

**MINUTES OF THE
REGULAR MEETING OF THE MORTGAGE INSURANCE COMMITTEE
OF THE STATE OF NEW YORK MORTGAGE AGENCY
HELD ON NOVEMBER 7, 2013 AT 8:04 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

William J. Mulrow	Chairman
Naomi Bayer	Director
Don Lebowitz	Director
Marge Rogatz	Director (via video conference)
Darryl C. Towns	Director

Chairman William J. Mulrow opened and chaired the meeting of the Mortgage Insurance Committee of the State of New York Mortgage Agency (“SONYMA”).

M. Lauren McGill, Vice President and Counsel to the Mortgage Insurance Fund (MIF) acted as Secretary and asked for a motion and second to call the meeting to order. Ms. Bayer moved to call the meeting to order; Commissioner Towns seconded the motion.

Ms. Rogatz participated in the meeting via video conference from the office of Expedia at 325 Duffy Avenue in Hicksville, New York. A public notice was given of the time and location of this venue.

Mr. Anthony Bergamo, SONYMA Director, attended this meeting as a guest.

Ms. McGill stated that as items were presented before the Committee throughout the meeting, the previous motion and second would be used unless specific items called for a different vote or unless any Director wished to record his or her vote differently.

The first item on the agenda was the adoption of the minutes of the meeting of the Mortgage Insurance Committee (“MIC”) held on October 10, 2013. There being no objections or corrections from the Directors, Ms. McGill reported that the minutes were deemed approved.

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$8,100,000 HFA permanent first mortgage loan for Wyandanch Rising Building B, 1591 Straight Path, Wyandanch, Suffolk County. Mr. Friedman highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. Mr. Friedman stated that this project comprises the construction of an eighty-six unit building. He stated that fifty-three units are restricted to households with incomes at or below sixty percent of the area median income ("AMI") and nine units are restricted to households with income at or below ninety percent of AMI, both adjusted by family size. He noted that the twenty-four market-rate units will have no income restrictions.

Mr. Friedman noted that this is a heavily subsidized project. He stated that the project will utilize federal and state low-income housing tax credits. Mr. Friedman stated that the developer is Albanese Development and the project will be managed by Conifer Realty, LLC.

Ms. Bayer stated that the project was a very good project that would be important to the area and the community. Commissioner Towns added that the project had strong support from the Regional Economic Development Council.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted:

**A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF
THE STATE OF NEW YORK MORTGAGE AGENCY RECOMMENDING
APPROVAL OF MORTGAGE INSURANCE AND A COMMITMENT FOR
THE PROVISION THEREOF FOR WYADANCH RISING BUILDING B, 1591
STRAIGHT PATH, WYANDANCH, SUFFOLK COUNTY**

The next item on the agenda was a resolution approving 50% mortgage insurance on a \$12,300,000 HDC permanent first mortgage loan for Albert Goodman Apartments, 970 Boston Road, 3250 3rd Avenue, 955 Caldwell Avenue and 655 East 165th Street, Bronx County. Mr. Friedman highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. Mr. Friedman reported that this project consists of the acquisition and rehabilitation of four buildings with 252 all low-income units. Mr. Friedman stated that in addition to the insured first mortgage, there is a \$6.3 million HUD second mortgage loan which is being assumed, a \$5.5 million HPD third mortgage and \$13 million in federal low-income housing tax credits. Mr. Friedman stated that the development entity is controlled by BFC Pres Dev, LLC. He noted that this will be the third project that the Agency has insured with BFC Partners and will be a joint venture between BFC Partners and K&R Preservation, whose principals are Francine Kellman and Brian Raddock.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted:

A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR ALBERT GOODMAN APARTMENTS, 970 BOASTON ROAD, 3250 3RD AVENUE, 955 CAULDWELL AVENUE AND 655 EAST 163RD STREET, BRONX COUNTY

The next item on the agenda was a resolution approving 50% mortgage insurance on a \$12,270,000 HDC permanent mortgage loan for Daly IV Apartments, 908, 924, 934 and 966 East 181st Street and 2103, 2131 and 2134 Vyse Avenue, Bronx County. Mr. Friedman highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. He reported that this project will preserve 271 units of low-income housing. Mr. Friedman stated that a \$4 million subordinate HUD loan will be assumed, the project will also benefit from \$10.5 million in LIHTCs and a project based Section 8 contract covering all units. Additionally, he reported, this is the first loan insured for Center Development Corp., a development entity has experience in developing low-income and affordable housing. He noted that the insured loan amount equals only 46% of the total project costs and the project will break even with a 10% vacancy and collection loss for the units or a 6% increase in operating expenses.

Chairman Mulrow asked how the Agency becomes comfortable with new developers. Mr. Friedman responded that in this instance the development entity had gone through the City's extensive vetting and that the Agency had independently done a LexNex background check.

Mr. Lebowitz asked whether cash flow mortgages affect funding of reserves. Mr. Friedman stated that the cash flow debt service was after reserves.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted:

A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR DALY IV APARTMENTS, 908, 934 AND 966 EAST 181ST STREET AND 2103 AND 2131 AND 2134 VYSE AVENUE, BRONX COUNTY

The next item on the agenda was a resolution approving 50% mortgage insurance on a \$8,810,000 HDC permanent mortgage loan for Prince Hall Apartments, 460 West 155th Street, New York County. Mr. Friedman highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. He reported that the project's existing not-for-profit owner would retain control after the acquisition. He stated that the project had faced financial difficulties but that

outside consultants and management had been brought in and the Board of Directors had been entirely replaced. He stated that Arco Management will remain in place.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted:

A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR PRINCE HALL APARTMENTS, 460 WEST 155TH STREET, MANHATTAN, NEW YORK COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$6,400,000 JP Morgan Chase Bank, N.A. permanent mortgage loan for Heritage Homes – Phase II, 51, 80 and 81 Winthrop Avenue and 60 and 70 Horton Avenue, New Rochelle, Westchester County. Mr. Friedman highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. He reported that project involves the construction of five buildings with fifty-six all low-income units. He also reported that there is an approximately \$1.5 million Housing Trust Fund Corporation subordinate loan and \$10.5 million in LIHTCs. Additionally, he reported that the development entity is Heritage Winthrop Housing Development Fund Corp.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was adopted:

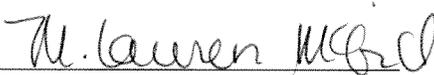
A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR HERITAGE HOMES – PHASE II, 51, 80 AND 81 WINTHROP AVENUE AND 60 AND 70 HORTON AVENUE, NEW ROCHELLE, WESTCHESTER COUNTY

At this point, Ms. Rogatz joined the meeting at 8:23 a.m.

The next item on the agenda was an information item. Mr. Friedman reported that the mortgage recording surtax receipts for the last month were approximately \$13.5 million bringing the six month total to approximately \$66.6 million. He reported that, if the level of receipts was maintained, the receipts for the year would be approximately \$114 million versus \$83 million for the prior year.

Ms. Bayer noted that with receipts trending upward, thought should be directed to potential new products and expanding the reach of the Mortgage Insurance Fund. Mr. Friedman was asked to update the Directors on the pipeline.

There being no unfinished business, Chairman Mulrow called for a motion to adjourn the meeting. Ms. Bayer moved to adjourn; Commissioner Towns seconded the motion and the meeting was adjourned at 8:28 a.m.



M. Lauren McGill
Secretary