi-Family Mortgage Revenue Bond Program.

(1) Rental Projects; Fannie Mae or Freddie Mac Enhanced: The Corporation has issued tax-exempt and/or taxable bonds which either (i) are secured by mortgage loan payments, which payments are secured by obligations of Fannie Mae under various collateral agreements, (ii) are secured by a Direct Pay Credit Enhancement Instrument issued by Fannie Mae or (iii) are secured by a Direct Pay Credit Enhancement Agreement with Freddie Mac.

(2) Rental Projects; Letter of Credit Enhanced: The Corporation has issued tax-exempt and/or taxable bonds to finance a number of mixed income projects and entirely low income projects, which bonds are secured by letters of credit issued by investment-grade rated commercial lending institutions.

(3) Residential Housing; Credit Enhanced: The Corporation has issued bonds to provide financing for residential facilities for hospital staff and for post-secondary students, faculty and staff which bonds are secured by letters of credit issued by investment-grade rated institutions.

(4) Rental Projects; Not Rated: The Corporation has issued bonds to provide financing for rental projects, which bonds are not rated by a rating agency and are directly purchased by a qualified financial institution which is obligated to purchase the underlying note and mortgage in the event of non-payment by the mortgagor, resulting in the redemption of the related bonds.

B. Military Housing Revenue Bond Program. Under this program, the Corporation has issued taxable obligations in order to fund a portion of the cost of the design, demolition, renovation, construction and operation of housing units in residential family housing areas located at Fort Hamilton.

C. Housing Revenue Bond Program. Under its Housing Revenue Bond Program, the Corporation may issue bonds payable solely from and secured by the assets held under its General Resolution which include a pool of mortgage loans, some of which are construction loans (which pool contains FHA-insured mortgage loans, REMIC-insured mortgage loans, SONYMA-insured mortgage loans, GNMA mortgage-backed securities, other mortgage loans, both insured or enhanced and unenhanced, and participation interests in mortgage loans), the revenues received on account of all such loans and securities, and other assets pledged under such resolution and any supplemental resolution for a particular series of bonds. Certain of the projects, which secure a portion of the mortgage loans, receive the benefits of subsidy payments. As of October 31, 2013, one hundred and eighty two (182) series of bonds have been issued under the Housing Revenue Bond Program including the Corporation's Multi-Family Housing Revenue Bonds (Federal New Issue Bond Program), 2009 Series 1 and 2009 Series 2, which are separately secured and then by the General Resolution.

D. Liberty Bond Program. In accordance with Section 301 of the Job Creation and Worker Assistance Act of 2002, the Corporation has issued tax-exempt and taxable bonds, each secured by a letter of credit or a direct pay credit enhancement instrument to finance the development of multi-family housing within an area of lower Manhattan designated in such legislation as the "Liberty Zone".

E. Section 223(f) Refinancing Bond Program. Under this program, the Corporation acquired mortgages originally made by the City, obtained federal insurance thereon and either sold such insured mortgages or issued its obligations secured by said insured mortgages and paid the net proceeds of the sale of such mortgages or issuance of obligations to the City. Each series of bonds issued under this program was secured by a mortgage loan insured by FHA pursuant to Section 223(f) of Title II of the National Housing Act of 1934, as amended (the "National Housing Act"). Debt service on each series of bonds is paid only from monies received on account of the applicable mortgage loan securing such series, including, with respect to certain projects, interest reduction subsidy payments received by the Corporation pursuant to Section 236 of the National Housing Act. All bonds under this program were redeemed on November 15, 2012.

F. Capital Fund Revenue Bond Program. Under this program, the Corporation has issued tax-exempt obligations in order to assist the New York City Housing Authority with the execution of a multi-year construction initiative that addressed critical capital improvement needs of their aging housing portfolio.

Changes in Bonds Payable:

The summary of changes in Bonds Payable was as follows:

Bonds Payable outstanding at October 31, 2011 (as restated)	$8,496,704,000
Bonds Issued	1,228,510,000
Bond Principal Retired	(916,191,000)
Net Premium/Discount on Bonds Payable	(3,698,000)
Bonds Payable outstanding at October 31, 2012	$8,805,325,000
Bonds Issued	1,777,180,000
Bond Principal Retired	(1,111,999,000)
Net Premium/Discount on Bonds Payable	35,868,000
Bonds Payable outstanding at October 31, 2013	$9,506,374,000

Details of changes in HDC bonds payable for the year ended October 31, 2013 were as follows:

