

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
STATE OF NEW YORK MORTGAGE AGENCY
HELD ON MAY 13, 2010 AT 1:37 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 (via video conference)

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.

The second item on the agenda was the President's Report. Brian E. Lawlor, President and Chief Executive Officer, reported that since the last meeting SONYMA had sold eighty million dollars of bonds, and there had been a significant increase in reservations, particularly for the Achieving the Dream program. He next reported on the progress on the integration of the Agencies, noting that the first joint staff meeting had occurred, and that staff from NYHomes and DHCR were actively working with each other to figure out ways to develop more efficient processes. He concluded by reporting on the celebration of HFA's fiftieth and SONYMA's fortieth anniversaries.

Chairman Levy noted that HFA and SONYMA had never formally approved, nor had they been requested to approve, the planned consolidation of NYHOMES and DHCR. He also

requested that Board Directors consider the implications of having the Commissioner of DHCR serve as the President of these independent agencies. Chairman Levy added that he had no particular areas of concern, but asked the Directors to reflect on any potential conflicts of interest. He noted that while there were many benefits to integration that the Board should remain cognizant of the different constituencies that the President serves. Ms. Bayer noted that she had questions about the fact that an ex officio member of the Board, such as Mr. Lawlor, who held the ex officio position by virtue of being the Commissioner of DHCR, would now also serve as President of the Agencies.

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 April 8, 2010 meeting, had passed resolutions recommending approval of 100% mortgage insurance for Concern McDougal Apartments, 324-332 MacDougal Street, Brooklyn, Kings County, Hughes House Apartments, 1974 Hughes Avenue, Bronx, Bronx County; Montcalm Apartments, 220 Burke Drive, Queensbury, Warren County; Westfall Heights Apartments, 454 Westfall Road, Rochester, Monroe County; HELP USA/Genesis Plaza II Apartments, 332-390 Snediker Avenue, Brooklyn, Kings County; and 1050 Amsterdam Avenue, New York County; and approving 100% mortgage insurance for Halfmoon Heritage Apartments II, Shady Lane, Halfmoon, Saratoga County; 433-441- DeWitt Avenue, Brooklyn, Kings County; Bethel Manor Apartments, 50 West 132nd Street, New York, New York County; and 170 Lenox Avenue, New York County.

The next item on the Agenda was an update on Authority Budget Office Matters. Joy Willig, Senior Vice President and Counsel, 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. She informed the Directors that the Agencies had received a questionnaire from the Authorities Budget Office regarding compliance with certain of the provisions of the Public Authorities Reform Act of 2009. Ms. Willig noted that the Agencies were in compliance with the new law and that a response to the questionnaire would be composed by staff before the May 26, 2010 due date. Ms. Willig also noted that some of the Directors had received correspondence from certain members of the New York State Assembly inquiring about the Agencies compliance with the MWBE policies of the new law. Mr. Lebowitz noted that the letter included statistics which indicate that State MWBE programs have not yet been successful and that he would want the response to include a statement from the Agencies as to the level of success of their MWBE policies. Ms. Willig proposed that staff would compose a draft of a response to the letter from the State Assembly and present it to the Directors at the following meeting.

The next item on the agenda was the approval of the minutes of the SONYMA Directors' meeting held on April 8, 2010. There being no objections or corrections by the Directors, the minutes were deemed approved.

The next item on the agenda was a resolution reviewing and approving the Agencies' various Facilities & Administrative Services contracts and annual review of Purchase Order Agreements. Information with respect to this item was provided to the Directors in advance of the meeting, and in an update memo contained in the Directors folders;

this information is incorporated herein by reference. There was no discussion or questions on this item.

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

A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND STATE OF NEW YORK MORTGAGE AGENCY EXTENDING CERTAIN FACILITIES AND ADMINISTRATIVE CONTRACTS

The next item on the agenda, the annual review of printer services agreements with companies on the Agencies' prequalified printer panel, was presented for informational purposes. Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. There was no discussion or questions on this item.

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$13,465,000 HFA permanent first mortgage loan for Concern McDougal Apartments, 324-332 MacDougal Street, Brooklyn, Kings County containing 65 low income supportive units. Information with respect to this item was provided to the Directors in advance of the meeting, which information 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.

Ms. Bayer moved to adopt the resolution; Ms. Rogatz 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 CONCERN MACDOUGAL APARTMENTS, 324-332 MACDOUGAL STREET, BROOKLYN, KINGS COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on an \$11,050,000 HFA permanent first mortgage loan for Hughes House Apartments, 1974 Hughes Avenue, Bronx, Bronx County containing 55 low income supportive units. Information with respect to this item was provided to the Directors in advance of the meeting, which information 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.

Ms. Bayer moved to adopt the resolution; Ms. Rogatz 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 HUGHES

HOUSE APARTMENTS, 1974 HUGHES AVENUE, BRONX, BRONX COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$9,030,000 HFA construction and permanent first mortgage loan for the rehabilitation of Montcalm Apartments, 220 Burke Drive, Queensbury, Warren County containing 227 low income units. Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference. This project was presented and discussed at the earlier MIC meeting; the Directors had no further questions regarding the project. Ms Bayer requested that the board materials be updated to clearly reflect that the extension of the HAP contract would occur prior to the construction closing.

Ms. Bayer moved to adopt the resolution; Ms. Rogatz 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 MONTCALM APARTMENTS, 220 BURKE DRIVE, QUEENSBURY, WARREN COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on a \$7,650,000 HFA permanent first mortgage loan for HELP USA/Genesis Plaza II Apartments, 332-390 Snediker Avenue, Brooklyn, Kings County, containing 98 low income units. Information with respect to this item was provided to the Directors in advance of the meeting, which information 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.

Ms. Bayer moved to adopt the resolution; Ms. Rogatz 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 HELP USA/GENESIS PLAZA II APARTMENTS, 332-390 SNEDIKER AVENUE, BROOKLYN, KINGS COUNTY

The next item on the agenda was a resolution approving 100% mortgage insurance on an \$8,045,000 HDC permanent first mortgage loan for 1050 Amsterdam Avenue, New York County containing 99 low income units for seniors. Information with respect to this item was provided to the Directors in advance of the meeting, which information 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.

Ms. Bayer moved to adopt the resolution; Ms. Rogatz 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 1050 AMSTERDAM AVENUE, NEW YORK COUNTY

The next item on the agenda was a resolution approving the continued retention of Radian Guaranty Inc. for single family pool reinsurance and administrative services. Information with respect to this item was provided to the Directors in advance of the meeting; which information is incorporated herein by reference. Mr. Myers inquired if Radian had sufficient capitalization considering the current economic circumstances. Mr. Friedman responded that although Radian had been downgraded, he had no concern about the company's ability to perform its reinsurance function, and noted that due to the proprietary software used for the servicing function it was impractical to replace the company in that capacity.

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

A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE AGENCY APPROVING THE CONTINUED RETENTION OF RADIAN GUARANTY INC. FOR REINSURANCE AND ADMINISTRATIVE SERVICES

Next Ms. Zucker reported on the first meeting of the SONYMA Advisory Council, which had included participants from across the affordable housing industry. She reported on three areas of focus that the Agency would be following up on: ways to increase outreach, ways of streamlining loan origination processes, and a potential new product for purchasers of foreclosed properties requiring limited renovation. The Directors expressed enthusiasm about the Council, and asked to be informed about the next meeting, slated for September.

There being no unfinished business, Ms. Bayer moved to adjourn the meeting; Ms. Rogatz seconded the motion; and the meeting was adjourned at 2:07 PM.


Secretary