

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
STATE OF NEW YORK MORTGAGE AGENCY  
HELD ON JANUARY 28, 2010 AT 2:25 P.M AT  
ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Brian Lawlor	Director
Don Lebowitz	Director
William Myers	Director
Marge Rogatz	Director
David J. Sweet	Director
Elaine McCann	Division of the Budget, representing Robert Megna, Director

ABSENT:

Naomi Bayer	Director
Karen A. Phillips	Vice Chairperson

Chairman Levy chaired the meeting; Joy F. Willig, Senior Vice President and Counsel, acted as secretary. The meetings of the affiliated Agencies opened in joint session for the consideration of various matters of shared importance. These minutes reflected only those items being considered by the Directors of the State of New York Mortgage Agency. A record of items considered by other Agencies is contained in the minutes of each Agency respectively.

**The first item on the agenda was the President's Report.** Judd S. Levy, the Agencies' Chairman, reported that the Agencies have had a remarkable year despite the condition of the economy and have undergone tremendous growth in the past three years. He noted that even though the economic recession did have some adverse effects the staff was able to find creative ways to follow the Agencies' mission.

The Chairman then reported that the mortgage insurance fund has performed extremely well during difficult economic times. He noted that the volume of insured mortgages had almost doubled in the past three years, from \$565 million in the years 2004 to 2006 to \$1.1 billion in the years 2007 to 2009.

Chairman Levy then reported on single family programs. He reported that there was a significant contraction in financings starting in 2008 due to the economic conditions, but the numbers for single family programs picked up in the last quarter of 2009, and have since then shown significant growth. The Chairman noted that the Achieving the Dream program now represented a greater proportion of single family programs.

The Chairman highlighted the student loan program recently launched by the Agencies. He noted that the volume of applications for student loans was less than anticipated and that another issue would be smaller and later in the year than initially planned.

Chairman Levy made note of the fact that all the above mentioned growth was accomplished by the Agencies with five fewer staff members.

Chairman Levy went on to discuss the proposed consolidation between the leadership of the Agencies and the Division of Housing and Community Renewal (DHCR). He noted that the consolidation is meant to institutionalize the recent cooperation and positive interaction between the Agencies and DHCR and that the merged leadership, when it occurs, will help both agencies operate more efficiently.

Don Lebowitz congratulated and welcomed Brian Lawlor as the new acting commissioner of DHCR and also thanked Chairman Levy for stepping in as the interim president of the Agencies and commended him on the job he was doing.

The Chairman then appointed Karen Phillips as Vice Chairperson of HFA, AHC and SONYMA, and explained that she will preside over the meetings of the members and directors in his absence.

**The next item on the agenda was the report of the Audit Committees.** Chairman Levy reported that the Audit Committee had approved the minutes of the December 3, 2009 meeting, adopted a resolution reviewing and approving Internal Audit Staff Functions, adopted a resolution approving Follow-Up Audit of 2008 Audit Reports, approved fiscal 2009 Financial Statements, reviewed and adopted Bank of America, N.A. service Audit.

**The next item on the agenda was the report of the Governance Committees.** Chairman Levy reported that the Governance Committee had approved the minutes of the December 3, 2009 meeting, adopted a resolution approving the Agencies Action Plan, adopted a resolution recommending approval of Lobbying Procedure for the Agencies, adopted a resolution recommending approval of the amendment to the Agencies' by-laws including a change to eliminate a requirement for roll call voting, reviewed the key implementation dates and requirements found in the 2009 amendments to the 2005 Public Authority Legislation.

**The next item on the agenda was the report of the Mortgage Insurance Committee.** Chairman Levy reported that the MIC had approved the minutes of its December 3, 2009 meeting, and passed resolutions requesting approval for 100% mortgage insurance for Troutman Gardens, Cathedral Parkway Towers, 3603-3605 Broadway, the Glen at Sugar Hill, Highpointe at Malta, Pendell Commons, 269 East Burnside Avenue. The Committee members also discussed

the Mortgage Insurance Fund's policies for the insurance of market rate condominiums.

**The next item on the agenda was the approval of the minutes of the SONYMA Directors' meeting held on December 3, 2009.**

There being no objections or corrections by the Directors, the minutes were deemed approved.