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
MULTI-FAMILY MORTGAGE REVENUE BOND PROGRAM:					
Multi-Family Rental Housing Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced					
1997 Series A Related-Carnegie Park Project –0.03% to 0.24% Variable Rate Bonds due upon demand through 2019............................	$ 66,800	—	—	66,800	—
1997 Series A Related-Monterey Project – 0.06% to 0.23% Variable Rate Bonds due upon demand through 2019............................	104,600	—	(104,600)	—	—
1997 Series A (AMT) Related-Tribeca Tower Project –0.05% to 0.25% Variable Rate Bonds due upon demand through 2019...........	55,000	—	—	55,000	—
1998 Series A (AMT) 100 Jane Street Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2028...	16,450	—	—	16,450	—
1998 Series A (AMT) One Columbus Place Project –0.05% to 0.25% Variable Rate Bonds due upon demand through 2028……	142,300	—	—	142,300	—
1999 Series A (AMT) West 43rd Street Project – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2029……	51,900	—	—	51,900	51,900
1999 Series A (AMT) Brittany Development Project – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2029……	57,000	—	—	57,000	—
2000 Series A (AMT) Related West 89th Street Development – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2029………………………………..	53,000	—	—	53,000	—
2001 Series A Queenswood Refunding – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2031…………………	10,800	—	—	10,800	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2001 Series A (AMT) Related Lyric Development –0.05% to 0.25% Variable Rate Bonds due upon demand through 2031..........	85,000	—	—	85,000	—
2001 Series B (Federally Taxable) Related Lyric Development – 0.11% to 0.19% Variable Rate Bonds due upon demand through 2031..	4,000	—	—	4,000	—
2002 Series A James Tower Development – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2032............................	19,885	—	(370)	19,515	—
2002 Series A (AMT) The Foundry – 0.05% to 0.27% Variable Rate Bonds due upon demand through 2032………………………	55,100	—	—	55,100	—
2003 Series A (AMT) Related-Sierra Development –0.05% to 0.25% Variable Rate Bonds due upon demand through 2033..........	56,000	—	—	56,000	—
2004 Series A (AMT) West End Towers – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034…………………	135,000	—	—	135,000	—
2004 Series A (AMT) Related-Westport Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034...	110,000	—	—	110,000	—
2004 Series B (Federally Taxable) Related – Westport Development—0.11% to 0.19% Variable Rate Bonds due upon demand through 2034...	13,800	—	—	13,800	—
2005 Series A Royal Charter Properties – 0.03% to 0.23% Variable Rate Bonds due upon demand through 2035............................	89,200	—	—	89,200	—
2005 Series A (AMT) Atlantic Court Apartments – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2035..........	83,700	—	—	83,700	—
2005 Series B (Federally Taxable) Atlantic Court Apartments – 0.11% to 0.20% Variable Rate Bonds due upon demand through 2035...	15,600	—	(1,300)	14,300	—
2005 Series A (AMT) The Nicole Development –0.05% to 0.26% Variable Rate Bonds due upon demand through 2035……..	54,600	—	—	54,600	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series B (Federally Taxable) The Nicole Development – 0.12% to 0.19% Variable Rate Bonds due upon demand through 2035..	7,300	—	(900)	6,400	—
2005 Series B (AMT) Progress of People Development – 3.50% to 4.95% Term Bonds maturing in varying installments through 2036……………………………………….	49,975	—	(995)	48,980	1,055
2006 Series A (AMT) Rivereast Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036…………………	50,000	—	—	50,000	—
2006 Series B (Federally Taxable) Rivereast Apartments – 0.12% to 0.21% Variable Rate Bonds due upon demand through 2036……	4,600	—	(600)	4,000	—
2006 Series A (AMT) Seaview Towers – 3.70% to 4.75% Serial & Term Bonds maturing in varying installments through 2039……………………………………..	21,385	—	(1,055)	20,330	1,105
2007 Series A (AMT) Ocean Gate Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2040……………………………………..	8,445	—	—	8,445	—
2007 Series B (AMT) Ocean Gate Development – 4.80% to 5.35% Term Bonds maturing in varying installments through in 2025……………………………………..	12,980	—	(690)	12,290	730
2007 Series A (AMT) West 61st Street Apartments –0.05% to 0.24% Variable Rate Bonds due upon demand through 2037…….	54,000	—	—	54,000	—
2007 Series B (Federally Taxable) West 61st Street Apartments – 5.63% Fixed Rate Term Bonds due 2019………………………………	9,740	—	(1,125)	8,615	1,200
2007 Series A (AMT) 155 West 21st Street Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2037 ……	37,900	—	—	37,900	—
2007 Series B (Federally Taxable) 155 West 21st Street Apartments – 0.09% to 0.20% Variable Rate Bonds due upon demand through 2037………………………………..	13,100	—	(600)	12,500	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2008 Series A (AMT) Linden Plaza – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2043………………………	68,240	—	(1,455)	66,785	1,535
2009 Series A Gateways Apartments – 2.65% to 4.5% Term Bonds due upon demand through 2025…………………………………	21,605	—	(225)	21,380	240
2009 Series A The Balton – 0.04% to 0.26% Variable Rate Bonds due upon demand through 2049…………………………………	29,750	—	—	29,750	—
2009 Series A Lexington Courts – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2039……………………….	25,500	—	(2,700)	22,800	—
2012 Series A 1133 Manhattan Avenue Development – 0.04% to 0.25% Variable Rate Bonds due upon demand through 2046.	—	46,000	—	46,000	—
Multi-Family Mortgage Revenue Bonds – Rental Projects; Fannie Mae or Freddie Mac Enhanced					
2001 Series A (AMT) West 48th Street – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2034………………	20,000	—	—	20,000	—
2002 Series A (AMT) First Avenue Development – 0.05% to 0.25% Variable Rate Bonds due upon demand through 2035..	44,000	—	—	44,000	—
2004 Series A (AMT) Aldus Street Apartments – 0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	8,100	—	—	8,100	—
2004 Series A (AMT) 941 Hoe Avenue Apartments –0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	6,660	—	—	6,660	—
2004 Series A (AMT) Peter Cintron Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037..........	7,840	—	—	7,840	—
2004 Series A (AMT) State Renaissance Court—0.05% to 0.24% Variable Rate Bonds due upon demand through 2037.....................	35,200	—	—	35,200	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2004 Series A (AMT) Louis Nine Boulevard Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037...........	7,300	—	—	7,300	—
2004 Series A (AMT) Courtlandt Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2037...........	7,905	—	—	7,905	—
2004 Series A (AMT) Ogden Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038...........	4,760	—	—	4,760	—
2004 Series A (AMT) Nagle Courtyard Apartments —0.05% to 0.240% Variable Rate Bonds due upon demand through 2038...	4,200	—	—	4,200	—
2005 Series A (AMT) Morris Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038...........	14,700	—	—	14,700	—
2005 Series A (AMT) Vyse Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038……..	4,335	—	—	4,335	—
2005 Series A (AMT) 33 West Tremont Avenue Apartments —0.05% to 0.24% Variable Rate Bonds due upon demand through 2038……………………………….	3,490	—	—	3,490	—
2005 Series A (AMT) Ogden Avenue Apartments II — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2038...	2,500	—	—	2,500	—
2005 Series A (AMT) White Plains Courtyard Apartments — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2038...........	4,900	—	—	4,900	—
2005 Series A (AMT) Highbridge Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039...........	13,600	—	—	13,600	—
2005 Series A (AMT) 89 Murray Street Development — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2039...	49,800	—	—	49,800	—
2005 Series A (AMT) 270 East Burnside Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039……………………………….	6,400	—	—	6,400	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series A (AMT) Reverand Ruben Diaz Gardens Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2038..	6,400	—	—	6,400	—
2006 Series A (AMT) Villa Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039..........	5,990	—	—	5,990	—
2006 Series A (AMT) Bathgate Avenue Apartments — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2039..........	4,435	—	—	4,435	—
2006 Series A (AMT) Spring Creek Apartments I & II — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2039…………………………………	24,000	—	—	24,000	—
2006 Series A (AMT) Linden Boulevard Apartments – 3.90% to 4.75% Serial and Term Bonds maturing in varying installments through 2039…………………………………	13,400	—	(220)	13,180	230
2006 Series A (AMT) Markham Garden Apartments — 0.05% to 0.25% Variable Rate Bonds due upon demand through 2040……...	16,000	—	—	16,000	—
2008 Series A 245 East 124th Street – 0.04% to 0.24% Variable Rate Bonds due upon demand through 2046………………………	35,400	—	—	35,400	—
2008 Series A Bruckner by the Bridge – 0.04% to 0.26% Variable Rate Bonds due upon demand through 2048…………………	36,800	—	—	36,800	—
2008 Series A Hewitt House Apartments — 0.06% to 0.24% Variable Rate Bonds due upon demand through 2048...........................	4,100	—	—	4,100	—
2010 Series A Eliot Chelsea Development — 0.05% to 0.28% Variable Rate Bonds due upon demand through 2043...........................	41,440	—	(690)	40,750	—
Multi-Family Mortgage Revenue Bonds – Rental Projects; Letter of Credit Enhanced					
2003 Series A (AMT) Related-Upper East — 0.12% to 0.32% Variable Rate Bonds due upon demand through 2036...........................	67,000	—	—	67,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2003 Series B (Federally Taxable) Related-Upper East —0.29% to 0.42% Variable Rate Bonds due upon demand through 2036..........	3,000	—	—	3,000	—
2004 Series A (AMT) Manhattan Court Development— 0.07% to 0.28% Variable Rate Bonds due upon demand through 2036...	17,500	—	—	17,500	—
2004 Series A (AMT) East 165th Street Development — 0.07% to 0.28% Variable Rate Bonds due upon demand through 2036...	7,665	—	—	7,665	—
2004 Series A (AMT) Parkview Apartments —0.11% to 0.32% Variable Rate Bonds due upon demand through 2036...........................	5,935	—	—	5,935	—
2004 Series A (AMT) Thessalonica Court Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2036..........	17,900	—	(400)	17,500	—
2004 Series A (AMT) Brookhaven Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2036..........	8,400	—	(200)	8,200	—
2004 Series A Marseilles Apartments — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2034…………………	11,925	—	(300)	11,625	—
2005 Series A (AMT) 2007 LaFontaine Avenue Apartments —0.07% to 0.28% Variable Rate Bonds due upon demand through 2037...	3,825	—	—	3,825	—
2005 Series A (AMT) La Casa del Sol Apartments —0.06% to 0.25% Variable Rate Bonds due upon demand through 2037..........	4,850	—	(100)	4,750	—
2005 Series A (AMT) 15 East Clarke Place Apartments —0.07% to 0.25% Variable Rate Bonds due upon demand through 2037……	5,430	—	—	5,430	—
2005 Series A (AMT) Urban Horizons II Development — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2038...	5,765	—	(200)	5,565	—
2005 Series A (AMT) 1090 Franklin Avenue Apartments — 0.08% to 0.28% Variable Rate Bonds due upon demand through 2037..........	2,320	—	—	2,320	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series A (AMT) Parkview II Apartments —0.08% to 0.28% Variable Rate Bonds due upon demand through 2037……..	4,255	—	—	4,255	—
2005 Series A (AMT) Grace Towers Development —0.06% to 0.25% Variable Rate Bonds due upon demand through 2037...	10,500	—	(100)	10,400	—
2006 Series A (AMT) Granville Payne Apartments —0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……..	5,560	—	—	5,560	—
2006 Series A (AMT) Target V Apartments — 0.06% to 0.25% Variable Rate Bonds due upon demand through 2038…………………	6,800	—	(100)	6,700	—
2006 Series A (AMT) Beacon Mews Development —0.09% to 0.27% Variable Rate Bonds due upon demand through 2039...	23,500	—	—	23,500	—
2006 Series A (AMT) Granite Terrace Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2038……..	4,060	—	—	4,060	—
2006 Series A (AMT) Intervale Gardens Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2038…….	3,115	—	—	3,115	—
2006 Series A (AMT) 500 East 165th Street Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039…….	7,255	—	—	7,255	—
2006 Series A (AMT) 1405 Fifth Avenue Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……..	14,190	—	—	14,190	—
2007 Series A (AMT) 550 East 170th Street Apartments – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2042…….	5,500	—	—	5,500	—
2007 Series A (AMT) Susan's Court – 0.08% to 0.28% Variable Rate Bonds due upon demand through 2039……………………..	24,000	—	—	24,000	—
2007 Series A (AMT) The Dorado Apartments – 0.08% to 0.28% Variable Rate Bonds due upon demand through 2040…….	3,470	—	—	3,470	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2007 Series A (AMT) The Plaza – 0.07% to 0.28% Variable Rate Bonds due upon demand through 2039……………………….	11,700	—	(200)	11,500	—
2007 Series A Queens Family Courthouse Apartments — 1.80% to 1.98% Variable Rate Bonds due upon demand through 2047……	40,000	—	—	40,000	—
2007 Series A (AMT) Boricua Village Apartments Site A-2 – 0.16% to 0.34% Variable Rate Bonds due upon demand through 2042…………………………………	4,250	—	—	4,250	—
2007 Series A (AMT) Boricua Village Apartments Site C – 0.16% to 0.37% Variable Rate Bonds due upon demand through 2042…………………………………	6,665	—	—	6,665	—
2007 Series A (AMT) Cook Street Apartments – 0.06% to 0.26% Variable Rate Bonds due upon demand through 2040……...	4,680	—	(100)	4,580	—
2008 Series A (AMT) Las Casas Development –0.10% to 0.28% Variable Rate Bonds due upon demand through 2040……...	19,200	—	—	19,200	—
2008 Series A Sons of Italy Apartments — 0.06% to 0.24% Variable Rate Bonds due upon demand through 2048…………………	7,670	—	(100)	7,570	—
2009 Series A-1 (Federally Taxable) Beekman Tower— 0.13% to 0.21% Variable Rate Bonds due upon demand through 2048...	123,350	—	—	123,350	—
2009 Series A-2 (Federally Taxable) Beekman Tower— 0.15% to 0.21% Variable Rate Bonds due upon demand through 2048...	61,700	—	—	61,700	—
2010 Series A (Federally Taxable) Via Verde Apartments — 0.22% to 0.26% Variable Rate Bonds due upon demand through 2016……..	33,690	—	(33,690)	—	—
2010 Series A-1 (Federally Taxable) Beekman Tower— 0.14% to 0.21% Variable Rate Bonds due upon demand through 2048..	76,200	—	—	76,200	—
2010 Series A-2 (Federally Taxable) Beekman Tower— 0.15% to 0.21% Variable Rate Bonds due upon demand through 2048..	73,850	—	—	73,850	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2010 Series A 101 Avenue D Apartments — 0.06% to 0.23% Variable Rate Bonds due upon demand through 2043…………………	25,000	—	—	25,000	—
2012 Series A 461 Dean Street Development— 0.03% to 0.22% Variable Rate Bonds due upon demand through 2046..	—	45,000	—	45,000	—
2013 Series A 50th Avenue Development — 0.03% to 0.22% Variable Rate Bonds due upon demand through 2048…………………	—	62,250	—	62,250	—
2013 Series A Borden Avenue Development — 2.25% to 2.43% Variable Rate Bonds due upon demand through 2048…………………	—	66	—	66	—
2013 Series B Borden Avenue Development — 2.25% to 2.43% Variable Rate Bonds due upon demand through 2045…………………	—	13,875	—	13,875	—
2013 Series B 50th Avenue Development — 0.04% to 0.09% Variable Rate Bonds due upon demand through 2048…………………	—	74,710	—	74,710	—
2013 Series C Borden Avenue Development — 2.25% to 2.30% Variable Rate Bonds due upon demand through 2048…………………	—	809	—	809	—
Residential Revenue Bonds – Residential Housing; Letter of Credit Enhanced					
1993 Series A Montefiore Medical Center— 0.05% to 0.28% Variable Rate Term Bonds maturing in varying installments through 2030…………………………………………	6,800	—	(200)	6,600	200
2009 Series A Queens College Residence — 0.06% to 0.26% Variable Rate Bonds due upon demand through 2043…………………	68,690	—	(725)	67,965	855
2012 Series A College of Staten Island Residences — 2.00% to 4.15% Fixed Rate Serial and Term Bonds due 2046…..………	65,800	—	—	65,800	—
2012 Series B College of Staten Island Residences (Federally Taxable) — 1.39% to 2.44% Fixed Rate Serial Bonds due 2017…	2,000	—	—	2,000	420

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
Multi-Family Mortgage Revenue Bonds Rental Projects; Not Rated					
2011 Series A West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2044 (secured by MPA by Citibank)………………	30,000	—	—	30,000	—
2011 Series B West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2045 (secured by MPA by Citibank)………………	8,470	—	—	8,470	—
2012 Series A West 26th Street Development — 2.25% to 2.43% Index Floating Rate Bonds due upon demand through 2044 (secured by MPA by Citibank)………………	41,530	—	—	41,530	—
Total Multi-Family Mortgage Revenue Bonds	3,112,875	242,710	(153,940)	3,201,645	59,470
MILITARY HOUSING REVENUE BOND PROGRAM:					
2004 Series A (Federally Taxable) Class I & II Fort Hamilton Housing LLC Project— 5.60% to 6.72% Term Bonds maturing in varying installments through 2049………..	46,290	—	(325)	45,965	355
Total Military Housing Revenue Bond Program	46,290	—	(325)	45,965	355
HOUSING REVENUE BOND PROGRAM:					
Multi-Family Housing Revenue Bonds Under the Corporation's General Resolution, assets pledged to bondholders include a pool of mortgage loans.					
1998 Series A (Federally Taxable) — 6.84% Term Bonds maturing in varying installments through 2030………………………………	300	—	(200)	100	—
1998 Series B— 3.75% to 5.25% Serial and Term Bonds maturing in varying installments through 2031………………………………	300	—	(200)	100	—
1999 Series A-1 (Federally Taxable) — 5.83% to 6.06% Term Bonds maturing in varying installments through 2022 …………	12,500	—	(2,515)	9,985	800

