

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
STATE OF NEW YORK MORTGAGE AGENCY
HELD ON OCTOBER 10, 2013 AT 8:30 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

William J. Mulrow	Chairman
Anthony Bergamo	Director
Don Lebowitz	Director
Darryl C. Towns	Director
Elaine McCann	New York State Division of the Budget, representing Robert Megna, Director, (via video conference)

ABSENT:

Naomi Bayer	Vice Chairperson
Marge Rogatz	Director

Chairman William J. Mulrow presided over the meeting.

Mr. C. Jason Kim, Senior Vice President and Counsel to the Agencies, acted as Secretary. He noted that Ms. Elaine McCann from the New York State Division of the Budget representing Mr. Robert Megna, Budget Director, was participating in the meeting via video conference from the NYS Division of Budget conference center at the Capitol Building, Room 131, in Albany, NY. A public notice was given of the time and location of this venue in accordance with the New York State Open Meeting Law.

Mr. Kim asked for motions and seconds to call to order the Members and Directors meetings of the State of New York Mortgage Agency ("SONYMA") and the Housing Finance Agency ("HFA"). Mr. Bergamo moved to call the SONYMA meeting to order; Mr. Lebowitz seconded the motion. Mr. Weiss moved to call the HFA meeting to order, Commissioner Mattox seconded the motion.

Mr. Kim stated that as items were presented to each Board throughout the meetings, these motions and seconds would be used, unless specific items called for a different vote, or unless any Board member wished to record his or her vote differently.

The meetings of the affiliated Agencies were opened in joint session for the President's report, the recital of the Committee reports, the adoption of the minutes of previous meetings and consideration of various matters of shared importance. These minutes reflect only those items being considered by the Directors of SONYMA. A record of items considered by the other Agencies is contained in the minutes of each of the Agencies.

Chairman Mulrow welcomed everyone present. He gave a special welcome to former New York State Senator Manfred Ohrenstein.

The first item on the agenda was the President's Report. Chairman Mulrow requested that Darryl C. Towns, President/CEO of the Agencies, present his report. Commissioner Towns reported that as the fourth quarter begins, even in the face of government shut-down, work at the Agencies continues at a rapid rate. He reported that while the Agencies' partner, the United States Department of Housing & Urban Development, remains idle, Freddie Mac and Fannie Mae continue to do business.

Commissioner Towns announced that the Agencies expect to close twenty (20) or more deals in the remaining ten (10) weeks of the year. He noted that during the HFA meeting, the Board will be asked to consider six (6) items, including two financings in Brooklyn totaling over \$100 Million in bonds, two (2) financings in Manhattan totaling over \$250 Million and deals in the Bronx and Cayuga counties totaling \$80 Million Dollars in bonds. Additionally, Commissioner Towns noted that at SONYMA, the Mortgage Insurance Committee approved insurance for five projects located in Bronx, Kings, Dutchess and Cayuga counties. He noted that these five (5) projects will create and preserve 770 affordable units keeping up with the Governor Andrew M. Cuomo's mandate for housing.

Commissioner Towns reported that on the single family side, September loan reservations were at \$26 Million representing a total of 155 applicants; year-to-date reservations are at \$330 Million representing a total of 1,816 applicants. He said that September purchases were at \$31 Million representing 175 homebuyers, year-to-date purchases are at \$215 Million representing 1,176 homebuyers thus far this year. He noted said that delinquencies at SONYMA as of August 31, 2013 were at 4.28% and compare favorably to New York State's rate of 10.31% and to the national delinquency rate of 6.97%.

Commissioner Towns noted that, on today's agenda, the Board will also be asked to consider a resolution approving additions to the Agencies' Underwriting Panel, and will have an opportunity to get a more detailed look at the HFA project pipeline.

Commissioner Towns reported that numerous staff participated, last week, in Governor Cuomo's statewide MWBE Forum in Albany, NY. He said that Ms. Wanda Graham, Vice President and Director of the Office of Fair Housing & Equal Opportunity, and her staff, deserve special recognition. Commissioner Towns highlighted the fact that for the first time, utilization of minority and women-owned business, here in the State has exceeded the Governor's goal of 20% and now stands at a record 21.06% with New York State Division of Homes & Community Renewal leading the way.