**The next item on the Agenda was the Cost Recovery Charge and related authorization to amend the NYHOMES Fiscal Year 2010 Administrative Budget and the HFA and SONYMA Financial Plans.** Joanne Hounsell, Senior Vice President and Chief Financial Officer, highlighted certain information contained in the materials provided to the Directors in connection with this item in advance of the meeting, which is incorporated herein by reference. Mr. Levy pointed out that the Division of the Budget's (DOB) process for determining the amount due this year showed increased transparency and sensitivity to the agency's needs and concerns about credit ratings. William Myers inquired if the DOB was developing a formulaic approach to figuring out the cost recovery charge on an annual basis. Chairman Levy responded that a formulaic approach would be difficult since public authorities vary greatly; he also added that the cost recovery charge depends on the financial situation of the state and of each individual agency. Andrew SanFilippo asked what the budget offset would be for the cost recovery charge. Ms. Hounsell responded that the cost recovery charge would be considered an administrative charge and the budget offset would be reflected in the fund balance.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE AMENDMENT TO THE FISCAL YEAR 2010 ADMINISTRATIVE BUDGET AND FINANCIAL PLANS.**

**The next item on the Agenda was a resolution approving Fiscal 2009 Financial Statements.** Gary Weinstock, Vice President and Comptroller, highlighted certain information contained in the materials provided to the Directors in connection with this item in advance of the meeting, which is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE FISCAL YEAR 2009 FINANCIAL STATEMENTS.**

**The next item on the Agenda was a resolution approving the Agencies' Annual Procurement Report for fiscal year 2008-2009 (11/1/09-10/31/09) and review of the Agencies' 4<sup>th</sup> Quarterly Procurement Report (6/1/09-10/31/09).** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding

this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE ANNUAL PROCEUREMENT REPORT FOR FISCAL YEAR 2009.**

**The next item on the Agenda was a resolution approving Annual and Quarterly Investment Reports.** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING ANNUAL AND QUARTERLY INVESTMENT REPORTS.**

**The following item on the Agenda was a Resolution approving the Agencies' Public Authorities Reporting Information Systems (PARIS) filing.** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE PUBLIC AUTHORITIES REPORTING INFORMATION SYSTEMS FILING.**

**The following item on the Agenda was a Resolution approving Lobbying Procedure for the Agencies.** Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors had no questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING LOBBYING PROCEDURE.**

**The next item on the Agenda was a Resolution approving the amendment of the Agencies' By-Laws.** Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. The Directors

requested that the bylaws be amended to eliminate a requirement for a roll call.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING AN AMENDMENT TO THE BYLAWS**

**The following items on the agenda were presented for informational purposes.** Information with respect to each of these items was provided to the Directors in advance of the meeting, which information is incorporated herein by reference:

Summary of the 2009 amendments to the 2005 Public Authority Legislation. Alejandro J. Valella highlighted certain Information contained in the materials provided to the Directors. Mr. Lebowitz asked whether AHC grants were considered appropriated funds and would they need to be approved by the comptroller in accordance with the new legislation. Mr. Valella replied that since AHC grants are not procurement on contracts this section of the legislation does not apply.

Annual review of contracts with firms listed on the Agencies' pre-qualified Financial Advisory Panel.

2009 Fiscal Analysis – Budget & Financial Plan.

**The next item on the agenda was a resolution approving 100% mortgage insurance on a \$37,500,000 CPC permanent mortgage loan for the construction of Troutman Gardens, 114-136 Troutman Street, Brooklyn, Kings County.** Mr. Michael Friedman, Senior Vice President, highlighted certain information contained in the materials provided to the Directors in connection with this item in advance of the meeting, which is incorporated herein by reference. This project was presented and discussed at the earlier MIC meeting; the Directors had no further questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR THE CONSTRUCTION OF TROUTMAN GARDENS, 114-136 TROUTMAN STREET, BROOKLYN KINGS COUNTY**

**The next item on the agenda was f a resolution approving 100% mortgage insurance on a \$7,550,000 CPC permanent mortgage loan for the construction of The Glen at Sugar Hill, 410 McChesney Avenue Extension, Brunswick, Rensselaer County.** Mr. Michael Friedman, Senior Vice President, highlighted certain information contained in the materials provided to the Directors in connection with this item in advance of the meeting, which is incorporated herein by reference. This project was presented and discussed at the earlier MIC meeting; the Directors had no further questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

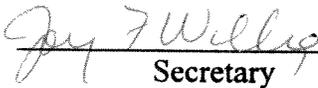
**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING MORTGAGE INSURANCE AND A COMMITMENT FOR THE PROVISION THEREOF FOR THE CONSTRUCTION OF THE GLEN AT SUGAR HILL, 410 MCCHESENEY AVENUE EXTENSION, BRUNSWICK, RENSSELAER COUNTY**

The next item on the agenda was a resolution authorizing an increase in warehousing capability. Marian Zucker, Executive Vice President, highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. Ms. Zucker explained that due to the Agency's limited access to the bond market and to its participation in the federal New Issue Bond Program that staff was requesting an increase to capacity and duration for the warehousing of mortgages noting that the increase would allow the Agency to accumulate a larger pool of loans. The Directors had no questions or issues to discuss regarding this item.

Mr. Lawlor moved to adopt the resolution; Mr. Lebowitz seconded the motion; and the following resolution was adopted unanimously:

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY AUTHORIZING AN INCREASE IN THE WAREHOUSING CAPACITY.**

There being no unfinished business Mr. Lawlor moved to adjourn the meeting; Mr. Lebowitz seconded the motion and meeting was adjourned at 3:18 PM.

  
Secretary