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
1999 Series B-2 (Federally Taxable) — 6.83% to 7.32% Term Bonds maturing in varying installments through 2022 …………	18,800	—	(1,400)	17,400	1,600
1999 Series C (AMT)— 4.40% to 5.70% Serial and Term Bonds maturing in varying installments through 2031……………………	400	—	(285)	115	—
1999 Series E — 4.40% to 6.25% Serial and Term Bonds maturing in varying installments through 2036…………………………………	400	—	(300)	100	—
2002 Series A (AMT) — 2.20% to 5.50% Serial and Term Bonds maturing in varying installments through 2034…………………	150	—	—	150	—
2002 Series B (AMT) — 2.20% to 5.50% Serial and Term Bonds maturing in varying installments through 2032…………………	150	—	—	150	—
2002 Series C (Federally Taxable) — 0.37% to 0.46% Variable Rate Term Bonds maturing in varying installments through 2034………	44,355	—	(845)	43,510	915
2002 Serial E-2 (AMT) — 2.00% to 5.20% Serial and Term Bonds maturing in varying installments through 2034……………………	16,565	—	(16,565)	—	—
2002 Series F (AMT) — 2.00% to 5.20% Serial and Term Bonds maturing in varying installments through 2032……………………	3,865	—	(3,865)	—	—
2003 Series B-2 (AMT) — 2.00% to 4.60% Serial and Term Bonds maturing in varying installments through 2036…………………	25,275	—	(840)	24,435	24,335
2003 Series E-2 (AMT) — 2.25% to 5.05% Serial and Term Bonds maturing in varying installments through 2036………………..	26,330	—	(475)	25,855	25,755
2004 Series A —1.85% to 5.25% Serial and Term Bonds maturing through 2030………..	121,295	—	(4,080)	117,215	4,275
2004 Series B-2 (AMT) —2.00% to 5.30% Serial and Term Bonds maturing in varying installments through 2036…………………	20,360	—	(525)	19,835	545

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2004 Series C-2 (Federally Taxable) — 5.52% to 6.34% Term Bonds maturing in varying installments through 2036…………	44,970	—	(825)	44,145	875
2004 Series E-1— 4.95% Term Bonds maturing in varying installments through 2033…………………………………………	39,595	—	—	39,595	—
2004 Series E-2 (Federally Taxable) — 5.75% Term Bonds maturing in varying installments through 2024…………………..	8,980	—	—	8,980	—
2004 Series F (Federally Taxable) — 3.68% to 5.70% Serial and Term Bonds maturing in varying installments through 2035…………	22,470	—	(2,500)	19,970	2,620
2004 Series G (Federally Taxable) — 5.63% Term Bonds maturing in varying installments through 2029…………..……………………..	10,165	—	(80)	10,085	90
2004 Series H (AMT) — 2.70% to 5.25% Serial and Term Bonds maturing in varying installments through 2046……………………	8,815	—	(100)	8,715	110
2004 Series I-2 (AMT) — 2.50% to 5.20% Serial and Term Bonds maturing in varying installments through 2038……………………	23,775	—	(495)	23,280	520
2004 Series J (Federally Taxable) — 2.95% to 5.70% Serial and Term Bonds maturing in varying installments through 2036…………..	20,555	—	(1,110)	19,445	1,165
2005 Series A-1 — 4.50% to 4.60% Term Bonds maturing in 2027 and 2035, respectively…………………………………..	9,735	—	—	9,735	—
2005 Series C (AMT) — 3.10% to 4.80% Serial and Term Bonds maturing in varying installments through 2037……………………	4,035	—	(95)	3,940	95
2005 Series D (AMT) — 3.10% to 4.80% Serial and Term Bonds maturing in varying installments through 2047……………………	5,520	—	(70)	5,450	70
2005 Series E (AMT) — 2.90% to 4.75% Serial and Term Bonds maturing in varying installments through 2035……………………	2,810	—	(210)	2,600	220

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2005 Series F-1 — 4.65% to 4.75% Term Bonds maturing in 2025 and 2035, respectively…………………………………..	65,410	—	—	65,410	—
2005 Series F-2 (Federally Taxable) — 4.66% to 5.43% Term Bonds maturing in 2010 and 2017, respectively…………………	42,830	—	(7,125)	35,705	7,530
2005 Series G — 3.35% to 4.35% Serial and Term Bonds maturing in varying installments through 2018…………………………………	2,870	—	(390)	2,480	410
2005 Series J-1 — 4.65% to 4.85% Term Bonds maturing in 2036……………………...	20,495	—	—	20,495	—
2005 Series K (AMT) — 3.60% to 5.00% Serial and Term Bonds maturing in 2037……	11,955	—	(205)	11,750	215
2005 Series L (AMT) — 3.85% to 5.05% Serial and Term Bonds maturing in 2039……	12,305	—	(215)	12,090	225
2006 Series A (Federally Taxable) — 6.42% Term Bonds maturing in 2027.......................	76,555	—	(45,340)	31,215	21,240
2006 Series B (AMT) —5.35% Term Bonds maturing in varying installments through 2049…………………………………………..	30,570	—	(570)	30,000	615
2006 Series C (AMT) — 4.05% to 5.13% Serial and Term Bonds maturing in varying installments through 2040…………………...	37,540	—	(570)	36,970	595
2006 Series D-1 — 4.95% Term Bonds maturing in 2036…………………………..	2,510	—	—	2,510	—
2006 Series G-1 (AMT) — 3.80% to 4.88% Serial and Term Bonds maturing in 2039 …..	24,500	—	(420)	24,080	440
2006 Series H-1 (AMT) — 3.85% to 4.70% Serial and Term Bonds maturing in 2040……	24,600	—	(425)	24,175	440
2006 Series I (Federally Taxable) — 5.33% to 5.96% Term Bonds maturing in varying installments through 2040……………………	6,575	—	(95)	6,480	105
2006 Series J-1— 1.04% to 1.06% Index Floating Rate Term Bonds due 2046………	100,000	—	—	100,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series J-2-A (AMT) — 3.95% to 4.85% Serial and Term Bonds maturing in varying installments through 2040……………………	10,725	—	(180)	10,545	185
2006 Series J-2-C (AMT) – 4.40% to 5.20% Serial and Terms Bonds maturing in varying installments through 2040……………………	17,640	—	(295)	17,345	310
2007 Series A (Federally Taxable) – 5.26% to 5.52% Term Bonds maturing in 2041……….	25,375	—	(330)	25,045	350
2007 Series B-1 (AMT) – 4.40% to 5.25% Serial and Term Bonds maturing in varying installments through 2045 …………………..	34,110	—	(525)	33,585	545
2007 Series C (Federally Taxable) – 6.02% to 6.56% Term Bonds maturing in 2040……….	5,280	—	(70)	5,210	75
2007 Series D (Federally Taxable) –5.95% Terms Bonds maturing in 2039……………..	27,180	—	(410)	26,770	435
2007 Series E-1 (AMT) – 3.90% to 5.45% Serial and Term Bonds maturing in varying installments through 2040……………………	23,690	—	(370)	23,320	385
2008 Series A-1-A (AMT) — 5.00% to 5.45% Fixed Rate Term Bonds due 2046……	15,665	—	—	15,665	—
2008 A-2 (AMT) – 4.35% to 5.00% Fixed Rate Serial Bonds maturing in varying installments through 2018……………………	3,405	—	—	3,405	270
2008 Series C-2 (Federally Taxable) – 3.55% to 5.69% Serial & Term Bonds maturing in varying installments through 2018…………..	5,575	—	(745)	4,830	790
2008 Series E (Federally Taxable) – 0.38% to 0.46% Index Floating Rate Terms Bonds maturing in 2037…………………………..	96,065	—	(1,325)	94,740	1,425
2008 Series F (Federally Taxable) – 0.38% to 0.46% Index Floating Rate Term Bonds maturing in 2041…………………………..	86,415	—	(9,395)	77,020	935
2008 Series H-1 (AMT) – 4.50% to 5.50% Serial and Term Bonds maturing in varying installments through 2028……………………	8,060	—	—	8,060	330

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2008 Series H-2-A (AMT) — 5.00% to 5.35% Fixed Rate Term Bonds due 2041……	14,540	—	—	14,540	—
2008 Series J (Federally Taxable) —0.88% to 1.11% Index Floating Rate Term Bonds due 2043…………………………………………	34,330	—	(150)	34,180	145
2008 Series K (Federally Taxable) — 0.88% to 1.01% Index Floating Rate Term Bonds due 2043……………………………………..	100,450	—	(3,860)	96,590	2,185
2008 Series L— 2.25% to 6.50% Fixed Rate Serial and Term Bonds due 2028…………..	4,700	—	(260)	4,440	280
2008 Series M— 3.15% to 6.88% Fixed Rate Serial and Term Bonds due 2038…………..	29,965	—	(615)	29,350	640
2009 Series A— 2.00% to 4.20% Term Bonds maturing in varying installments through 2019……………………………….	3,640	—	(230)	3,410	470
2009 Series C-1— 2.50% to 5.70% Serial and Term Bonds due 2046………………………..	115,700	—	(2,500)	113,200	1,425
2009 Series D— 3.45% Fixed Rate Serial Bonds due 2013…………………………….	5,600	—	(5,600)	—	—
2009 Series F— 1.95% to 4.85% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041……………………	5,820	—	—	5,820	100
2009 Series H-2— 0.2% Fixed Rate Term Bonds mandatory tender due Jun 2014………	26,570	—	—	26,570	—
2009 Series I-1 (Federally Taxable) — 5.63% to 6.42% Fixed Rate Term Bonds maturing in varying installments through 2039…….….….	50,000	—	—	50,000	—
2009 Series I-2 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2039……………………………………..	25,000	—	—	25,000	—
2009 Series J— 0.70% to 4.80% Fixed Rate Serial and Term Bonds maturing in varying installments through 2036……………………	23,995	—	(810)	23,185	820
2009 Series K— 1.95% to 4.95% Fixed Rate Serial and Term Bonds due 2039…………..	102,220	—	(27,940)	74,280	1,250

