

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
STATE OF NEW YORK MORTGAGE AGENCY
HELD ON APRIL 8, 2010 AT 1:38 P.M AT
ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Karen A. Phillips	Vice Chairperson
Naomi Bayer	Director
Brian E. 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

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 reflect 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.

Chairman Levy noted that Elaine McCann and Aida Brewer were participating in the meeting via video conference from the State of New York DOB conference center at the Capital Building in Albany. A public notice was given of the time and locations of both venues.

The first item on the Agenda was the Chairman's Report. Chairman Levy reported that the reservations for single family mortgages were at a record high; the reservations for March this year were \$89 million compared to \$41 million in March of 2009. Mr. Levy noted that the Agency is scheduled to issue bonds for the first time through the New Issue Bond Program on May 6, 2010.

Mr. Levy also noted that the Mortgage Insurance Fund Day 1 Program had converted its first project to permanent mortgage insurance. He said that the program has been highly successful and more mortgage insurance conversions are scheduled to occur later this year as the construction on more projects is completed.

Mr. Levy noted that reservations for the student loan program were still slow but that the Agency is working with HESC in order to increase awareness of the program in time for the upcoming school year. He also noted that the negative arbitrage expenses incurred by the Agency due to the extension of the program would be covered by the Division of the Budget.

Mr. Levy mentioned that the New York State Housing Finance Agency would be celebrating its 50th Anniversary on April 29th, 2010 at the luncheon held at the New York State Affordable Housing Finance Association, and that he hoped that all Board Members and Directors would be in attendance.

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 March 4, 2010 meeting, adopted a resolution approving the Internal Audit Internal Audit Work Plan for 2011, adopted a resolution approving the Disaster Recovery Audit Reports, reviewed the Independent Auditor's Report to Management, reviewed the evaluation of the Audit Committee's performance, reviewed Office of the State Comptroller's Follow-Up Report #2010-F-4 on Eligibility for Health Insurance Coverage, reviewed Office of the State Comptroller's Follow-Up Report #2010-F-5 on accuracy of Employee Retirement Reporting.

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 March 4, 2009 meeting, adopted a resolution recommending approval of Equal Employment Opportunity and Affirmative Action Plans, readopted the Property Disposition Report, and were provided with materials for the self-evaluation of the Governance Committees.

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 March 4, 2010 meeting, and passed resolutions authorizing 100% mortgage insurance for eight DASNY permanent mortgage loans, CUNY Graduate Center Housing Project, Hyenga Lake Senior Apartments, 60 West First Street, the Committee also discussed a change in premium rates for mortgage insurance.

The next item on the agenda was the approval of the minutes of the SONYMA Directors' meeting held on March 4, 2010. There being no objections or corrections by the Directors, the minutes were deemed approved.

The next item on the Agenda was a resolution appointing Brian E. Lawlor as President and Chief Executive Officer of the Agencies. Mr. Levy highlighted certain Information contained in the materials provided to the Directors in connection with this

item under a separate cover, which is incorporated herein by reference. Mr. Levy noted that Mr. Lawlor had already been appointed by Governor David Patterson as Commissioner of the Division of Housing and Community Renewal and that he has extensive and laudable experience at DHCR. Mr. Levy requested a resolution appointing Mr. Lawlor to the position of President and Chief Executive Officer and authorizing the Chairman to set the compensation which would not exceed the compensation received by Priscilla Almodovar at the time of her resignation. The Directors added their congratulations to those of Mr. Levy and shared positive experiences from their past work with Mr. Lawlor.

Ms. Bayer 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 APPOINTMENT OF BRIAN LAWLOR AS PRESIDENT AND CHIEF EXECUTIVE OFFICER.

The next item, which was added to the Agenda at the request of the Directors, was to approve a resolution thanking Judd S. Levy for his service as Acting President and Chief Executive Officer. The Directors read the resolution attached hereto. The Directors expressed gratitude for Mr. Levy's service as Acting President and CEO. Mr. Lawlor commended Mr. Levy for his devoted service to the Agencies and for his skilled leadership. Mr. Levy noted how proud he is of the accomplishments of the Agencies and highlighted the success of the Agencies in the past two years especially given the difficulties experienced by housing financing agencies across the country.

