

**NYS Housing Finance Agency (HFA)**  
**Fiscal Year 2022**  
**Financial Statements/Program Summary**  
May 16, 2023



**Homes and  
Community Renewal**

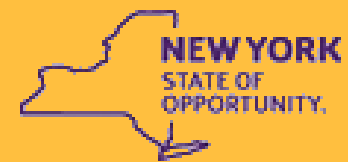
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# General Takeaways



**Homes and  
Community Renewal**

Housing  
Finance Agency

# HFA Financial Statement Takeaways

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**HFA continues to have a robust and positive impact on New York State's affordable housing production and availability.**

HFA's net position increased by approximately **\$145 Million**. Our net position increases or decreases based on changes in Net Revenues.

## **Total Outstanding Bonds: \$18 Billion**

### **HFA**

- \$18B Billion outstanding bonds
- \$1.8B Billion new bonds issued
- \$16.6 Billion mortgage loan receivables (\$300 Million increase)
- \$87.7 Million fees collected (\$30 Million increase)



**Homes and  
Community Renewal**

**#FairHousingMattersNY**

# Municipal Market Overview



**Homes and  
Community Renewal**

Housing  
Finance Agency

# US Municipal Bond Issuance in 2022

In 2022, municipal bond issuance nationally went down by 12.7% year over year

- Tax-exempt issuance decreased by 1.3%
- Taxable issuance decreased by 53.7%

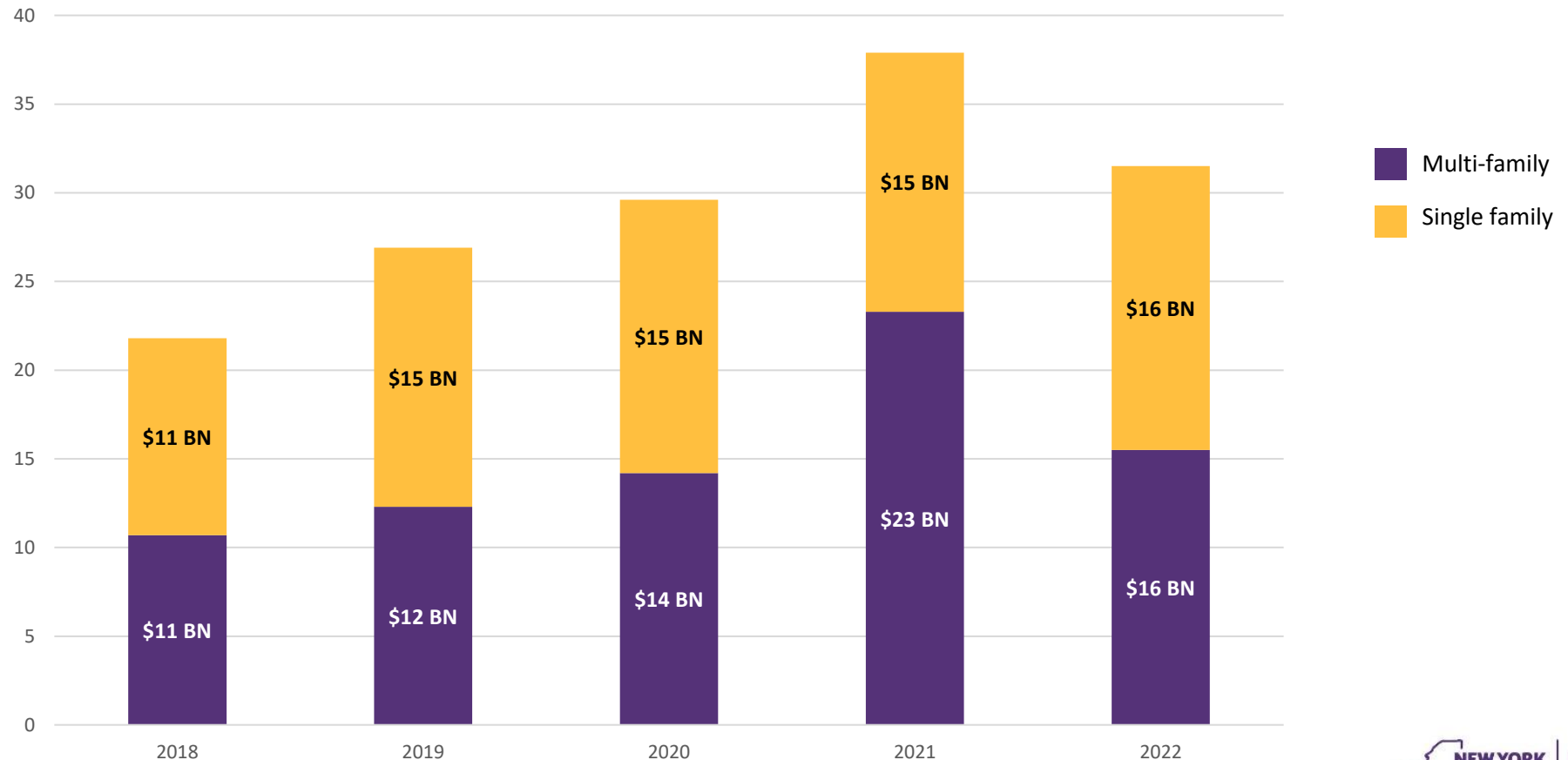


Source: Refinitiv SDC New Issuance Stats, January 9, 2023

# US Municipal Housing Issuance in 2022

In 2022, housing issuance nationally went down 16.9% year over year

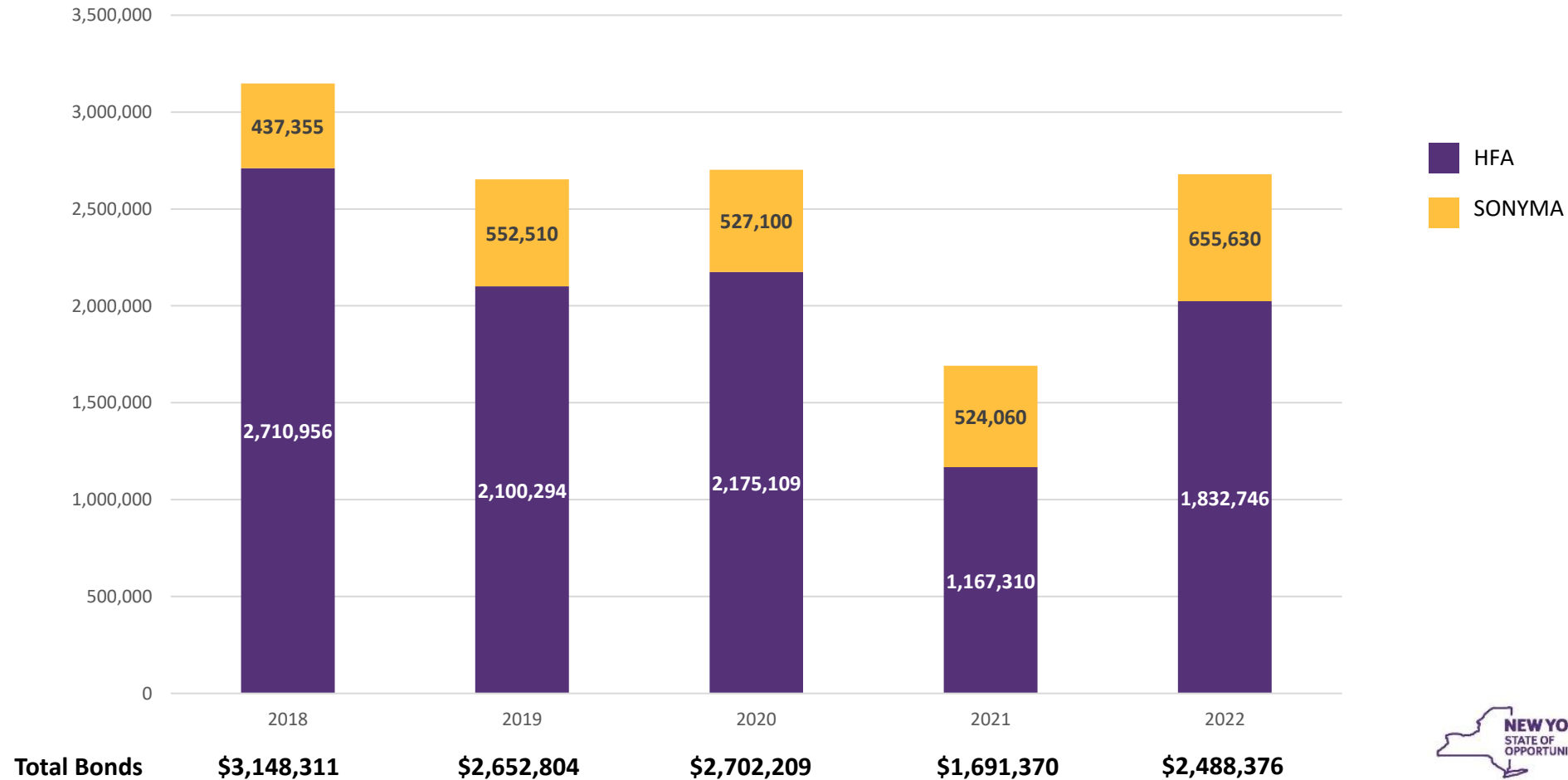
- Single family issuance increased by 9.6% year over year
- Multifamily issuance decreased by 33.5% year over year