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2009 Series L-1— 1.65% to 4.95% Fixed Rate Serial and Term Bonds due 2043………	23,590	—	—	23,590	175
2009 Series L-2— 2.00% Fixed Rate Term Bonds mandatory tender due 2013…………..	68,000	—	(68,000)	—	—
2009 Series L-3— 2.50% Fixed Rate Term Bonds mandatory tender due 2013…………..	27,745	—	(27,745)	—	—
2009 Series M— 1.85% to 5.15% Fixed Rate Serial and Term Bonds due 2045……………	30,945	—	(100)	30,845	140
2010 Series A-1— 3.35% to 4.90% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041………..	25,325	—	—	25,325	—
2010 Series A-2 (Federally Taxable) — 3.67% to 4.97% Fixed Rate Term Bonds maturing in varying installments through 2019…………………………………………..	3,000	—	—	3,000	240
2010 Series B— 2.13% Fixed Rate Serial Bonds maturing 2014………………………...	82,170	—	(82,170)	—	—
2010 Series C— 1.50% to 4.95% Fixed Rate Serial and Term Bonds due 2047……………	14,815	—	(100)	14,715	200
2010 Series D-1-A— 1.60% to 5.00% Fixed Rate Serial and Term Bonds mandatory tender due 2042………………………………	43,475	—	(10,990)	32,485	525
2010 Series E— 0.80% to 3.85% Fixed Rate Serial and Term Bonds due 2019……………	6,850	—	(1,685)	5,165	720
2010 Series F— 1.70% to 4.75% Fixed Rate Serial and Term Bonds due 2030…………….	4,130	—	—	4,130	200
2010 Series G— 0.40% to 4.75% Fixed Rate Serial and Term Bonds maturing in varying installments through 2041……………………	47,570	—	(2,245)	45,325	2,190
2010 Series H (Federally Taxable) — 0.81% to 0.85% Variable Rate Term Bonds due 2040…………………………………………..	69,495	—	(2,600)	66,895	2,745
2010 Series I— 2.05% Fixed Rate Serial Bonds due Nov 2014…………………………	8,115	—	—	8,115	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2010 Series J-1— 0.75% to 5.00% Fixed Rate Serial Bonds due 2022…...............................	20,855	—	(1,310)	19,545	1,680
2010 Series J-2— 1.15% to 2.15% Fixed Rate Term Bonds due Nov 2014…………………..	22,790	—	—	22,790	—
2010 Series J-3— 2.05% Fixed Rate Term Bonds due Nov 2014…………………………	11,240	—	(11,240)	—	—
2010 Series K-1— 2.05% to 5.25% Fixed Rate Serial and Term Bonds due 2032………	5,165	—	—	5,165	60
2010 Series K-2— 2.05% Fixed Rate Term Bonds due Nov 2014…………………………	23,175	—	—	23,175	—
2010 Series L-1— 2.35% to 5.00% Fixed Rate Serial and Term Bonds due 2026………	12,620	—	—	12,620	—
2010 Series L-2-A— 2.70% Fixed Rate Term Bonds due 2015…..…………………………..	12,400	—	—	12,400	—
2010 Series L-2-B— 1.90% Fixed Rate Term Bonds due 2015………..............................	37,600	—	—	37,600	—
2010 Series N— 0.60% to 4.25% Fixed Rate Serial Bonds due 2021………………………	5,030	—	(545)	4,485	555
2011 Series A— 3.25% Fixed Rate Term Bonds due 2014……………………………...	71,115	—	(71,115)	—	—
2011 Series B-1— 0.50% to 3.65% Fixed Rate Serial and Term Bonds due 2018………	20,785	—	(16,750)	4,035	725
2011 Series B-2— 2.05% Fixed Rate Term Bonds due 2014………………………………	5,100	—	(5,100)	—	—
2011 Series C— 2.25% to 4.50% Fixed Rate Serial and Term Bonds due 2022……………	1,980	—	—	1,980	—
2011 Series D— 0.28% to 3.37% Fixed Rate Serial and Term Bonds due 2020……………	23,590	—	(6,325)	17,265	210
2011 Series E— 1.40% to 4.93% Fixed Rate Serial and Term Bonds due 2036……………	72,030	—	(19,980)	52,050	8,570
2011 Series F-1 (Federally Taxable) — 0.29% to 3.47% Fixed Rate Serial Bonds due 2018….………………………………………	26,630	—	(3,195)	23,435	3,740

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2011 Series F-2 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2040	56,460	—	—	56,460	—
2011 Series F-3 (Federally Taxable) — 0.75% to 0.79% Index Floating Rate Term Bonds due 2040	12,540	—	—	12,540	—
2011 Series G-1— 2.50% Fixed Rate Term Bonds due 2015	63,630	—	—	63,630	—
2011 Series G-2-A— 0.35% to 3.10% Fixed Rate Serial and Term Bonds due 2021	38,565	—	(1,400)	37,165	5,925
2011 Series G-2-B— 1.39% Fixed Rate Term Bonds due 2017	6,925	—	(960)	5,965	1,435
2011 Series G-3— 1.32% Fixed Rate Term Bonds due 2015	22,180	—	—	22,180	—
2011 Series H-1— 2.50% Fixed Rate Term Bonds due 2015	6,035	—	—	6,035	—
2011 Series H-2-A— 1.10% to 4.40% Fixed Rate Serial and Term Bonds due 2031	22,890	—	—	22,890	—
2011 Series H-2-B— 4.00% to 4.40% Fixed Rate Term Bonds due 2031	15,970	—	—	15,970	—
2011 Series H-3-A—1.32% Fixed Rate Term Bonds due 2015	8,620	—	—	8,620	—
2011 Series H-3-B— 2.51% Fixed Rate Term Bonds due 2022	11,685	—	—	11,685	380
2011 Series J-1— 4.00% to 4.80% Fixed Rate Term Bonds due 2044	38,345	—	—	38,345	—
2011 Series J-2— 1.55% to 2.55% Fixed Rate Term Bonds due 2022	25,550	—	(100)	25,450	245
2011 Series J-3— 1.65% Fixed Rate Term Bonds due 2015	16,940	—	—	16,940	—
2011 Series J-4— 1.20% to 1.65% Fixed Rate Term Bonds due 2015	21,580	—	—	21,580	—
2012 Series A— 1.15% to 1.33% Index Floating Rate Term Bonds due 2014	67,540	—	(24,955)	42,585	42,585

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2012 Series B (Federally Taxable) — 0.66% to 3.93% Fixed Rate Serial Bonds due 2025.	42,650	—	(2,495)	40,155	2,840
2012 Series C — 0.27% Fixed Rate Term Bonds mandatory tender due Feb 2013…….	65,450	—	(65,450)	—	—
2012 Series C— 0.22% Fixed Rate Term Bonds mandatory tender due Jan 2014………	6,615	—	—	6,615	6,615
2012 Series D-1-A — 0.80% to 4.30% Fixed Rate Serial and Term Bonds due 2045………	48,725	—	—	48,725	—
2012 Series D-1-B— 0.35% to 4.30% Fixed Rate Serial and Term Bonds due 2045………	85,450	—	(270)	85,180	595
2012 Series D-2-A— 0.90% to 1.15% Fixed Rate Term Bonds due 2015…………………	71,855	—	—	71,855	—
2012 Series D-2-B— 0.90% to 1.15% Fixed Rate Term Bonds due 2015…………………..	17,780	—	—	17,780	—
2012 Series D-2-C— 0.90% to 1.15% Fixed Rate Term bonds due 2015…………………..	25,000	—	—	25,000	—
2012 Series E (Federally Taxable) — 0.34% to 4.40% Fixed Rate Serial and Term Bonds due 2032……………………………………..	72,000	—	(1,235)	70,765	2,810
2012 Series F— 0.80% to 3.90% Fixed Rate Serial and Term Bonds due 2045……………	80,330	—	—	80,330	—
2012 Series G— 0.95% to 3.90% Fixed Rate Serial and Term Bonds due 2045……………	31,960	—	—	31,960	—
2012 Series H— 0.25% to 1.60% Fixed Rate Serial Bonds due 2018………………………	21,995	—	(1,455)	20,540	3,760
2012 Series I (Federally Taxable) — 0.40% to 4.49% Fixed Rate Serial and Term Bonds due 2044……………………………………..	89,175	—	(2,740)	86,435	5,690
2012 Series J— 1.05% Fixed Rate Term Bonds mandatory tender due 2015…………..	31,600	—	—	31,600	31,600
2012 Series K— 0.45% to 4.0% Fixed Rate Series and Term Bonds due 2045…………..	—	155,750	—	155,750	200
2012 Series K-1-B— 0.80% Fixed Rate Term Bonds due 2015…………………………….	—	12,855	—	12,855	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2012 Series K-2— 0.03% to 0.22%Variable Rate Term Bonds due 2016…………………..	—	20,765	—	20,765	—
2012 Series L-1— 1.80% to 3.90% Fixed Rate Serial and Term Bonds due 2042………	—	12,390	—	12,390	—
2012 Series L-2-A— 0.30% to 4.00% Fixed Rate Serial and Term Bonds due 2044………	—	102,825	(180)	102,645	455
2012 Series L-2-B (AMT) — 2.30% to 3.60% Fixed Rate Serial and Term Bonds due 2026..	—	2,060	—	2,060	—
2012 Series M-1-A— 1.15% Fixed Rate Term Bonds due 2017………………………..	—	19,830	—	19,830	—
2012 Series M-1-B— 1.15% Fixed Rate Term Bonds due 2017…………....................	—	4,000	—	4,000	—
2012 Series M-2— 1.10% to 4.00% Fixed Rate Serial and Term Bonds due 2047………	—	9,745	—	9,745	—
2012 Series M-3— 1.40% to 4.65% Fixed Rate and Serial Term Bonds due 2047………	—	10,525	—	10,525	—
2012 Series M-4— 0.20% Fixed Rate Term Bonds mandatory tender due 2014…………..	—	1,500	—	1,500	1,500
2013 Series A-1— 0.35% to 5.20% Fixed Rate Serial and Term Bonds due 2045………	—	55,855	—	55,855	—
2013 Series A-2— 4.88% to 5.20% Fixed Rate Term Bonds due 2045…………………..	—	16,165	—	16,165	—
2013 Series B-1-A— 1.10% to 4.60% Fixed Rate Term Bonds due 2045…………………..	—	131,880	—	131,880	—
2013 Series B-1-B— 0.35% to 4.60% Fixed Rate Serial and Term Bonds due 2045………	—	74,700	—	74,700	300
2013 Series B-1-C— 1.10% Fixed Rate Term Bonds due 2016………………………………	—	1,125	—	1,125	—
2013 Series B-2— 0.03% to 0.08% Variable Rate Term Bonds due 2018…………………..	—	7,500	—	7,500	—
2013 Series B-3— 0.03% to 0.10% Variable Rate Term Bonds due 2018…………………..	—	24,000	—	24,000	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2013 Series B-4— 0.03% to 0.10% Variable Rate Term Bonds due 2018…………………..	—	17,610	—	17,610	—
2013 Series C— 0.2% Fixed Rate Term Bonds mandatory tender due Jun 2014………	—	57,230	—	57,230	23,730
2013 Series D-1 (Federally Taxable) – 0.70% to 3.78% Fixed Rate Serial and Term Bonds due 2028……………………………………..	—	40,135	—	40,135	—
2013 Series D-2 (Federally Taxable) – 0.92% Index Floating Rate Term Bonds due 2038…	—	55,000	—	55,000	—
Multi-Family Secured Mortgage Revenue Bonds					
2005 Series A-1 (Federally Taxable) Secured Mortgage Revenue Bonds — 5.65% Term Bonds due 2031………………………………	5,870	—	(60)	5,810	60
2005 Series A-2 (Federally Taxable) Secured Mortgage Revenue Bonds — 6.32% Term Bonds due 2037………………………………	4,225	—	(70)	4,155	80
2005 Series B (Federally Taxable) Secured Mortgage Revenue Bonds— 6.35% Term Bonds due 2038………………………………	3,280	—	(50)	3,230	55
2011 Series A (Federally Taxable) Secured Mortgage Revenue Bonds — 1.26% to 4.78% Fixed Rate Serial and Term Bonds due 2026…………………………………….........	51,280	—	(3,465)	47,815	3,510
2013 Series A (Federally Taxable) Secured Mortgage Revenue Bonds — 0.48% to 5.34% Fixed Rate Serial and Term Bonds due 2035…………………………………….........	—	44,940	—	44,940	1,100
Federal New Issue Bond Program (NIBP)					
2009 Series 1-1 HRB (NIBP) — 3.96% Fixed Rate Term Bonds due 2043 ………………….	41,850	—	(41,850)	—	—
2009 Series 1-2 HRB (NIBP) — 3.16% Fixed Rate Term Bonds due 2043 ………………….	89,600	—	—	89,600	—
2009 Series 1-3-A HRB (NIBP) — 3.70% Fixed Rate Term Bonds due 2043…………....	53,000	—	(33,880)	19,120	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2009 Series 1-3-B HRB (NIBP) (AMT) — 3.70% Fixed Rate Term Bonds due 2031 …..	10,180	—	(2,060)	8,120	—
2009 Series 1-4 HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2051 ………………….	29,640	—	(14,650)	14,990	—
2009 Series 1-5-A HRB (NIBP) — 2.47% Fixed Rate Term Bonds due 2048…………..	158,800	—	—	158,800	—
2009 Series 1-5-B HRB (NIBP) (AMT) — 2.47% Fixed Rate Term Bonds due 2041……	31,930	—	—	31,930	—
2009 Series 2-1 HRB (NIBP) — 3.96% Fixed Rate Term Bonds due 2043 …………..........	16,200	—	(16,200)	—	—
2009 Series 2-2 HRB (NIBP) — 3.16% Fixed Rate Term Bonds due 2043 ………………….	10,830	—	(10,830)	—	—
2009 Series 2-3 HRB (NIBP) — 3.70% Fixed Rate Term Bonds due 2043 ………………….	2,890	—	(240)	2,650	50
2009 Series 2-4-A HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2044…………..	9,450	—	(7,890)	1,560	20
2009 Series 2-4-B HRB (NIBP) — 3.68% Fixed Rate Term Bonds due 2041…………..	2,580	—	(2,580)	—	—
2009 Series 2-5 HRB (NIBP) — 2.47% Fixed Rate Term Bonds due 2048…………………..	42,290	—	(1,530)	40,760	1,540
Total Housing Revenue Bond Program	4,370,165	878,385	(716,335)	4,532,215	268,910
LIBERTY BOND PROGRAM:					
Multi-Family Mortgage Revenue Bonds					
2005 Series A 90 Washington Street — 0.04% to 0.24% Variable Rate Bonds due upon demand through 2035…………………	74,800	—	—	74,800	—
2005 Series A The Crest— 0.07% to 0.26% Variable Rate Bonds due upon demand through 2036…………………………………	132,500	—	—	132,500	—
2005 Series B (Federally Taxable) The Crest— 0.12% to 0.25% Variable Rate Bonds due upon demand through 2036……………..	8,300	—	(900)	7,400	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
2006 Series A 90 West Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036	104,000	—	—	104,000	—
2006 Series B (Federally Taxable) 90 West Street — 0.09% to 0.20% Variable Rate Bonds due upon demand through 2036	8,000	—	—	8,000	—
2006 Series A - 2 Gold Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2036	162,000	—	—	162,000	—
2006 Series B (Federally Taxable) - 2 Gold Street — 0.09% to 0.20% Variable Rate Bonds due upon demand through 2036	48,000	—	(1,600)	46,400	—
2006 Series A - 20 Exchange Place — 0.07% to 0.26% Variable Rate Bonds due upon demand through 2039	66,400	—	—	66,400	—
2006 Series B (Federally Taxable) 20 Exchange Place— 0.12% to 0.25% Variable Rate Bonds due upon demand through 2039.	133,100	—	(2,000)	131,100	—
2006 Series A 201 Pearl Street — 0.05% to 0.24% Variable Rate Bonds due upon demand through 2041	65,000	—	—	65,000	—
2006 Series B (Federally Taxable) 201 Pearl Street — 0.09% to 0.20% Variable Rate Bonds upon demand through 2041	24,800	—	(400)	24,400	—
2008 Series A Beekman Tower – 0.08% to 0.26% Variable Rate Bonds due upon demand through 2048	203,900	—	—	203,900	—
Total Liberty Bond Program	1,030,800	—	(4,900)	1,025,900	—
SECTION 223(f) REFINANCING BOND PROGRAM:					
Multi-Family Housing Bond Program— 6.50% to 7.25% Bonds maturing in varying installments through 2019	22,509	—	(22,509)	—	—
Total Section 223(f) Refinancing Bond Program	22,509	—	(22,509)	—	—