Commissioner Towns announced that on October 2, 2013, the SONYMA Advisory Council met. He stated that the Council consists of representatives from SONYMA, lenders, mortgage insurers, the New York State Association of Realtors and many other not-for-profit partners. He also noted that the Council's purpose is to provide input and make recommendations to assist SONYMA in maximizing its role as a key provider of affordable and sustainable home ownership opportunities to low and moderate income first-time home buyers across the State of New York.

Commissioner Towns also announced that on Saturday, October 12, 2013, SONYMA will sponsor a *Welcome Home New York* in Brooklyn at the New Hope Academy Charter School. During this time, SONYMA community leaders, mortgage and real estate professionals will present workshops about SONYMA's current home ownership programs as well as other topics of interest to first-time homeowners.

Lastly, Commissioner Towns reported that staff will also attend a number of upcoming conventions, i.e. National Council of State Housing Agencies. He also reported that the Agencies continue to work with the Governor's Regional Economic Councils in preparing for the upcoming 2014 Legislative Session as well as the Governor's State-of-the-State Address. As always, he reported, "things are busy here and we will continue to forge through."

Chairman Mulrow confirmed that there will, in fact, be twenty (20) transactions between now and the end of the year.

The next item on the agenda was the report of the Mortgage Insurance Committee ("MIC"). Mr. Kim reported that the MIC held a meeting earlier that day and adopted the minutes of September 12, 2013. He next reported that the MIC adopted the following resolutions:

- Authorization of financing approval of 100% mortgage insurance for Catholic Charities Brooklyn and Queens Communities LLC, Kings County.
- Authorization of financing approval of 100% mortgage insurance for Burnside Walton Apartments, Bronx County.
- Authorization of financing approval of 100% mortgage insurance for Oak Creek Townhomes, Cayuga County.
- Authorization of financing approval of 100% mortgage insurance for 1552 Bergen Street, Kings County,
- Authorization of financing approval of 100% mortgage insurance for High Meadows Mobile Home Park, Dutchess County.

The next item on the agenda was the adoption of the minutes of the SONYMA Directors' meeting held on September 12, 2013. Absent comments or corrections from the Members, Mr. Kim reported that the minutes were deemed approved.

The next item on the agenda was a resolution authorizing the approval of additions to co-manager Underwriter's Panel. Ms. Marian Zucker, President, Finance and Development reported that the agency conducted a Request for Proposal for underwriter services back in 2012. She reported that as part of that process, the Agencies reserved the right to review the composition of the panel and make adjustments on an annual basis, accordingly. She said that as a result of this review, Agency staff is seeking approval to promote Academy Securities and Drexel Hamilton, LLC -- two firms currently serving as selling group members to the co-manager panel. Ms. Zucker explained that these two firms are unique in that they are primarily owned, managed, and operated by disabled veterans. Both firms, she noted, play a very special role in providing job opportunities for disabled veterans and giving them career paths on Wall Street. She stated that this approval will ensure that the Agencies maintain as broad a distribution as possible for its bonds and also afford the firms more opportunities to participate in financings going forward. It was noted that the Agencies encourage the hiring and housing of veterans and both firms have long-term, municipal professionals that continue to add value to the work of the Agencies.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING A CHANGE TO THE UNDERWRITER'S PANEL

Chairman Mulrow noted that items 3 and 4 on the SONYMA agenda were discussed and voted on earlier at the Mortgage Insurance Committee meeting and is now up for vote by the full SONYMA Board. Chairman Mulrow also noted that there will be no discussion on these items unless the Directors so request.

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

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR CCBQ COMMUNITIES, 800 MADISON STREET, 147 GRAHAM AVENUE AND 683 DEAN STREET, BROOKLYN, KINGS COUNTY

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

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY
APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE
PROVISION THEREOF FOR 1552 BERGEN STREET, BROOKLYN, KINGS
COUNTY**

It was noted that the next Board meeting was scheduled for Thursday, November 7, 2013 at 8:30 a.m.

There being no unfinished business, Chairman Mulrow asked for a motion to adjourn the SONYMA meeting. Mr. Bergamo moved to adjourn; Ms. McCann seconded the motion, and the meeting was adjourned at 8:41 a.m.



C. Jason Kim, Secretary