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

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY THANKING JUDD S. LEVY FOR HIS SERVICE AS PRESIDENT AND CHIEF EXECUTIVE OFFICER.

The next item on the Agenda was a Resolution reviewing and approving Equal Employment Opportunity and Affirmative Action Plans. 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 Members/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 EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION PLAN.

The next item on the Agenda was a resolution approving the Benefit Resource Contract - E-TRAC services. 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 Members/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 BENEFIT RESOURCE CONTRACT.

The next item on the Agenda was a Resolution approving the Access & Adecco agreements for temporary employment Services. 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 ACCESS AND ADECCO AGREEMENTS FOR TEMPORARY EMPLOYMENT SERVICES.

The next item on the Agenda was a resolution reviewing and approving the Annual review of Mercer Health & Benefits actuarial valuation consulting services contract. 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 REVIEW OF MERCER HEALTH AND BENEFITS ACTUARIAL VALUATION CONSULTING SERVICES CONTRACT.

The next tem on the Agenda was a Resolution readopting the Agency's Property Disposition Report. Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. Alejandro Valella, Vice President and Deputy General Counsel, explained that the Property Disposition Report was updated with an amended version of the Property Disposition Guidelines, which had been changed in order to comply with the recent amendments to the Public Authorities Law. 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 READOPTING THE PROPERTY DISPOSITION REPORT.

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

- **Quarterly Procurement Contract Report for period ending January 31, 2010**
- **Report of Administrative Budget Expenditures for the First Quarter as of January 31, 2010.**
- **Annual Review for:**
 - (a) Metlife dental insurance agreement
 - (b) E.G. Bowman insurance brokerage agreement
 - (c) Lincoln Life & Annuity Company of New York disability insurance agreement
 - (d) State of New York Department of Civil Services Health Insurance Agreements
- **Financial Statements Updates for the First Quarter Fiscal 2010**
- **Quarterly Investment Reports for the period ending January 31, 2010 and for AHC for the period ending December 31, 2009.**

The next item on the agenda was a resolution increasing the warehouse limit for Single Family Programs Ms. Zucker 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. Ms. Zucker explained that due to high demand for the Agency's mortgage loans and the Agency's participation in the New Issue Bond Program, staff is requesting an increase in the Agency's warehousing limit so that the Agency can invest more funds into mortgages prior to each bond issuance. Ms. Zucker also noted that an increase in demand for the Agency's Achieving the Dream program, as a result of the lower interest rates under this program, contributed to the need to extend the Agency's warehouse limit.

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 INCREASE IN THE WAREHOUSE LIMIT FOR THE SINGLE FAMILY PROGRAM.

The next item on the Agenda was a resolution approving 100% mortgage insurance on eight DASNY permanent mortgage loans aggregating \$22,930,000 for the acquisition and rehabilitation of 22 OMRDD funded projects for 130 residents with developmental disabilities, located in the New York Metropolitan area and Albany. 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 TWENTY TWO SUPPORTIVE HOUSING FACILITIES IN NEW YORK, KLING, QUEENS, SUFFOLK, NASSAU, WESTCHESTER AND ALBANY COUNTIES.

The next item on the Agenda was a Resolution approving 100% mortgage insurance on a \$14,070,000 HDC permanent first mortgage loan for the construction of CUNY Graduate Center Housing Project, 164 East 118th Street, Manhattan, New York 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 CUNY GRADUATE CENTER HOUSING PROJECT, 165 EAST 118TH STREET, MANHATTAN, NEW YORK CITY.

There being no unfinished business Mr. Lawlor moved to adjourn the meeting; Mr. Lebowitz seconded the motion and meeting was adjourned at 2:29 p.m.


Secretary