Source: Refinitiv SDC New Issuance Stats, January 9, 2023

# HCR Bond Issuance – past five fiscal years

NYSHCR was the #1 housing bond issuers in the nation in the last fiscal year, comprising 6.5% of the sector, and in the top three over the last three years.





# Bond Program Accomplishments in CY2022

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## HFA

- NYSHFA is ranked 2022 #1 housing issuer across the country
- Remained active in the municipal market throughout the COVID-19 pandemic with over \$1.7 billion bonds issued
- Preserved over \$10 million of volume cap by recycling bonds
- Utilized variable rate debt and swaps to lower overall cost of funds and increase spread for the 2022 Series G transaction



# Housing Finance Agency Annual Overview



Homes and  
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# Housing Finance Agency Updates

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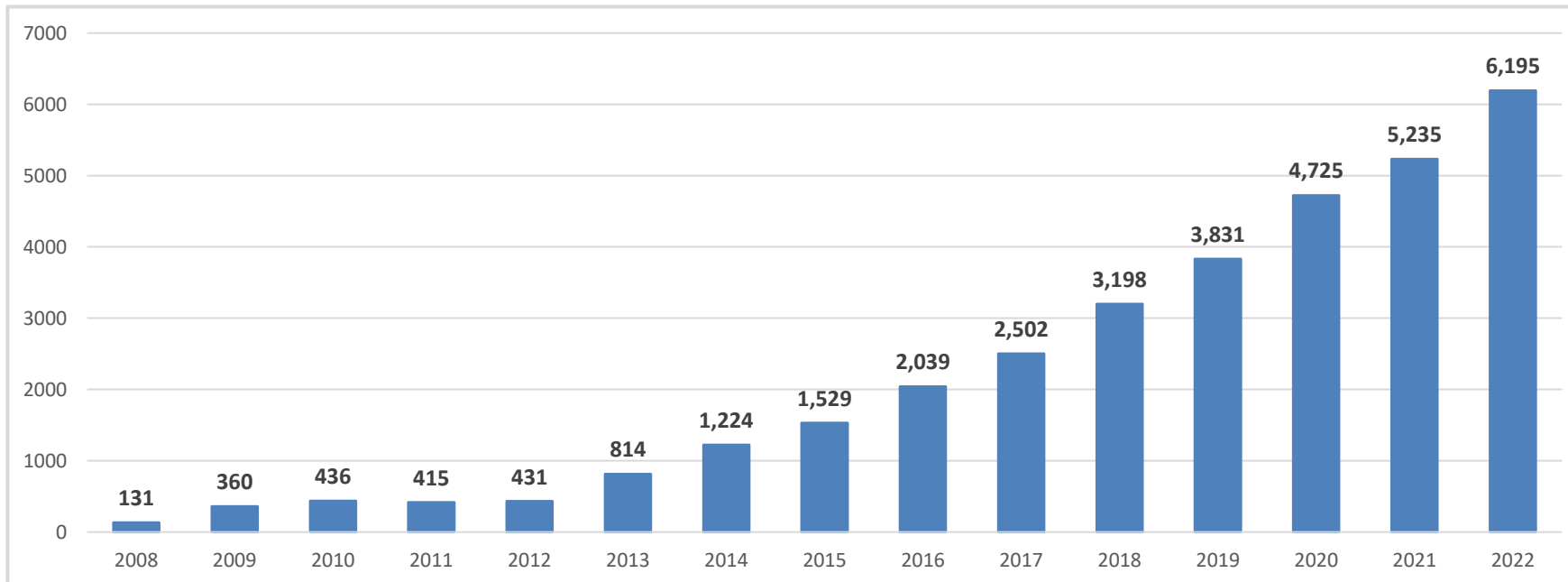
- HFA issued **\$1.8 Billion** in bonds in FY2022
  - Of these, \$1.4 Billion was in Affordable Housing Revenue Bonds (AHRB) / the open resolution
  - \$335 Million in refunding bonds and 80/20 refinancing
- In FY2022, HFA financed 6,122 units in 35 projects
- HFA's overall portfolio includes
  - **\$18 Billion** in bonds
  - **\$16.6B Billion** in mortgage loans
- The Affordable Housing Resolution portfolio has:
  - 257 converted projects
  - 107 projects in construction
  - Over 59,000 units



# Affordable Housing Revenue Bonds (AHRB) Overview

- Also known as the open resolution, AHRBs are the primary financing vehicle for the Agency’s affordable multi-family housing program
- Aa2 rated parity resolution established in 2007 and has achieved significant growth
  - Special revenue obligations payable from Program Assets, which include mortgage loans financed with bond proceeds and supplemental security insuring (securing against default losses on the mortgage loans)
- Currently **\$6,194,650,000** of outstanding AHRBs<sup>(1)(2)</sup>

## AHRBs Outstanding by Fiscal Year (\$MM)



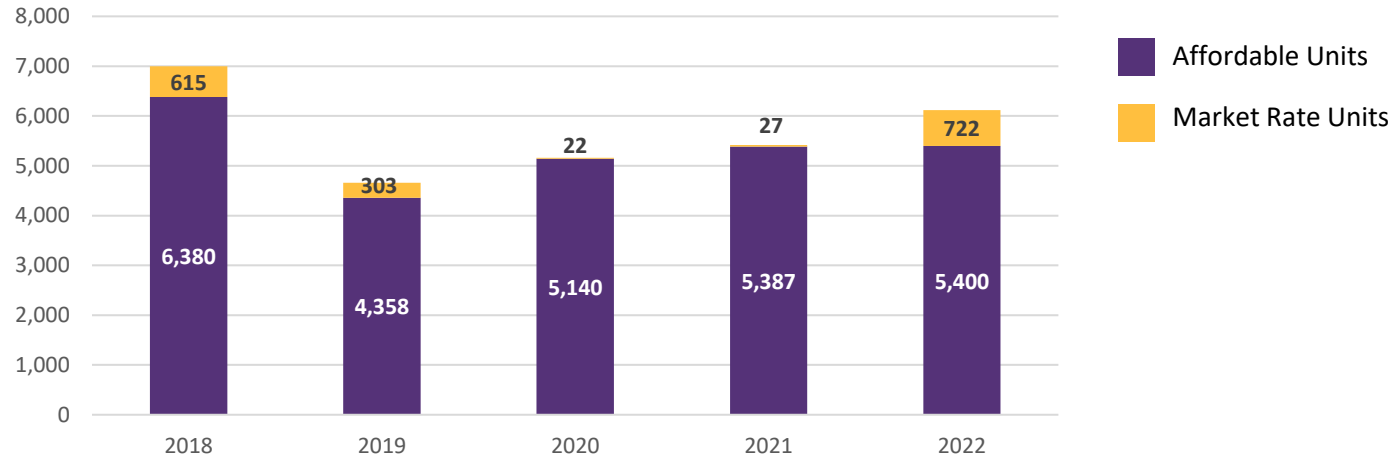
<sup>1</sup> Does not include NIBP Bonds