Description of Bonds as Issued	Balance at Oct. 31, 2012	Issued	Retired	Balance at Oct. 31, 2013	Amount Due Within 1 Year
(in thousands) *(variable rates cover fiscal year 2013)*					
CAPITAL FUND PROGRAM REVENUE BONDS (New York City Housing Authority ("NYCHA"))					
2005 Series A Capital Fund Program—3.00% to 5.00% Serial and Term Bonds maturing in varying installments through 2025………..	213,990	—	(213,990)	—	—
2013 Series A Capital Fund Program—2.00% to 5.00% Serial Bonds maturing in varying installments through 2025………………….	—	185,785	—	185,785	9,155
2013 Series B-1 Capital Fund Program—2.00% to 5.25% Serial Bonds maturing in varying installments through 2033………..	—	348,130	—	348,130	6,940
2013 Series B-2 Capital Fund Program—5.00% to 5.25% Serial Bonds maturing in varying installments through 2032………..	—	122,170	—	122,170	—
Total Capital Fund Program Revenue Bonds	213,990	656,085	(213,990)	656,085	16,095
Total Bonds Payable Prior to Net Premium (Discount) on Bonds Payable	$8,796,629	1,777,180	(1,111,999)	9,461,810	344,830
Net Premium (Discount) on Bonds Payable	8,696	44,715	(8,847)	44,564	—
Total Bonds Payable (Net)	$8,805,325	1,821,895	(1,120,846)	9,506,374	344,830

Interest on the Corporation's variable rate debt is based on the Securities Industry and Financial Markets Association ("SIFMA") rate and is reset daily and weekly.

Bonds issued in Fiscal Year 2013

(A) New York City Housing Development Corporation

On December 14, 2012, the variable rate Multi-Family Mortgage Revenue Bonds, 2012 Series A (461 Dean Street Development) were issued in the amount of $45,000,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Brooklyn, New York, and to pay certain other related costs.

On December 20, 2012, five Multi-Family Housing Revenue Bonds series were issued in the amount totaling $247,360,000. The fixed rate 2012 Series K-1-A Bonds were issued in the amount of $155,750,000, the fixed rate 2012 Series K-1-B Bonds were issued in the amount of $12,855,000, the variable rate 2012 Series K-2 Bonds were issued in the amount of $20,765,000, the fixed rate 2012 Series L-1 Bonds were issued in the amount of $12,390,000, and the term rate 2012 Series M Bonds were issued in the amount of $45,600,000. The 2012 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On December 21, 2012, the variable rate Multi-Family Rental Housing Revenue Bonds, 2012 Series A (1133 Manhattan Avenue Development) were issued in the amount of $46,000,000 to finance a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Brooklyn, New York, and to pay certain other related costs.

On February 14, 2013, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series A (50th Avenue Development) were issued in the amount of $62,250,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Queens, New York, and to pay certain other related costs.

On February 14, 2013, the Corporation committed to issue the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series A (Borden Avenue Development) in the form of a draw down in the amount totaling $13,875,000. As of October 31, 2013, the total amount of bonds issued to date was $66,000. On the same day, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series B (Borden Avenue Development) were issued in the amount of $13,875,000. The 2013 Bonds were issued to finance a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family housing development located in the borough of Queens, New York, and to pay certain other related costs.

On March 8, 2013, two Multi-Family Housing Revenue Bonds series were issued in the amount totaling $104,885,000. The fixed rate 2012 Series L-2-A Bonds were issued in the amount of $102,825,000 and the 2012 Series L-2-B (AMT) Bonds were issued in the amount of $2,060,000. The 2012 Bonds were issued and combined with other available monies to refund certain outstanding bonds of the Corporation.

On June 27, 2013, eight Multi-Family Housing Revenue Bonds series were issued in the amount totaling $369,045,000. The fixed rate 2013 Series B-1-A Bonds were issued in the amount of $131,880,000, the fixed rate 2013 Series B-1-B Bonds were issued in the amount of $74,700,000, the fixed rate 2013 Series B-1-C Bonds were issued in the amount of $1,125,000, the variable rate 2013 Series B-2 Bonds were issued in the amount of $7,500,000, the variable rate 2013 Series B-3 Bonds were issued in the amount of $24,000,000, the variable rate 2013 Series B-4 Bonds were issued in the amount of $17,610,000, the term rate 2013 Series C Bonds were issued in the amount of $57,230,000 and the index floating rate 2013 Series D-2 (Federally Taxable) Bonds were issued in the amount of $55,000,000. The 2013 Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On June 27, 2013, the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series B (50th Avenue Development) were issued in the amount of $74,710,000 to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family rental housing facility located in the borough of Queens, New York, and to pay certain other related costs.

On June 27, 2013, the Corporation committed to issue the variable rate Multi-Family Mortgage Revenue Bonds, 2013 Series C (Borden Avenue Development) in the form of draw down in the amount totaling $37,290,000. As of October 31, 2013, the total amount of bonds issued to date was $809,000. The Bonds were issued to finance a portion of a mortgage loan for the purpose of paying a portion of the costs of constructing and equipping a multi-family housing development located in the borough of Queens, New York, and to pay certain other related costs.

On July 31, 2013, the fixed rate Multi-Family Housing Revenue Bonds 2013 Series D-1 (Federally Taxable) Bonds were issued in the amount of $40,135,000. The Bonds were issued and combined with other available monies to finance construction and permanent mortgage loans for the new construction or rehabilitation of certain developments and to refund certain outstanding bonds of the Corporation.

