

**MINUTES OF THE  
REGULAR MEETING OF THE  
MORTGAGE INSURANCE COMMITTEE OF THE  
STATE OF NEW YORK MORTGAGE AGENCY  
HELD TUESDAY, AUGUST 16, 2016 AT 8:09 AM  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

William C. Thompson	Chairman
Marge Rogatz	Director, (via video conference)
James S. Rubin	Director

Chairman William Thompson chaired the meeting of the Mortgage Insurance Committee ("MIC") of the State of New York Mortgage Agency ("SONYMA").

M. Lauren McGill, Vice President and Counsel to the Mortgage Insurance Fund acted as Secretary. She noted that Ms. Marge Rogatz was participating in the meeting from Champion Office Suite, located at 1225 Franklin Avenue, Suite 325, Garden City New York. A public notice was given of the time and location of the venue in accordance with the New York State Open Meetings Law.

Ms. McGill asked for a motion and second to call the meeting to order. Ms. Rogatz moved to call the meeting to order; Chairman Thompson seconded the motion.

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.

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**The first item on the agenda was the adoption of the minutes of the meeting of the MIC held on July 14, 2016.** There being no objections or corrections from the Directors, Ms. McGill reported that the minutes were deemed approved.

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**The next item on the agenda was a resolution recommending the approval of 100% mortgage insurance on a \$25,700,000 HFA permanent first mortgage loan for Surf Vets Place, 2002 Surf Avenue, Brooklyn, Kings 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 said that this project comprises the development of 82 units of supportive housing for formerly homeless veterans who are clients of the New York State Office of Mental Health and 52 units of low income housing. He noted that the 82 supportive housing units will benefit from a project-based Section 8 HAP contract. He added that rents will be regulated by HFA through a regulatory agreement.

Mr. Friedman said the project is being developed by Concern for Independent Living, Inc. ("Concern"), an experienced and well regarded developer of supportive housing. He said that this will be the tenth loan insured for entities controlled by Concern for a total exposure of \$115 million.

Mr. Friedman stated that the insured loan amount will be \$190,370 per unit which equals 38% of the Project's total development cost of \$504,901 per unit. He said the project will break even with a 10% pro-forma vacancy rate, or a 10% increase in operating expenses.

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 MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR SURF VETS PLACE, 2002 SURF AVENUE, BROOKLYN, KINGS COUNTY.**

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**The net item on the Agenda was a resolution approving 100% mortgage insurance on a \$6,520,000 HFA permanent first mortgage loan for AP Lofts at Larkinville, 545 Swan Street, Buffalo, Erie 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 the Project comprises the conversion of a former A&P warehouse in the historic re-adaptation of the building into 147 units of affordable and workforce housing and 1,120 SF of commercial space. Mr. Friedman stated that 118 units will be restricted to households with incomes up to 60% of AMI and 28 units will be restricted to households with incomes up to 130% of AMI, both adjusted by family size. He said that rents will be regulated by HFA through a regulatory agreement. He noted that the project will receive approximately \$8.2 million in federal historic tax credits and \$3.2 million in state historic tax credits.

Mr. Friedman stated that the project is being developed by KCG Development, LLC, a new developer to HFA and SONYMA but noted that KCG has been involved in the financing and development of nearly 3,700 units of low income housing and that the project will be managed by Landsman Real Estate Services which currently manages several HFA projects.

Mr. Friedman stated that the insured loan amount is \$44,354 per unit which equals 16% of the project's total development cost of \$272,078 per unit. Mr. Friedman stated that the project will break even with a 15% pro forma vacancy and collection loss for the units or a pro forma 17% increase in operating expenses and will still maintain a 1.06 income to expense ratio without commercial income.

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 AP LOFTS AT LARKINVILLE, 545 SWAN STREET, BUFFALO, ERIE COUNTY.**

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The next item on the agenda was a resolution approving 100% mortgage insurance on a \$5,050,000 HFA permanent first mortgage loan for Ashfield Apartments, 1 Jeanne Jugan Lane, Latham, Albany 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 the Project comprises the conversion of a former skilled nursing facility into 121 low and moderate income units for seniors. Mr. Friedman said that 5 units are restricted to households with income at or below 50% of AMI, 92 units are restricted to households with income at or below 60% of AMI and 24 units are restricted to households with income at or below 90% of AMI, adjusted by household size. He said that rents will be regulated by HFA through a regulatory agreement.

Mr. Friedman stated that the development entity will be controlled by Liberty Affordable Housing Inc., a well-regarded and prolific developer of affordable housing in upstate New York. He added that the loan will be the 14<sup>th</sup> loan insured for entities controlled by Liberty Affordable Housing Inc. for total exposure of approximately \$70 million.

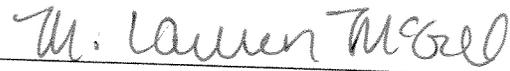
Mr. Friedman stated that the insured loan amount is \$41,736 per unit which equals to 22% of the project's total development cost of approximately \$192,433 per unit and will break even with a 9% pro forma vacancy or collection loss or a 7% increase in operating expenses.

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 ASHFIELD APARTMENTS, 1 JEANNE JUGAN LANE, LATHAM, ALBANY COUNTY.**

**The last item on the agenda was an information item.** Mr. Friedman reported that mortgage recording surtax receipts for July 2016 were \$14.5 million as compared to \$14.3 million in July 2015 and \$12.2 million in July 2014. He added that surtax receipts for the first four months of the fiscal year were \$60.6 million as opposed to \$60 million in the first four months of last year. Total collections last year were \$180 million and are on track for comparable collections in the current year.

There being no unfinished business, Ms. Rogatz moved to adjourn the meeting which was duly seconded by Chairman Thompson; the meeting was adjourned at 8:20 a.m.



M. Lauren McGill  
Secretary