<sup>2</sup> As of October 31, 2022

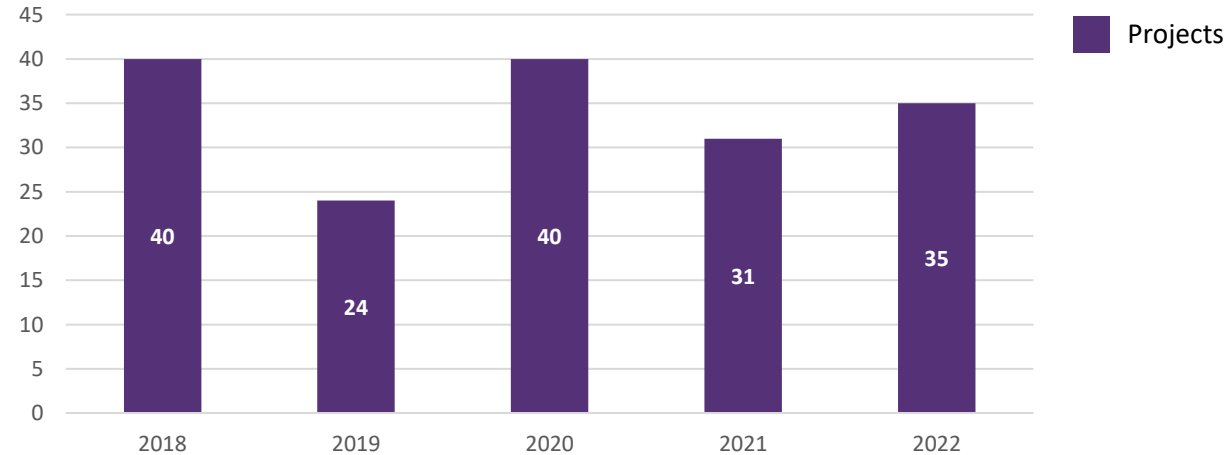


# HFA Units and Projects Financed by Fiscal Year

## Units Financed by Fiscal Year<sup>1</sup>



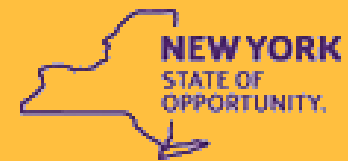
## Projects Financed by Fiscal Year<sup>1</sup>



<sup>1</sup> Includes new AHRB, 80/20, and back-to-back transactions



# HFA Liquidity and Swaps



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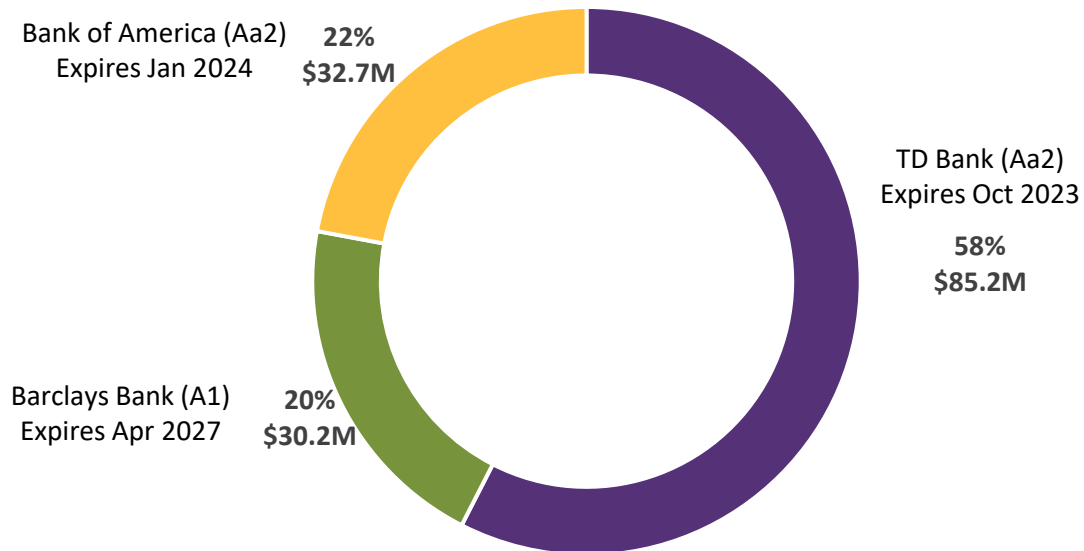
# HFA Variable Rate Debt – Liquidity and Swaps

- To mitigate the Agency’s interest rate exposure on the variable rate bond portfolios, we use a combination of liquidity providers and interest rate swap counterparties
- Our goal is to diversify counterparties to reduce concentration risk, minimizing reliance on any one provider

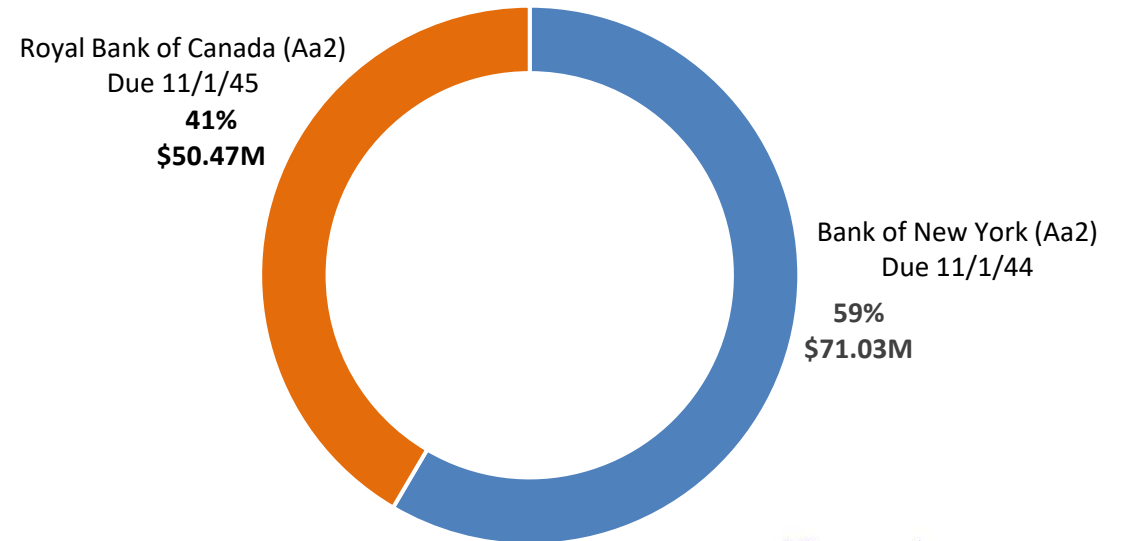
Total Liquidity Principal Outstanding: \$148,130,000

Total SWAP Notional Amount: \$121,505,000

## Liquidity Providers



## Swap Providers



**State of New York Mortgage Agency (SONYMA)  
Fiscal Year 2022  
Financial Statements/Program Summary**

May 16, 2023



**Homes and  
Community Renewal**



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# General Takeaways



## SONYMA Financial Statement Takeaways

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**SONYMA continues to have a robust and positive impact on New York State's affordable housing production and availability.**

SONYMA's net position decreased by approximately \$38.2 Million, generally attributable to change in investment valuation. Our net position increases or decreases based on changes in Net Revenues.