On September 10, 2013, three Capital Fund Grant Program Revenue Bonds series were issued in the amount totaling $656,085,000. The fixed rate 2013 Series A Bonds were issued in the amount of $185,785,000, the fixed rate 2013 Series B-1 Bonds were issued in the amount of $348,130,000 and the fixed rate 2013 Series B-2 Bonds were issued in the amount of $122,170,000. The 2013 Bonds were issued to finance a loan to the NYCHA for the financing of capital modernization and improvement of NYCHA projects in the City of New York and to refund the Corporation's 2005 Series A Capital Fund Program Revenue Bonds. The proceeds of the 2013 Series A Bonds and together with other available funds held in the 2005 Series A bond program were used to retired the Corporation's 2005 A Bonds through an advance refunding.

On October 10, 2013, two Multi-Family Housing Revenue Bonds series were issued in the amount totaling $72,020,000. The fixed rate 2013 Series A-1 Bonds were issued in the amount of $55,855,000 and the fixed rate 2013 Series A-2 Bonds were issued in the amount of $16,165,000. The 2013 Bonds were issued and combined with other available monies to finance a mortgage loan for the rehabilitation of a certain development and to refund certain outstanding bonds of the Corporation.

On October 10, 2013, the fixed rate Multi-Family Secured Mortgage Revenue Bonds 2013 Series A (Federally Taxable) were issued in the amount of $44,940,000 to finance the acquisition of certain construction and permanent mortgage loans and to pay certain other related costs.

All the bonds listed above are subject to regular redemption and certain issues are also subject to special redemption provisions as well. The parameters under which the redemptions may occur are set forth in the respective bond resolutions.

In fiscal year 2010, as part of the Housing Finance Agency ("HFA") initiative using authority provided to Treasury by the Housing and Economic Recovery Act of 2008 ("HERA") to help support low mortgage rates and expand resources to provide affordable mortgages for low and middle income households, and to support the development and rehabilitation of affordable housing units, the Corporation was allocated $500,000,000 by Treasury to issue bonds under the New Issue Bond Program ("NIBP"). HDC has issued two Multi-Family Housing Revenue Bonds under the NIBP. The variable rate 2009 Series 1 (Federally Taxable) Bonds were issued in the amount of $415,000,000 and the 2009 Series 2 (Federally Taxable) Bonds were issued in the amount of $85,000,000 on December 23, 2009. During the period between June 2010 and December 2011, all the principal amount of the 2009 Series 1

(NIBP) Bonds and the 2009 Series 2 (NIBP) Bonds were converted to fixed rate tax exempt bonds. These bonds were designated as the "Converted Bonds". On March 8, 2013, a portion of the NIBP Converted Bonds in the amount of $104,885,000 were redeemed. On June 27, 2013 a portion of the NIBP Converted Bonds, relating to the 2009 Series 2-4-A Multi-Family Housing Revenue Bonds, amounting to $4,820,000, were defeased by the Corporation.

Since fiscal year 2006, the Corporation has either defeased or retired several series of bonds through in-substance defeasance where assets were placed in an irrevocable trust that is used exclusively to service the future debt requirement. In fiscal year 2013, the Corporation retired two additional bond series through in-substance defeasance. The table below lists all the series as well as the amount outstanding as of October 31, 2013. These bonds are held with an escrow agent.

Detail of Defeased Bonds outstanding as of October 31, 2013:

Bond Issue	Date Defeased	Amount Defeased	Bonds Outstanding 10/31/13
2003 Series C Multi-Family Housing Revenue Bond	April 3, 2006	$ 4,175,000	$ 1,510,000
2004 Series D Multi-Family Housing Revenue Bond	October 24, 2006	18,000,000	18,000,000
2004 Series E-2 Multi-Family Housing Revenue Bond	October 24, 2006	19,720,000	19,720,000
2009 Series 2-4-A Multi-Family Housing Revenue Bond	June 27, 2013	4,820,000	4,820,000
2005 A Capital Fund Program	September 10, 2013	201,985,000	201,985,000
Total		$248,700,000	$246,035,000

Future Debt Service:

Required debt payments by the Corporation for the next five years and thereafter are as follows:

Year Ending October 31, *(in thousands)*	Principal	Interest	Total
2014…………………...	$344,830	176,577	521,407
2015…………………...	308,380	179,339	487,719
2016…………………...	501,275	171,832	673,107
2017…………………...	251,850	163,576	415,426
2018…………………...	226,925	157,823	384,748
2019 – 2023………..….	906,225	706,478	1,612,703
2024 – 2028…………...	855,805	550,501	1,406,306
2029 – 2033…………...	1,286,510	384,815	1,671,325
2034 – 2038…………...	2,234,320	239,835	2,474,155
2039 – 2043……….…...	1,345,290	110,434	1,455,724
2044 – 2048…………...	1,114,885	24,254	1,139,139
2049 – 2053…………...	85,515	410	85,925
Total	$ 9,461,810	2,865,874	12,327,684

Changes in Long Term Liabilities:

Long term liability activities for the year ended October 31, 2013, are as follows:

Descriptions	Balance at Oct. 31, 2012	Additions	Deductions	Balance at Oct. 31, 2013	Due Within 1 Year
(in thousands)					
Bonds Payable, (net) as restated	$8,805,325	1,821,895	(1,120,846)	9,506,374	344,830
Payable to The City of New York	991,226	157,029	(101,202)	1,047,053	—
Payable to Mortgagors & Restricted Earnings on Investments	513,214	675,575	(667,379)	521,410	131,941
Others	347,865	327,376	(432,864)	242,377	172,136
Total Long Term Liabilities	$10,657,630	2,981,875	(2,322,291)	11,317,214	648,907

Note 11: Consultant's Fees

The fees paid by the Corporation for legal, accounting and consulting services in fiscal year 2013 for HDC include $320,000 to Carreden Group, Inc.; $29,193 to Hawkins, Delafield & Wood; $3,021 to Seyfarth Shaw LLP. Auditing fees of $212,000 were paid to Ernst & Young LLP.

The Corporation paid consulting fees in the amount of $335,074 to Quest America, Inc.; $131,680 to R Square Inc.; $88,367 to Eugene W. Yee; $54,965 to Carlton Architecture, PC; $36,957 to Profit Solutions Associates, Inc.; $31,750 to Cristo Rey New York High School; $29,000 to Bartley & Dick Advertising/Design; $15,096 to Finsoft Consultant, Inc.; $6,900 to Enid Harlow; $6,683 to Hawkins, Delafield & Wood; $4,385 to Kevin Joseph Laccone; $2,400 to Insurance Advisors, LLC; and $632 to Buck Consultants, LLC.

In addition, the Corporation paid legal, accounting and consulting fees for services provided in connection with bond financings which have been reimbursed either from bond proceeds or from project developers. Fees of $1,829,280 to Hawkins, Delafield & Wood; $45,000 to Ernst & Young LLP; $42,500 to Orrick, Herrington & Sutcliffe, LLP; $40,000 to Caine Mitter & Associates, Inc.; $37,500 to Ballard Spahr, LLP; $37,000 to Carter Ledyard & Milburn, LLP; $20,450 to Situs Real LLC; $12,800 to Causey Demgen & Moore; and $10,000 to Pillsbury Winthrop Shaw Pittman, LLP.

Note 12: Payable to The City of New York

(A) New York City Housing Development Corporation

Since fiscal year 2002, the Corporation has entered into various agreements with the City whereby HDC sold bonds and used the bond proceeds to purchase from the City interests in various mortgage loans and pools of mortgage loans. Additionally, starting from fiscal year 2005 and 2006 and onward, HDC originated second mortgage loans in which it sold a residual interest to the City. Cash flow derived from these loan interests is pledged to the repayment of the related HDC bonds. At such time as these HDC bonds are retired, ownership of the associated loan interests transfers to the City. The excess of such interest over the amount of the related bonds, which totaled $761,982,000 as of October 31, 2013 is reported in the Corporation's statement of net position as "Loan participation receivable - The City of

NY" in the Noncurrent Assets section and "Payable to The City of New York: Loan participation agreement" in the Noncurrent Liabilities section. The related details are described in the next three paragraphs.

In fiscal years 2002 and 2003, the Corporation issued its Multi-Family Housing Revenue Bonds, 2002 Series D and Multi-Family Housing Revenue Bonds, 2003 Series D (the "2002 Series D Bonds" and "2003 Series D Bonds", respectively). In each case, HDC used the bond proceeds to purchase from the City a 100% participation interest in the cash flow of a portfolio of mortgage loans and a 100% participation interest in the cash flows of a loan pool securitized by the City in 1996 and known as the Sheridan Trust II. As noted in Note 6: "Loan Participation Interest Receivable", in fiscal year 2006 the Corporation issued the Multi-Family Housing Revenue Bonds 2006 Series A (the "2006 Series A Bonds") to refinance the 2002 Series D Bonds and 2003 Series D Bonds. At October 31, 2013, the Corporation's payable to the City relating to the 2006 Series A Bonds was $231,325,000.

The Corporation has completed numerous transactions as part of its Mitchell-Lama Restructuring Program, an affordable housing preservation program. The following Multi-Family Housing Revenue Bonds were issued prior to the current fiscal year as part of the Mitchell Lama Restructuring Program: 2004 Series D, 2004 Series E-1, 2004 Series E-2, 2005 Series A-1, 2005 Series A-2, 2005 Series F-1, 2005 Series F-2, 2005 Series J-1, 2005 Series J-2, 2006 Series D-1, 2006 Series D-2, 2008 Series C-1, 2008 Series C-2, 2008 Series G-1, 2008 Series G-2, 2008 Series J, 2008 Series L, 2010 Series G and a portion of 2010 Series H, 2011 Series F-1, F-2 , 2012 Series G, 2012 Series H, 2012 Series I and 2012 Series J were issued as Mitchell-Lama Restructuring Bonds. Under this program the Corporation has funded various new first and second mortgage loans as well as the acquisition of participation interests in City-owned second mortgages and associated cash flows. As long as any Mitchell-Lama Restructuring Bonds are outstanding, all cash flows from the purchased interests must be applied to debt service on such bonds. Once all such bonds are retired, HDC's participation interests revert to the City. HDC also has sold to the City a residual interest in the second mortgage loans the Corporation originated. These loans also transfer to the City when the Mitchell-Lama Restructuring Bonds are retired. As of October 31, 2013, the Corporation's payable to the City under the Mitchell-Lama Restructuring Bonds program was $530,657,000.

During Fiscal Year 2013, the Corporation entered into several loan participation agreements with the City through its Department of Housing Preservation and Development ("HPD"). In each case the Corporation made available to the mortgagors new mortgage loans, the proceeds of which were used for the acquisition or rehabilitation of existing properties, with the HDC mortgage holding the first position lien on the properties. The existing HPD loans were assigned to the Corporation, via a Purchase and Sale agreement, where the Corporation purchased the existing loans from the City and the City purchased a residual interest in the HDC Loans. As of October 31, 2013, the participation mortgage loan underlying the Participation Interest had an aggregate outstanding principal balance of $96,136,000.

In 2009, HPD and HDC entered into a Memorandum of Understanding ("MOU"), which provides for the granting of funds by HPD to HDC pursuant to Section 661 of the Act, to make subordinate loans for affordable housing. At October 31, 2013, the total related payable to the City relating to this MOU was $34,173,000.

