

**MINUTES OF THE
REGULAR MEETING OF THE MORTGAGE INSURANCE COMMITTEE OF THE
STATE OF NEW YORK MORTGAGE AGENCY
HELD ON JANUARY 29, 2014 AT 8:02 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 (via telephone)
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. Rogatz moved to call the meeting to order; Chairman Mulrow 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.

Ms. Naomi Bayer participated in the meeting by telephone and accordingly was not present for purposes of establishing a quorum or voting. Mr. Anthony Bergamo, SONYMA Director, attended the 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 December 12, 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 \$6,800,000 HFA permanent first mortgage loan for Wincoram Commons II, 3700 Route 112, Coram, 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 100% insurance of a \$6.8 million HFA permanent mortgage loan for the construction of 78 low-income housing units in Coram, Suffolk County. He stated that, in addition to the insured's first mortgage loan, there is an HFA subsidy loan, a Homes for Working Families subsidy loan, a Suffolk County infrastructure grant and approximately \$13 million in federal and state low income housing tax credits and a PILOT agreement with the Town of Brookhaven.

Mr. Friedman stated that the development entity is controlled by Conifer Realty, LLC ("Conifer"), an experienced and well-regarded developer of affordable housing. He stated that the Mortgage Insurance Fund first insured a Community Preservation Corporation loan on a Conifer project in 1994 and has been insuring loans on Conifer projects for the past twenty years.

Mr. Friedman reported that the insured loan amount is \$87,179 per unit which equals only 29% of the project's total development cost of \$297,530 per unit. He also reported that the project would break even with a \$14% vacancy rate and a collection loss or a 21% increase in operating and maintenance costs. He stated that the MIF's total exposure to Conifer inclusive of this loan will be approximately \$82 million against a total risk in force of approximately \$2.6 billion.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was unanimously 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 WINCORAM COMMONS II, 3700 ROUTE 112, CORAM, SUFFOLK COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$3,283,000 CPC permanent first mortgage loan for nine group homes in Selden, Farmingville, Patchogue, Medford and East Islip, 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 refinance of existing mortgage loans to take advantage of lower interest rates and the fact that the New York City Employee's Retirement System (NYCERS) is now purchasing loans outside of New York City within eleven of the 12 counties of the MTA region; the refinanced mortgage will be delivered to NYCERS. He noted that the lower interest rate will reduce annual debt service costs which are passed through to the New York State Office of Mental Health (OMH) and will result in debt service savings of approximately \$36,000 per annum. Mr. Friedman reported that several years ago, the State legislature passed an amendment to the

MIF statute which enables the Agency to insure preservation loans without a rehabilitation requirement in projects financed by OMH and NYS Office for People with Developmental Disabilities (“OPWDD”).

Chairman Mulrow asked how recently NYCERS expanded its reach into the MTA region. Mr. Friedman stated that it was only during the past year.

Mr. Friedman noted that NYCERS was not purchasing loans from Dutchess County, the rationale presumably being that NYCERS was purchasing loans primarily from the counties in which NYC employees live.

Ms. Rogatz noted the operator, Options for Community Living, Inc. was a very good provider.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was unanimously 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 NINE GROUP HOMES IN SELDEN, FARMINGVILLE, PATCHOGUE, MEDFORD AND EAST ISLIP, SUFFOLK COUNTY

The next item on the agenda was a resolution recommending the approval of an increase in 100% mortgage insurance from \$8,832,409 to \$9,475,000 on a CPC permanent first mortgage loan for Abbey Manor, 4029 Long Beach Road, Island Park, Nassau 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 item involves a project for which the Agency originally issued a commitment for two years ago. He reported that the project was completed and was damaged by Superstorm Sandy which delayed its being placed in service causing a \$660,000 reduction in tax credit equity proceeds. Mr. Friedman stated that CPC has increased its loan amount by \$642,000 to cover the reduction in the tax credit equity and that OMH, which has contracted with the borrower to pay the full debt service on the loan, had approved the increased loan amount. Mr. Friedman noted that the interest rate had decreased from 5.96% to 5.25% so that the annual debt service will remain constant.

Ms. Bayer asked who establishes the interest rates. Mr. Friedman reported that, in this case, the interest rate is set by the New York State Common Retirement Fund.

Chairman Mulrow asked if OMH is paying the full debt service. Mr. Friedman responded affirmatively.

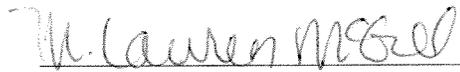
Considering the first and second motions previously entered, the motions were carried, and the following resolution was unanimously adopted:

**A RESOLUTION OF THE MORTGAGE INSURANCE COMMITTEE OF THE
STATE OF NEW YORK MORTGAGE AGENCY RECOMMENDING
APPROVAL OF MIDIFICATIONS TO MORTGAGE INSURANCE AND
COMMITMENT FOR THE PROVISION THEREOF FOR ABBEY MANOR
APARTMNETS, 4029 LONG BEACH ROAD, ISLAND PARK, NASSAU
COUNTY**

The next item on the agenda was an information item. Mr. Friedman reported that he expects that the mortgage recording tax receipts for the statute year ending on March 31, 2014 will be approximately \$135 million as compared to \$114 million in the year ended March 31, 2013.

Ms. Bayer noted that projects on the agenda had all been Long Island projects. Ms. Rogatz noted that they were all in Suffolk County and that there was a need for housing in Nassau County as well without development opportunities. She stated that development in Suffolk County was among the highest in the State outside of New York City. Commission Towns noted the recent Wyandanch project.

There being no unfinished business, Chairman Mulrow called for a motion to adjourn the meeting. Commissioner Towns moved to adjourn; Chairman Mulrow seconded the motion and the meeting was adjourned at 8:14 a.m.


M. Lauren McGill
Secretary