### **Total Outstanding Bonds: \$2.9 Billion**

#### **SONYMA**

- \$2.9 Billion outstanding bonds
- \$656 Million new bonds issued
- \$2.9 Billion mortgage loan receivables (increase of \$200 Million)



**Homes and  
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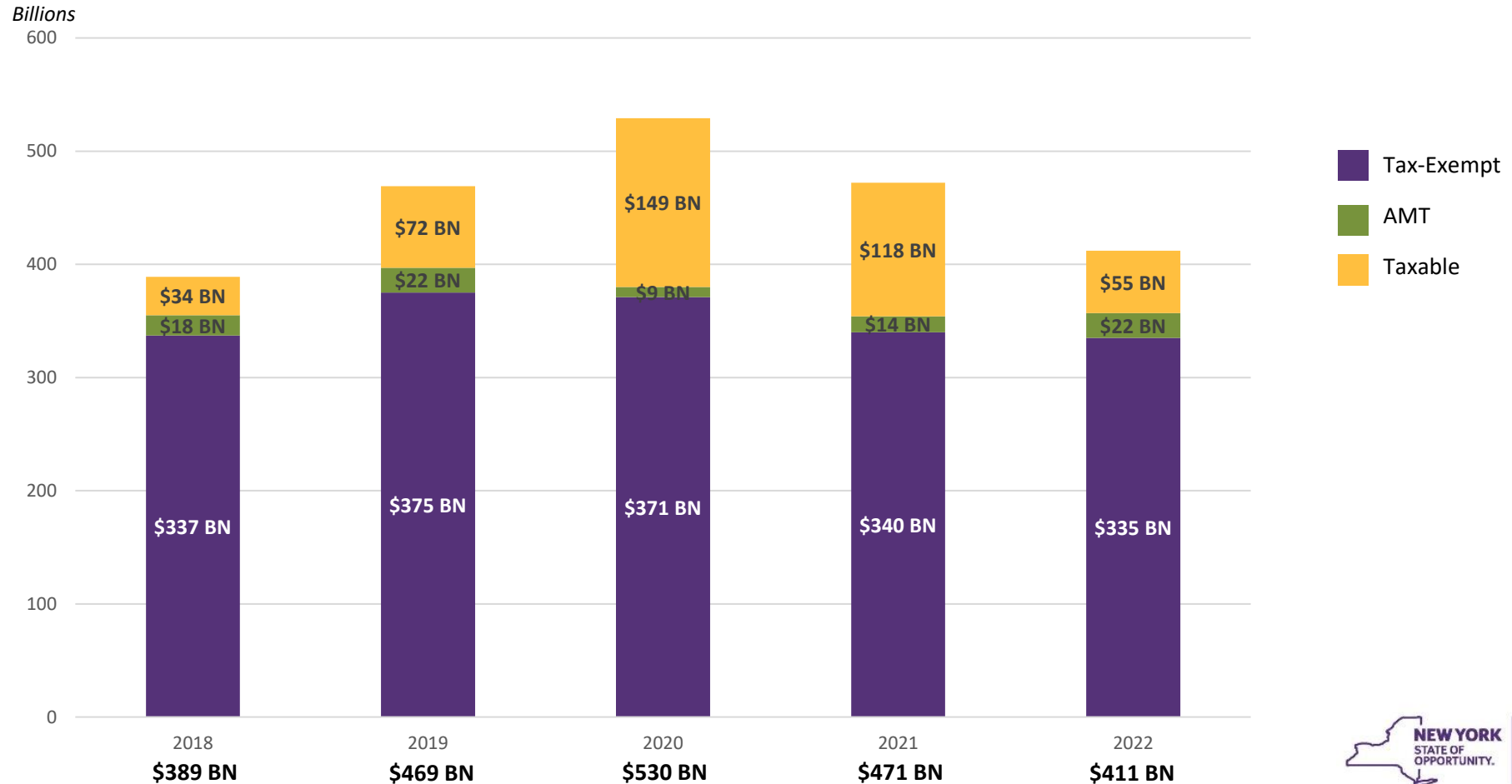
# Municipal Market Overview



# US Municipal Bond Issuance in 2022

In 2022, municipal bond issuance nationally went down by 12.7% year over year

- Tax-exempt issuance decreased by 1.3%
- Taxable issuance decreased by 53.7%



Source: Refinitiv SDC New Issuance Stats, January 9, 2023

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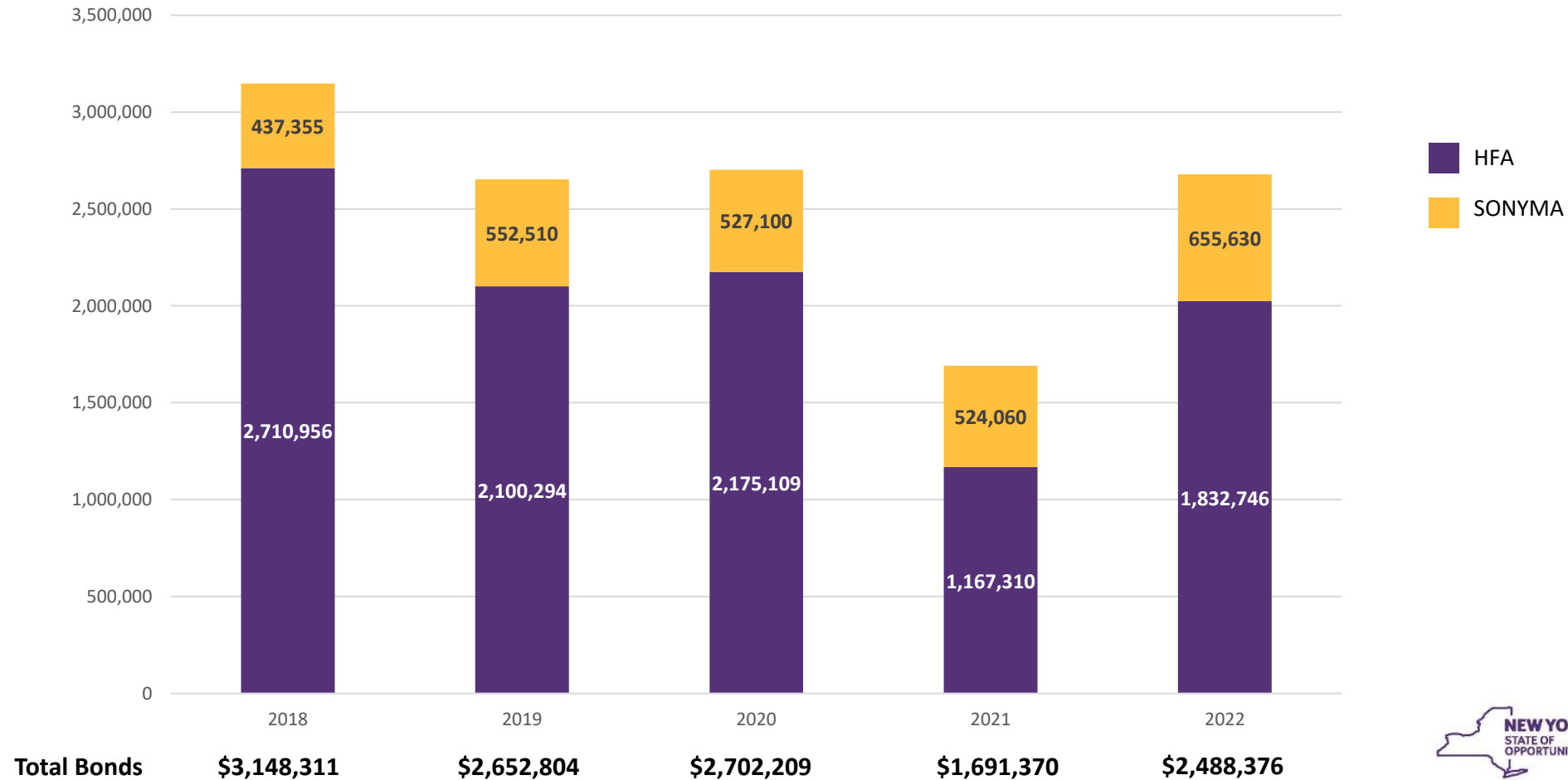
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# HCR Bond Issuance – past five fiscal years