The Corporation also administers construction loans on behalf of HPD, using funds provided by HPD. All such funds are the property of HPD and thus are reported as due to the City in the Corporation's financial statements. At October 31, 2013, the total related payable to the City was $154,762,000.

On April 20, 2011, the Corporation entered into a "421-Fund Agreement" with HPD as presented in "Note 7: Other Receivables". HDC will record funding pursuant to the 421-A Fund Agreement as funds received from the City and will be reported as payable to the City. As of October 31, 2013 the Corporation did not receive any of HPD's 421-A funds.

(B) Housing Assistance Corporation

Funding for HAC was received through the City in 1985. All of HAC's assets, after repayment of HDC advances to HAC and if unused for HAC purposes, will revert back to the City. At October 31, 2013, total resources payable to the City amounted to $38,725,000. The resources held for the City are primarily the mortgage loans described in Note 4, "Mortgage Loans," and the investments held to fund tenant assistance payments.

Since fiscal year 2009, the Corporation has been transferring funds to HAC in monthly increments in an original amount not to exceed $5,000,000 to provide funds for the tenant assistance ("TAC") payments for the Ruppert/Yorkville project pursuant to an agreement made by the City for the benefit of such residents. On March 10, 2011 the Corporation's Members approved an additional $5,000,000 for Ruppert/Yorkville tenant assistance. The total debt to HDC is not to exceed $10,000,000. On February 15, 2013, the last portion of approved TAC funds were transferred to HAC and advanced to its projects. Since then, HAC has repaid $3,500,000 to HDC. As of October 31, 2013, the remaining HAC obligations to HDC were $6,500,000. HAC is obligated to repay the Corporation for all funds advanced by HDC, without interest, at such time as funds become available to HAC.

Note 13: Retirement Programs

The Corporation is a participating employer in the New York City Employees' Retirement System ("NYCERS"), a cost sharing multi-employer plan, of which 119 employees of the Corporation are members. The Corporation made contributions to NYCERS of $1,388,818, $1,269,287 and $1,181,481 during fiscal years 2013, 2012 and 2011, respectively. Copies of NYCERS' financial statements can be obtained by writing to 335 Adams Street, Suite 2300, Brooklyn, NY 11201-3751.

The Corporation also offers its employees the option of participating in a Tax Sheltered Annuity Plan managed by Wells Fargo Bank, N.A. as an alternate or supplemental retirement plan under Section 403(b) of the Internal Revenue Code. The Internal Revenue Service has approved the Corporation as an entity which can provide this type of plan to its employees. The majority of the Corporation's employees participate in this plan.

Note 14: Postemployment Benefits Other Than Pensions

The Corporation sponsors a single employer defined benefit health care plan that provides postemployment medical benefits for eligible retirees and their spouses. The Corporation does not issue a publicly available financial report for the plan.

Benefit provisions for the plan are established and amended by actions taken by the Corporation's Members and there is no statutory requirement for HDC to continue this plan for future HDC employees. The plan is currently a non-contributory plan with all payments for plan benefits being funded by HDC on a pay-as-you-go-basis.

HDC follows the provisions of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement establishes guidelines for reporting costs associated with "other postemployment benefits" ("OPEB"). HDC's annual OPEB cost for the plan is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ARC includes interest of $67,000 on the net OPEB obligation. HDC's annual OPEB cost for the current year and the related information for the plan are as follows (dollar amounts in thousands):

Annual required contribution	$1,747
Contributions made	(4,000)
Decrease in net OPEB obligation	(2,253)
Net OPEB obligation—beginning of year	7,792
Net OPEB obligation—end of year	$5,539

HDC's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the previous three years were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
10/31/13	$1,747	228.96%	$5,539
10/31/12	$2,033	199.23%	$7,792
10/31/11	$2,033	12.75%	$9,809

As of October 31, 2013, the actuarial accrued liability for benefits was $22,187,000. The covered payroll (annual payroll of active employees covered by the plan) was $14,122,000 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 157%. Actual benefit payments made during Fiscal Year 2013 amounted to $88,564.

The actuarial valuation date was October 31, 2012. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between HDC and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

For the October 31, 2008 actuarial valuation, the frozen entry age actuarial cost method was used. For the October 31, 2010 and October 31, 2012 actuarial valuations, the Corporation used to the entry age normal cost method. The actuarial assumptions included a 4% discount rate, 3% wage inflation rate and an annual healthcare cost trend rate of 9.5% grading down to an ultimate rate of 5%. The unfunded actuarial accrued liability is being amortized over 30 years as a level percentage of projected payroll on an open basis. The remaining amortization period was 22 years.

On October 29, 2012, the Corporation established an irrevocable trust that was funded with an initial contribution in the amount of $4,000,000 to provide for the payment of retirees postemployment medical benefits. On June 12, 2013, an additional $4,000,000 was contributed to the trust by the Corporation. At October 31, 2013, the book value and fair market value of the investment trust fund were $8,090,000 and $7,453,000, respectively, and the actuarial liability for benefits was $9,539,000. Due to the establishment of the trust, the actuarial liability for benefits is now approximately 41.9% funded. The difference of 58.1% or $5,539,000 is reported as a liability on the Corporation’s financial statements.

Note 15: Due to the United States Government – Non Current Liabilities

In order to maintain the exemption from federal income tax of interest on bonds issued subsequent to January 1, 1986, the Corporation established a separate fund, the Rebate Fund, into which amounts required to be rebated to the Federal Government pursuant to Section 148 of the Code are deposited. In general, the Code requires the payment to the U.S. Treasury of the excess of the amount earned on all non-purpose obligations over the amount that would have been earned if the gross proceeds of the issue were invested at a rate equal to the yield on the issue. Project or construction funds, debt service funds or any other funds or accounts funded with proceeds of such bonds, including earnings, or pledged to or expected to be used to pay interest on such bonds are subject to this requirement. Issues with respect to which all gross proceeds are expended for the governmental purpose of the issue within the required time period after the date of issue and debt service funds with annual gross earnings of less than $100,000 are exempt from this requirement. Payment is to be made after the end of the fifth bond year and after every fifth bond year thereafter, and within 60 days after retirement of the bonds. As of October 31, 2013, HDC had set aside $1,451,000 to make future rebate payments when due.

Note 16: Commitments

(A) New York City Housing Development Corporation

(i.) The Corporation is committed under one operating lease for office space for minimum annual rentals for the next five years and thereafter as follows:

Year Ending October 31,	
2014…………………………………………	$1,837,000
2015…………………………………………	1,810,000
2016…………………………………………	1,801,000
2017…………………………………………	1,801,000
2018…………………………………………	2,047,000
2019—2022…………………………………	8,358,000
Total	$17,654,000

For fiscal year 2013, the Corporation's rental expense including escalation, taxes and operating costs amounted to $2,345,000.

(ii.) The Corporation's practice is to close loans only when all the funds committed to be advanced have been made available through bond proceeds or a reservation of corporate funds. Funds are invested prior to being advanced, as described in Note 3: "Investments and Deposits", and are reported as restricted assets.

(iii.) The portion of closed construction loans that had not yet been advanced as of October 31, 2013 is as follows:

Programs:	
Multi-Family Bond Programs	
Housing Revenue	$547,257,000
Liberty Bond	5,136,000
New Housing Opportunity Program (New HOP)	258,433,000
Loans Secured by 80/20 Certificates	4,517,000
NYCHA	476,303,000
Corporate Services Fund Loans	89,777,000
421-A Housing Trust Fund	4,732,000
501 C (3)	3,851,000
Unadvanced Construction Loans (closed loans)	$1,390,006,000

As of October 31, 2013 the Corporation had executed commitment letters for several loans that had not yet closed in the amount totaling $13,263,000.

(iv.) The Corporation has made a programmatic funding commitment in support of the City's housing initiatives. HDC has reserved funds to fulfill these commitments, but the timing and amount of remaining loan closings cannot be determined. The programmatic commitment is as follows:

- The Corporation entered into a MOU with HPD dated as of May 5, 2004 that outlines the Corporation's obligations to purchase participations totaling up to $55,632,000 in affordable housing loans for various HPD programs during fiscal years 2004 to 2006, and HPD's commitment to purchase these loans extend back to that period with accrued interest in 2007 and 2008. As of October 31, 2013, loans totaling $27,208,000 had been closed and $27,208,000 had been advanced. The Corporation's commitment to purchase loans under the MOU has expired. Out of the total loans advanced through FY 2013, $9,992,000 in loans were assigned back to HPD after repayment to HDC of the same amount.

(B) New York City Residential Mortgage Insurance Corporation

As of October 31, 2013, REMIC insured loans with coverage totaling $177,593,000 and had outstanding commitments to insure loans with a maximum insurance coverage of $70,201,000.

Note 17: Financial Guaranties

(A) NYCHA Tax Credit Guaranty

On April 2, 2012, the Corporation entered into a Guaranty Agreement with Citibank, N.A. ("Citibank") to guaranty the yield on Citibank's investment in the Low Income Housing Tax Credit ("LIHTC") created pursuant to the New York City Housing Authority Tax Credit Transaction ("NYCHA Tax Credit Transaction"). In return, the Corporation received $16.0 million as a guaranty fee from Citibank, less fees and expenses of $929,000 incurred under this agreement.

On July 15, 2013, Citibank transferred 100% of its rights under the guaranty agreement to Wells Fargo Holdings ("Wells Fargo"). As of that date the Guaranty agreement between Citibank and HDC was terminated and a new agreement was signed between HDC and Wells Fargo. As a condition of Citibank selling its rights under the guaranty agreement, the Corporation received an additional $8 million of Guaranty fee from Wells Fargo, less fees and expenses of $320,000 incurred under this agreement.

Under the Guaranty Agreement between HDC and Wells Fargo the Corporation agreed to guaranty a minimum rate of return on Wells Fargo's tax credit investment in the NYCHA I Housing Development Fund Corporation through a 15 year compliance period. The minimum rate of return is equal to an annual effective rate of 4.50% on an after tax basis return on its tax credit investment over the 15 year compliance period. During the compliance period, from time to time NYCHA LLC-I will determine if the total benefits allocated or paid to Wells Fargo through such date, together with the tax benefits projected to be received by Wells Fargo thereafter through the coverage period termination date, are sufficient to keep Wells Fargo on track to achieve the minimum return. If it is determined that Wells Fargo is not on track to achieve the minimum return through the coverage period termination date, the Corporation shall have the option, but not the obligation, subject to a cap amount of $96,000,000, to make a payment to Wells Fargo under the guaranty agreement in an amount equal to the optional minimum return deficiency amount.

The NYCHA Tax Credit transaction required the establishment and funding of several project reserves and guaranties in order to ensure timely completion of rehabilitation, which has in fact proceeded on time and within budget, and the overall success of the transaction. The reserves and guaranties decrease the likelihood that HDC will be required to make a payment under the Guaranty Agreement. The unamortized amount of guaranty fee received, $22,680,000, has been designated as a financial guaranty reserve as of October 31, 2013. (See Note 18: "Contingencies".)