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# Bond Program Accomplishments in CY2022

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## SONYMA

- Increased total number of loans by 15.83%, helping the most households in over 25 years
- Increased lending to number of households below 80% AMI by 33.94%
- Increased lending on cooperatives by 70%
- Maintained portfolio performance with delinquency rates of 2.49%, well below the statewide average of 4% and close to the pre-pandemic level of 2.35% in 2019
- Created \$19.5 million of zeros to provide subsidy for future programs
  
- Continued to issue Social Bonds, consistent with social impact goals and with the “Social Bond Principles” defined in the International Capital Market Association’s guidelines
- Preserved over \$130.2 million of volume cap with replacement refundings
- Targeted greater counterparty diversity





# State of New York Mortgage Agency Annual Overview



# SONYMA Bond Programs

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- Purchased **1,953** loans, up from 1,686 in 2022
  - ATD program: 1,470 loans, totaling \$345.3 Million
  - ATD-Habitat program: 53 loans, totaling \$9.8 Million
  - LIR program: 430 loans, totaling \$124.6 Million
- Provided Down Payment Assistance for **70%** of our borrowers, worth **\$16.4 Million**
- **97.51%** of SONYMA loans are current, performing better than the NY State average of 95.1%

## Loan Products

### Achieving the Dream

(ATD) 80% AMI or less

### Low Interest Rate

(LIR) 80-115% AMI

Habitat for  
Humanity

Homes for  
Veterans

RemodelNY

Neighborhood  
Revitalization

### Down Payment Assistance Loans (DPAL)

10 year, non-interest bearing, forgivable 2nd lien



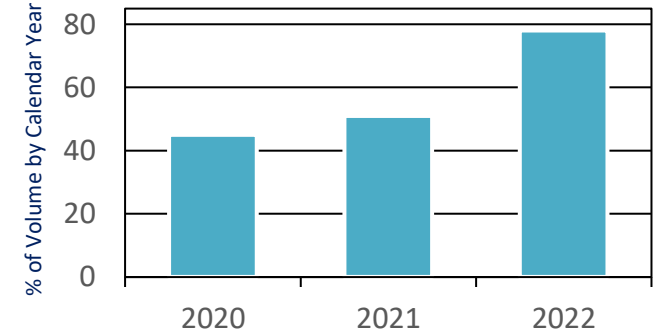
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# SONYMA Priorities

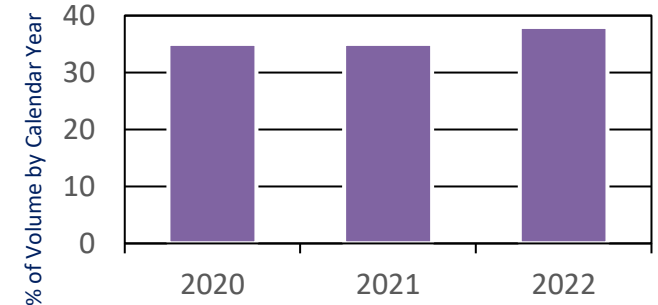
## Putting Low Income Families into Homeownership:

SONYMA is committed to helping low- and moderate-income families build for the future by realizing homeownership.



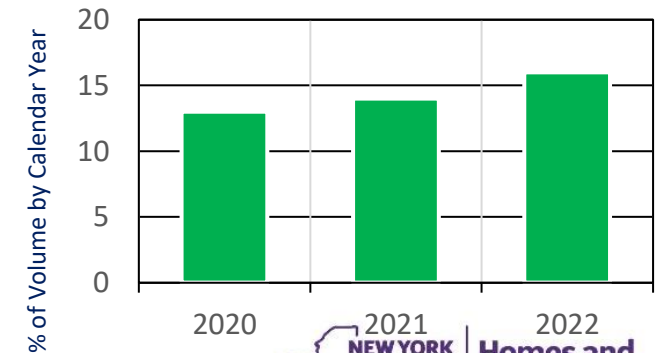
## Serving Minority Homebuyers:

In 2022, we continued our outreach and support for partners who serve minority majority communities.



## Assisting Federally Designated High Poverty Areas:

SONYMA targets its homeownership lending to communities that are struggling to combat poverty.

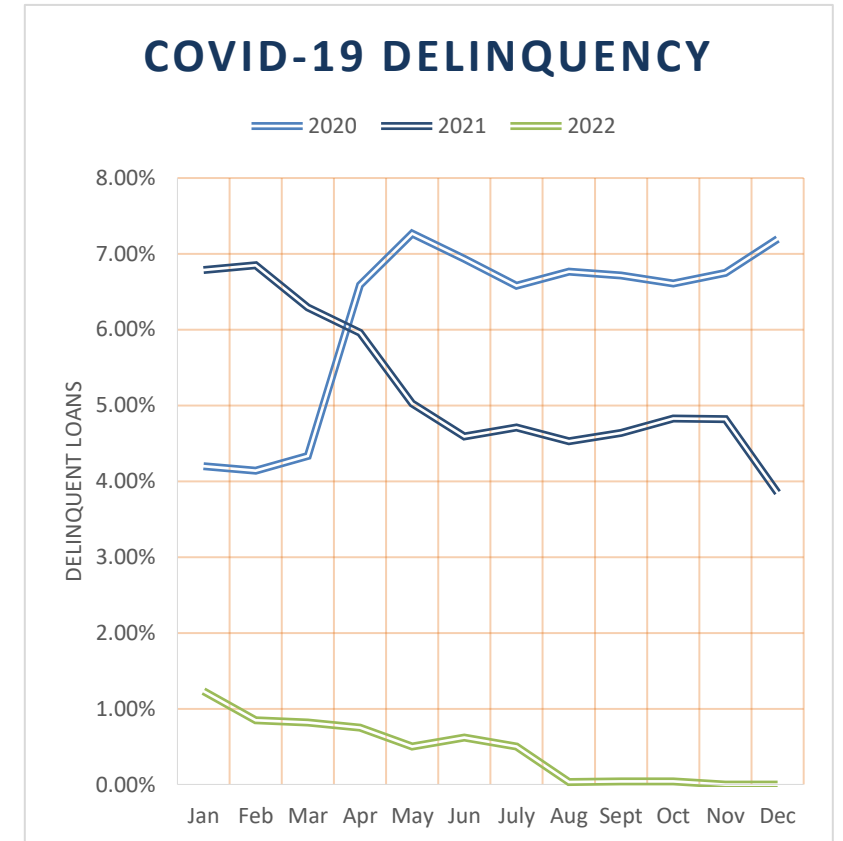


# SONYMA Response to COVID-19

## Relief to COVID-19 Impacted Borrowers

SONYMA provided direction to Servicers to offer Forbearance to impacted borrowers

- Borrowers were eligible for an initial 6 months forbearance and subsequent options for up to an additional 6 to 18 months. Upon exiting forbearance, borrowers were offered:
  - Repayment Plan of up to 12 months for the total forbearance amount;
  - Extension Modification with a maximum extension of the total forbearance period; and
  - Deferral of the forbearance amount due upon at loan maturity.
- As of December 31, 2022, only 13 loans remained in forbearance, down from a peak of 2,097 loans.
  - 6 loans remain delinquent
  - 7 loans became current



# SONYMA Initiatives

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## Give Us Credit

A program to *address racial disparities in mortgage lending* by redefining traditional credit standards. Allows more support from families and friends, considers non-traditional forms of income in evaluating “ability to pay”, applies weighted importance for responsible financial management practices not considered in traditional credit reporting.

## DPAL Plus - Buffalo

A program to increase homeownership rates for *homebuyers earning less than 60%* of the Area Median Income by providing deeper purchase assistance in the East Buffalo region.