(B) Co-op City Guaranty

On November 28, 2012, the Corporation entered into a Credit Support Agreement with Wells Fargo Bank National Association ("Wells Fargo Bank"), HUD and the State of New York Mortgage Agency ("SONYMA"). Wells Fargo Bank agreed to make a mortgage in the amount of $621,500,000 to Co-op City in Bronx, New York. As a precondition of endorsing the Loan for insurance, HUD required SONYMA and HDC each to provide a portion of top–loss guaranty on the loan. Pursuant to the agreement between HDC and HUD, HDC agreed to provide $15,000,000 guaranteed amounts of mortgage benefits to Wells Fargo Bank in the event of a default. The Corporation agreed to fund the full amount of the HDC top-loss guaranty in a segregated designated account for the duration of the HDC top-loss guaranty. As of October 31, 2013, the Corporation has designated $15,000,000 as a financial guaranty reserve. (See Note 18: "Contingencies".)

(C) Community Preservation Corporation Guaranty

On April 9, 2012, the Corporation's Members approved HDC to provide a limited guaranty for affordable housing construction loans originated by Community Preservation Corporation ("CPC") Funding SPE1, LLC. Loans made by CPC will be funded through a construction loan facility to be established by Citibank in an amount not to exceed $100 million.

The Corporation will provide a limited guaranty equal to a 10% top-loss of each loan up to a maximum exposure of $10 million for affordable housing construction loans. As of October 31, 2013, the Corporation has designated $2,000,000 as a financial guaranty reserve. (See Note 18: "Contingencies".)

(D) Preserving City Neighborhoods Guaranty

On September 18, 2013, the Corporation's Members approved HDC to provide a limited guaranty to the New York City Acquisition Fund LLC ("NYAF") on behalf of qualified nonprofit organizations partnering with Preserving City Neighborhoods ("PCN"). The HDC guaranty will be equal to a 25% loss on acquisition loans up to maximum exposure of $5 million. HPD will work together with PCN to develop a pipeline with a particular focus on smaller buildings of fewer than 30 residential units that have historically not generated interest in the open market. (See Note 18: "Contingencies".) As of October 31, 2013, the Corporation has designated $2,250,000 as a financial guaranty reserve.

(E) Federal Housing Administration Risk Sharing Guaranty

In November 2011, the Corporation entered into an amended risk sharing agreement with HUD. HDC is participating in the Risk Sharing Program in order to obtain 100% insurance on certain loans made by HDC for affordable multifamily housing. The risk sharing allocation between HDC and HUD will be on a project basis and take effect when the loan converts to permanent financing. As of October 31, 2013, there were eight projects that were included in the Risk Sharing agreement, with an estimated permanent mortgage loan amount totaling $292,260,000. The HDC risk share allocations related to the eight projects were $42,534,000. However, as of October 31, 2013 no loans under this agreement had converted to permanent and, as such, no reserves needed to be established at year end.

Note 18: Contingencies

In the normal conduct of the Corporation's business, it is involved in litigation matters. In the opinion of management and the Corporation's legal counsel, the ultimate disposition of such litigation should not have a material adverse effect on the financial position of the Corporation.

As discussed in Note 17 above, the Corporation entered into several guaranty agreements with various entities for certain project financings. These guaranties required the establishment and funding of reserves to mitigate the risk in the likelihood that payment was required.

The reserves are summarized in the chart below:

Financial Guaranties	At October 31, 2013
NYCHA Tax Credit Guaranty	$22,680,000
Co-op City Guaranty	15,000,000
Community Preservation Corporation Guaranty	2,000,000
Preserving City Neighborhoods Guaranty	2,250,000
Total	$41,930,000

Note 19: Net Position

The Corporation's Net Position represents the excess of assets and deferred outflows of resources over liabilities and consists largely of mortgage loans and investments. HDC's net position is categorized as follows:

- Restricted Net Position are net assets that have been restricted in use in accordance with the terms of an award, agreement or by State law. This includes net assets restricted by bond resolutions, contractual obligations with HPD and HUD, and REMIC reserves that are required by statute, among other items (see chart below).

- Unrestricted Net Position are the remaining net position, which can be further categorized as Designated or Undesignated. Designated Net Position is not governed by statute or contract but is committed for specific purposes pursuant to HDC policy and/or Board directives. Designated Net Position includes funds and assets committed to various housing initiatives, reserves to maintain HDC's credit ratings, and working capital.

Changes in Net Position

The changes in Net Position are as follows:

	Restricted	Unrestricted	Total
Net position at October 31, 2011 (as restated)	$592,517,000	858,123,000	1,450,640,000
Income	108,997,000	22,460,000	131,457,000
Transfers	134,302,000	(134,302,000)	—
Net position at October 31, 2012	$835,816,000	746,281,000	1,582,097,000
Income	86,626,000	(3,585,000)	83,041,000
Transfers	93,472,000	(93,472,000)	—
Net position at October 31, 2013	$1,015,914,000	649,224,000	1,665,138,000

Summary of Restricted Position	2013	2012
Multi-Family Bond Programs	$845,981,000	$710,078,000
421-A Housing Trust Fund	168,334,000	121,859,000
Corporate Debt Service Reserve 2006 Series A Purchase Bonds	499,000	2,278,000
Claim Payment Fund for 223(f) Program	1,100,000	1,601,000
Total Restricted Net Position	$1,015,914,000	$835,816,000

Of the total Unrestricted Net Position listed below, $338,161,000 is for existing mortgages and other loans. An additional $167,751,000 has been designated by the Members of the Corporation for future mortgage advances pursuant to housing programs established by the Corporation. The Corporation also has $1,336,000 in capital assets.

Summary of Unrestricted Net Position	2013	2012
Designated Position:		
Existing Mortgages	$338,161,000	$452,383,000
Housing Programs and Commitments	167,751,000	177,262,000
Working Capital	20,046,000	19,989,000
Rating Agency Reserve Requirement	80,000,000	80,000,000
Financial Guaranty Reserves (Note 17)	41,930,000	15,000,000
Total Designated Net Position	647,888,000	744,634,000
Undesignated Position:		
Capital Assets	1,336,000	1,647,000
Total Undesignated Net Position	1,336,000	1,647,000
Total Unrestricted Net Position	$649,224,000	$746,281,000

In fiscal year 2013 and 2012, net position transferred were $93,472,000 and $134,302,000, respectively, from unrestricted to restricted primarily due to the transfer of mortgage loans originated with corporate reserves. The mortgage loans were transferred into the Corporation's open resolution programs as the result of securitizations.

Note 20: Subsequent Events

Subsequent to October 31, 2013, a total of $403,675,000 of bonds were issued in the course of the Corporation's normal business activities.

New York City Housing Development Corporation
Required Supplementary Information

October 31, 2013

Schedule 1:

The following schedule is being presented to provide information on the funding progress of the OPEB Plan.

Schedule of Funding Progress
For the Retiree Healthcare Plan ($ in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
10-31-2012	$4,001	$16,146	$12,145	24.8%	$13,371	90.8%
10-31-2010	0	$16,374	$16,374	0%	$12,484	131.2%
10-31-2008	0	$17,050	$17,050	0%	$11,260	151.0%

New York City Housing Development Corporation
Other Information
October 31, 2013

Schedule 2:

The following schedule is being presented to provide detail information on a program basis for the owners of the Housing Revenue Bond program's obligations

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2013 and 2012 (in thousands)

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 392,331	$ 304,014
Investments	12,793	17,852
Receivables:		
Mortgage loans	61,658	92,464
Accrued interest	18,376	19,956
Other	179	713
Total Receivables	80,213	113,133
Other assets	-	26
Total Current Assets	**485,337**	**435,025**
Noncurrent Assets:		
Restricted cash and cash equivalents	444,182	440,503
Restricted investments	347,257	521,616
Purpose investments (note 2C)	149,365	154,044
Restricted receivables:		
Mortgage loans	3,959,557	3,683,618
Loan participation receivable - The City of NY (note 6)	761,982	764,068
Accrued interest	590	370
Other	407	-
Total restricted receivables	4,722,536	4,448,056
Primary government/component unit receivable (payable)	(10,189)	(13,241)
Other assets	9,769	10,010
Total Noncurrent Assets	**5,662,920**	**5,560,988**
Total Assets	**$ 6,148,257**	**$ 5,996,013**
Deferred Outflows of Resources		
Interest rate cap	1,944	1,586
Total Deferred Outflows of Resources	**$ 1,944**	**$ 1,586**

Schedule 2 (cont'd):

Housing Revenue Bond Program
Schedule of Net Position
October 31, 2013 and 2012 (in thousands)

		2013		2012
Liabilities and Net Position				
Current Liabilities:				
Bonds payable (net)	$	264,105	$	346,895
Accrued interest payable		63,428		61,900
Payable to mortgagors		1,431		1,355
Restricted earnings on investments		372		1,002
Accounts and other payables		5,454		68,351
Total Current Liabilities		**334,790**		**479,503**
Noncurrent Liabilities:				
Bonds payable (net) (note 10)		4,162,556		3,959,004
Payable to The City of New York:				
Loan participation due to The City of New York (note 12)		761,982		764,068
Others due to The City of New York		62,353		84,960
Payable to mortgagors		9,130		36,456
Unearned revenues, amounts received in advance and other liabilities		27,465		10,602
Due to the United States Government		6		16
Total Noncurrent Liabilities		**5,023,492**		**4,855,106**
Total Liabilities		**5,358,282**		**5,334,609**
Net Position:				
Restricted for bond obligations		791,919		662,990
Total Net Position		**791,919**		**662,990**
Total Liabilities and Net Position	**$**	**6,150,201**	**$**	**5,997,599**

See accompanying notes to the basic financial statements.

New York City Housing Development Corporation
Other Information
October 31, 2013

Schedule 2 (cont'd):

Housing Revenue Bond Program
Schedule of Revenues, Expenses and Changes in Net Position
Fiscal Years ended October 31, 2013 and 2012 (in thousands)

	2013	2012
Operating Revenues		
Interest on loans	$ 174,746	$ 161,444
Fees and charges	19,953	37,471
Income on loan participation interests	895	2,266
Other	1,110	7
Total Operating Revenues	**196,704**	**201,188**
Operating Expenses		
Interest and amortization of bond premium and discount	131,539	125,810
Trustees' and other fees	7,466	4,458
Bond issuance costs	7,358	8,138
Total Operating Expenses	**146,363**	**138,406**
Operating Income (Loss)	**50,341**	**62,782**
Non-operating Revenues (Expenses)		
Earnings on investments	17,582	18,054
Unrealized gains (losses) on investments	(9,293)	626
Loss on early retirement of debt	(126)	-
Other non-operating revenues (expenses), net	(1,954)	845
Total Non-operating Revenues	**6,209**	**19,525**
Income (Loss)	**56,550**	**82,307**
Operating transfers to Corporate Services Fund	(19,739)	(21,553)
Capital transfers	92,118	118,215
Change in Net Position	**128,929**	**178,969**
Total net position - beginning of year	662,990	484,021
Total Net Position - End of Year	**$ 791,919**	**$ 662,990**

See accompanying notes to the basic financial statements.