## Manufactured Home Mortgages

A program to provide traditional SONYMA mortgages to homebuyers who want to *purchase or site a home on leased land i.e. manufactured home parks*. An alternative to high-cost and often predatory chattel loans and retail installment contracts.



# State of New York Mortgage Agency Mortgage Insurance Fund



# MIF Monthly Tax Surcharge Collections

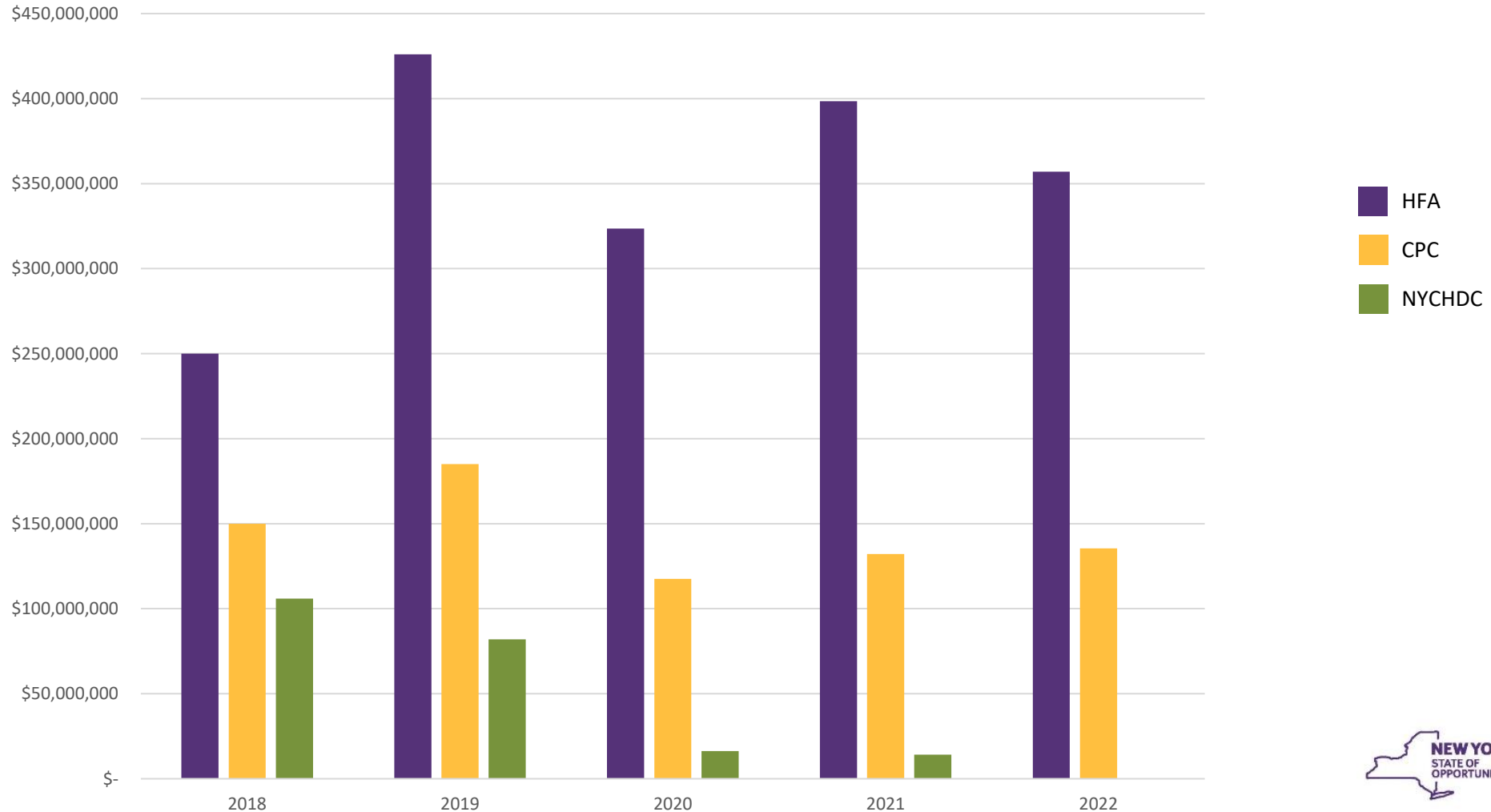
The dollar amount of Mortgage Recording Tax received by the MIF increased in 2022, likely due to increased sales/refinancings in anticipation of an increase in interest rates.

	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>
November	12,655,270	15,245,991	14,989,430	15,328,590	15,385,042
December	14,856,067	14,025,534	11,698,157	10,041,202	13,053,807
January	12,109,417	19,453,950	16,570,024	12,821,119	19,242,517
February	14,500,598	17,866,899	16,306,852	8,272,916	25,787,028
March	10,096,336	8,779,860	11,043,936	12,899,780	14,211,912
April	10,958,241	10,486,711	11,920,788	9,289,366	20,958,966
May	12,946,879	14,748,529	6,805,927	10,406,054	13,941,547
June	15,263,668	11,118,053	7,804,976	12,155,100	17,771,998
July	10,732,726	16,141,038	9,564,518	19,343,585	19,323,439
August	15,694,913	12,227,462	11,683,215	13,346,142	16,383,191
September	12,323,278	12,808,580	7,525,345	13,625,394	17,935,255
October	9,901,062	14,861,366	11,777,854	14,710,859	16,497,590
Totals:	152,038,455	167,763,973	137,691,022	152,240,107	210,492,292



# MIF Project Commitment by Loan Amount

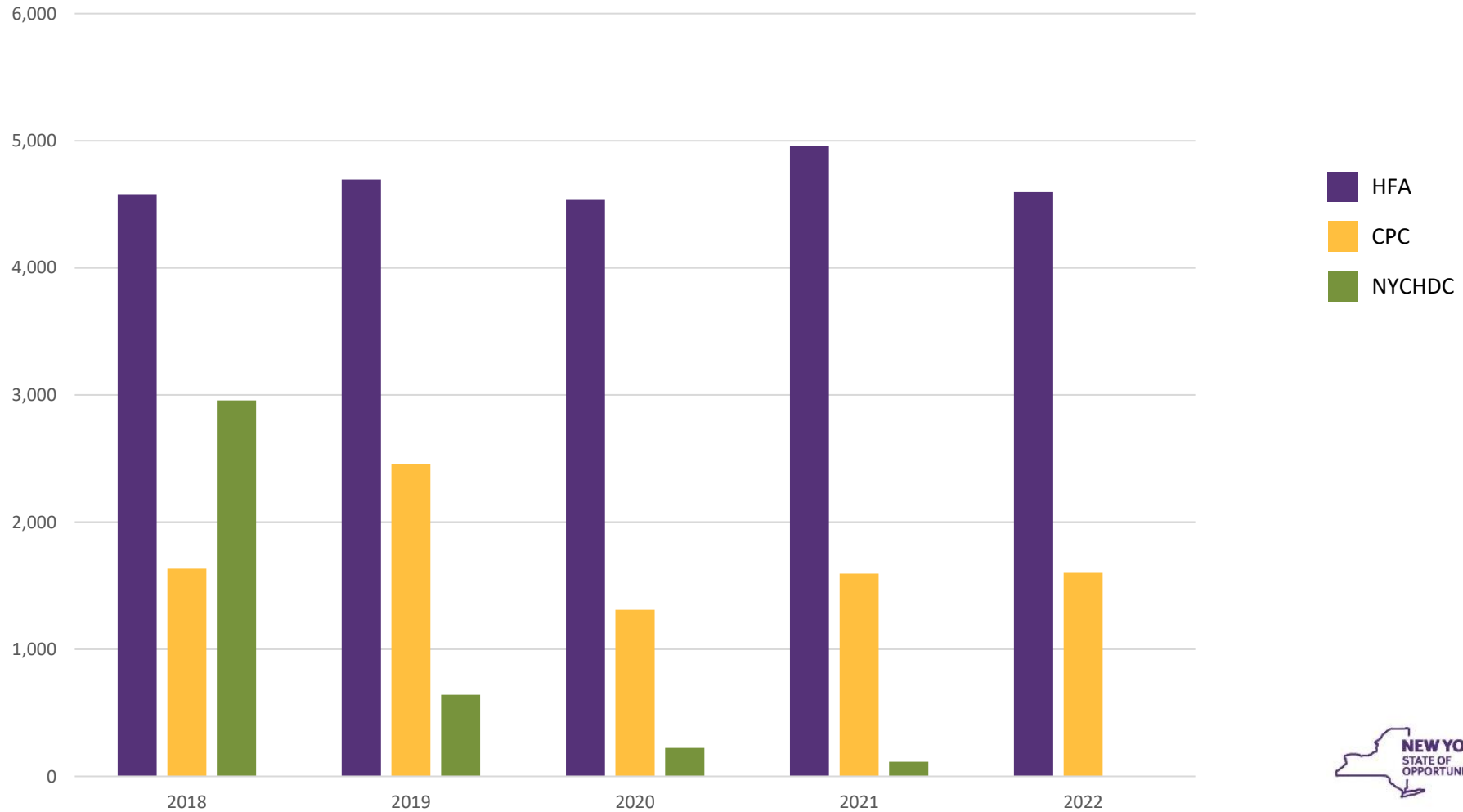
HFA is by far the MIF's single largest insured lender by loan amount. The Community Preservation Corporation is the second largest by loan amount.





# MIF Project Commitment by Units

Over the five year period from 11/1/2019 to 10/31/2022, the MIF insured 150 HFA mortgage loans on affordable multifamily projects with 23,370 homes.



# SONYMA Liquidity and Swaps

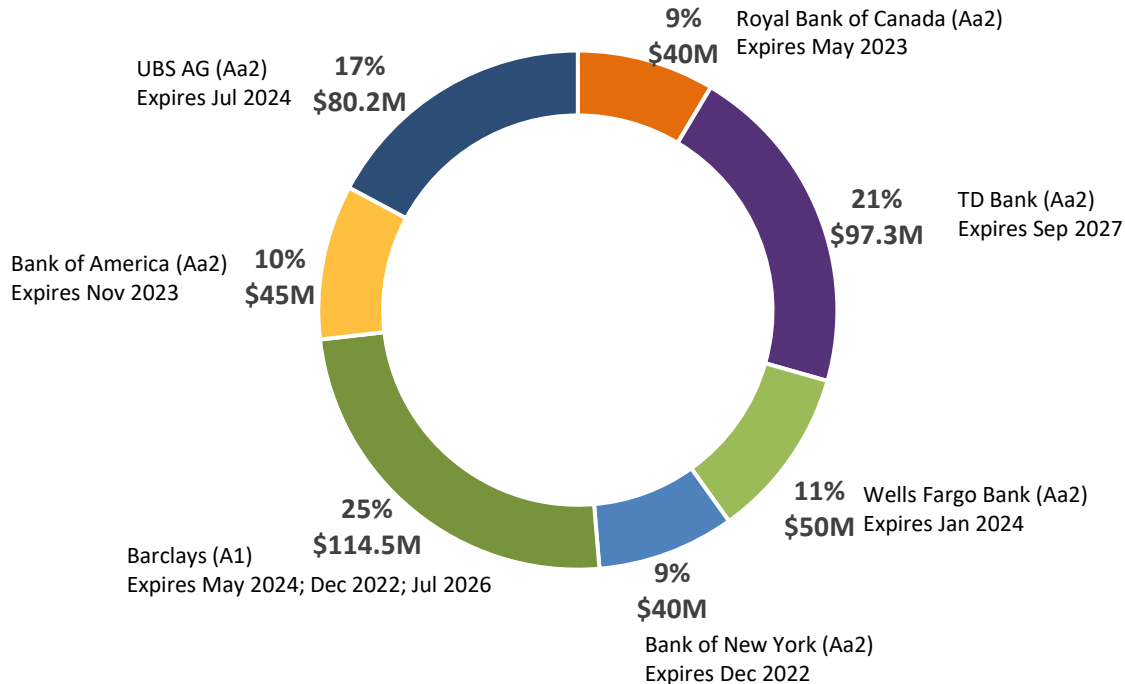


# SONYMA Variable Rate Debt – Liquidity and Swaps

- To mitigate the Agency’s interest rate exposure on the variable rate bond portfolios, we use a combination of liquidity providers and interest rate swap counterparties
- Our goal is to diversify counterparties to reduce concentration risk, minimizing reliance on any one provider
- SONYMA’s variable rate bond portfolio is larger and more mature, with a broader and more diverse list of counterparties

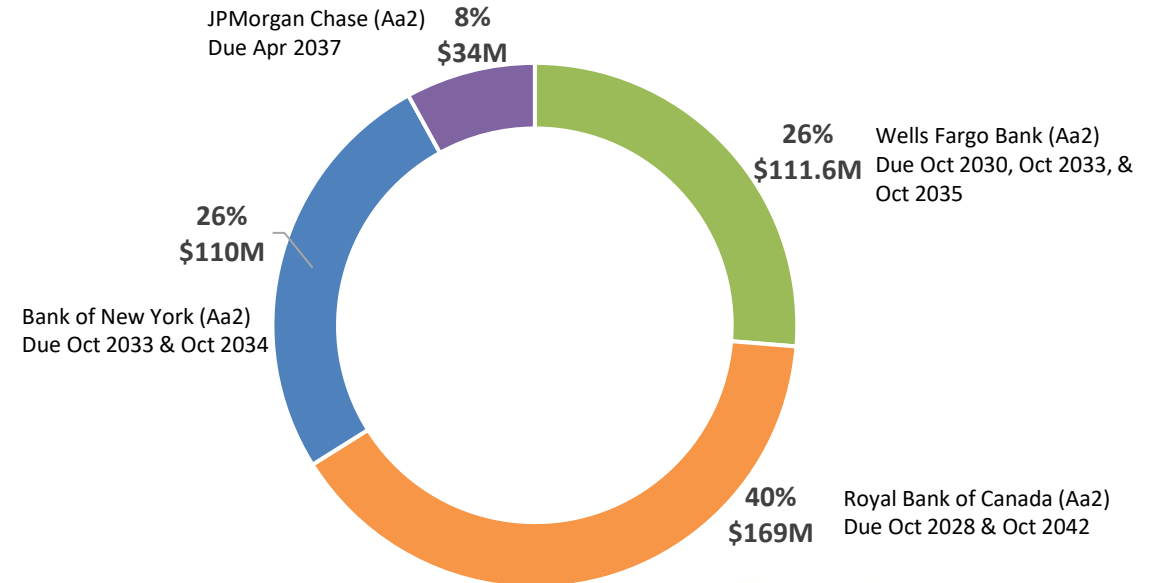
**Total Liquidity Principal Outstanding: \$467,005,000**

## Liquidity Providers



**Total SWAP Notional Amount: \$424,660,000**

## Swap Providers



# **Municipal Bank Bond Agency (MBBA) and Tobacco Settlement Financing Corporation (TSFC)**

## **Fiscal Year 2022**

## **Financial Statements/Program Summary**

May 16, 2023



**Homes and  
Community Renewal**

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# General Takeaways



# MBBA and TSFC Financial Statement Takeaways

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**MBBA and TSFC continue to have a robust and positive impact on New York State's affordable housing production and availability.**

Municipal Bank Bond Agency (MBBA)'s net position increased by approximately **\$1.5 Million**, generally attributable to an increase in fees and the decrease in interest expenses paid. Our net position increases or decreases based on changes in Net Revenues.

Tobacco Settlement Financing Corporation (TSFC) received Tobacco Settlement Revenue (TSR) payments this year of \$401 Million, with general expenses of \$292,000, and the excess funds remained with the agency.

## **MBBA**

- **\$81.5 Billion** outstanding bonds
- No new bonds issued
- **\$403,000** fees collected

## **TSFC**

- All outstanding bonds redeemed in FY2017
- TSR payments continue to be due and payable to the State
- **\$401 Million** TSR payments received in FY2022



# Municipal Market Overview

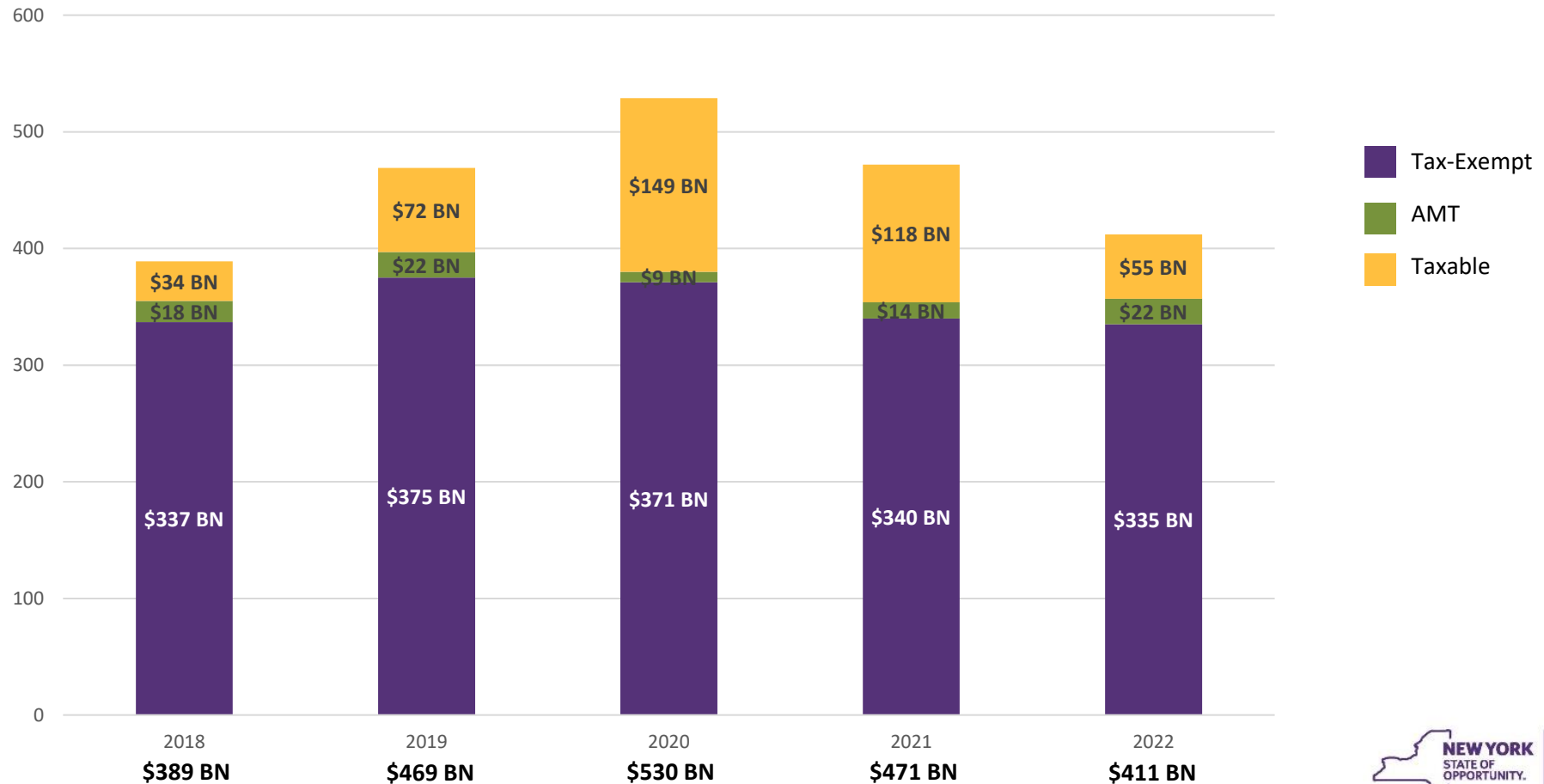




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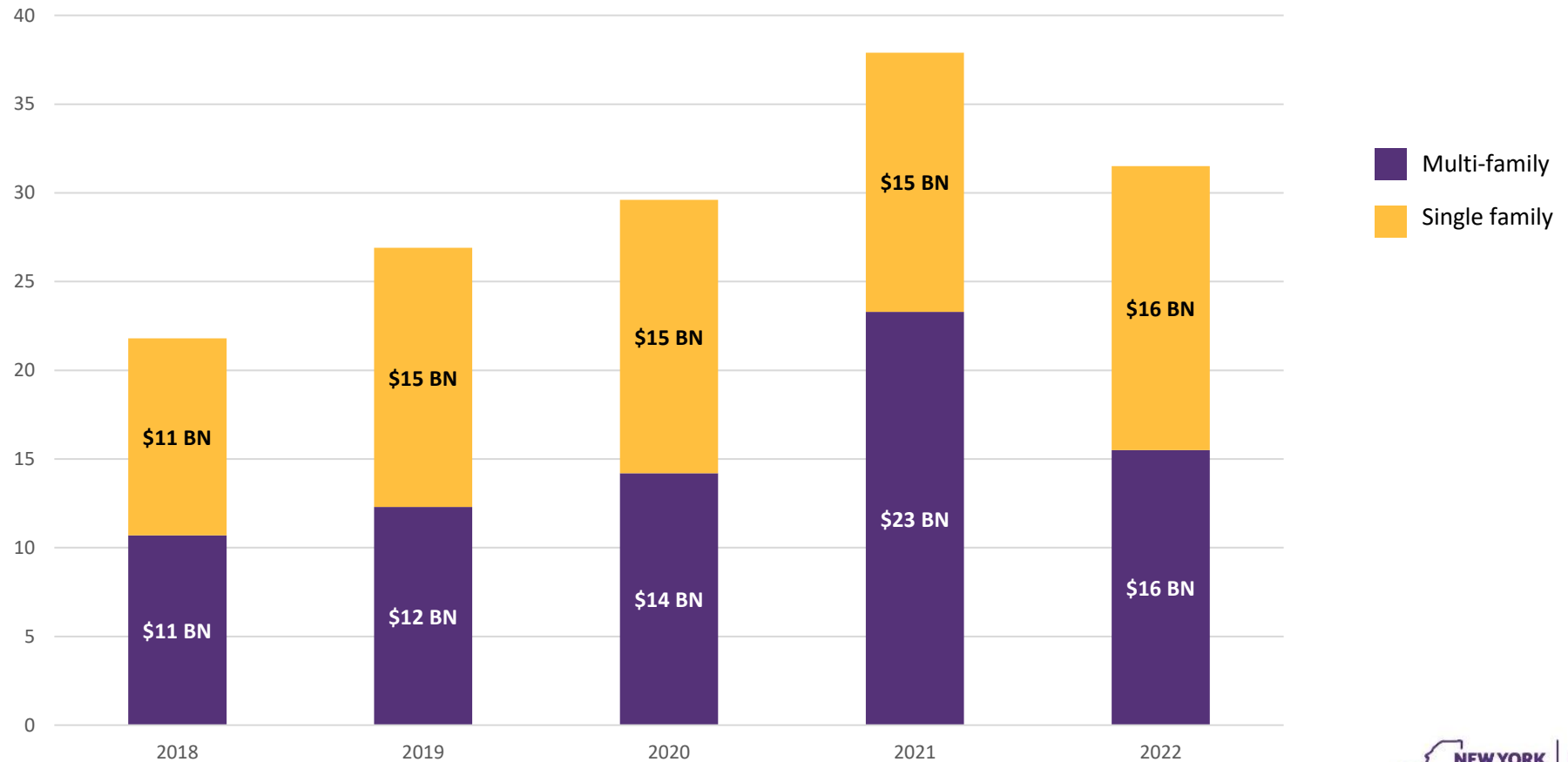


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