

NYS HFA, SONYMA, MBBA, and TSFC

Fiscal Year 2024

Financial Statements/Program Summary

January 23, 2025



**Homes and
Community Renewal**

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General Financial Takeaways



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HFA Financial Statement Takeaways

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

HFA's net position increased by approximately **\$243 Million**. Net position is a calculation of assets minus liabilities for the fiscal year.

'24 financial highlights:

- Total Outstanding Bonds: \$18.7 Billion (*\$600 M increase from FY end '23*)
- \$1.2 Billion new bonds issued (*\$200 M more issued than FY '23*)
- \$16.9 Billion mortgage loan receivables (*\$300 M increase from FY end '23*)
- \$75.3 Million fees collected (*\$4.2 Million Increase from Fiscal 2023*)

*Fiscal year ending October 31, 2024



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SONYMA Financial Statement Takeaways

SONYMA continues to further its mission to provide opportunities for homeownership to eligible first-time homebuyers in New York State.

SONYMA's net position increased by approximately **\$201 Million**.

'24 financial highlights:

- Total Outstanding Bonds: \$3.1 Billion (*\$200 M increase from FY end '23*)
- \$404 Million new bonds issued (*Flat issuance to FY '23*)
- \$3.3 Billion mortgage loan receivables (*\$238 M increase from FY end '23*)

*Fiscal year ending October 31, 2024



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MBBA and TSFC Financial Statement Takeaways

Municipal Bank Bond Agency (MBBA)'s net position increased by approximately **\$1.6 Million**.

Tobacco Settlement Financing Corporation (TSFC) received Tobacco Settlement Revenue (TSR) payments this year of \$327 Million, with general administration expenses credited to HCR of \$196,000 , and a transfer to New York State of \$62 Million. The excess funds remained with the agency.

MBBA '24 financial highlights:

- **\$26.1 Million** outstanding bonds (*\$11.6 M decrease from FY end '23*)
- No new bonds issued
- **\$39,000** fees collected (*\$11 Thousand decrease from Fiscal 2023*)

TSFC '24 financial highlights:

- All outstanding bonds redeemed in FY2017
- TSR payments continue to be due and payable to the State
- **\$327 Million** TSR payments received in FY2024

*Fiscal year ending October 31, 2024



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Municipal Bond Market Overview



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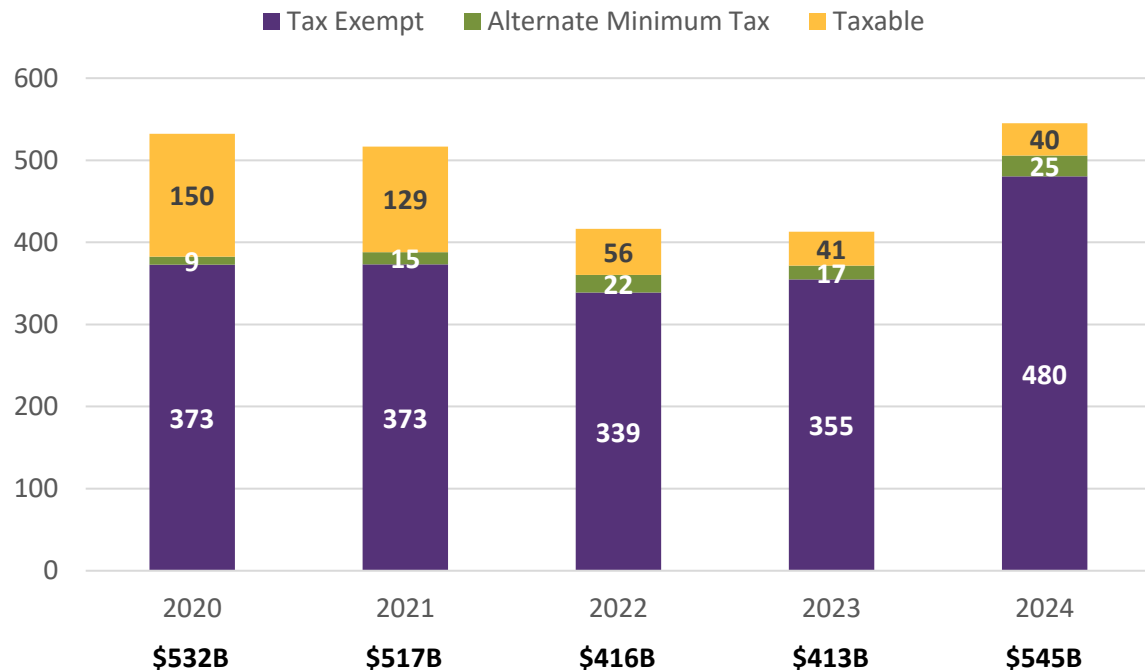
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US Municipal Bond Issuance and Interest Rates in CY2024

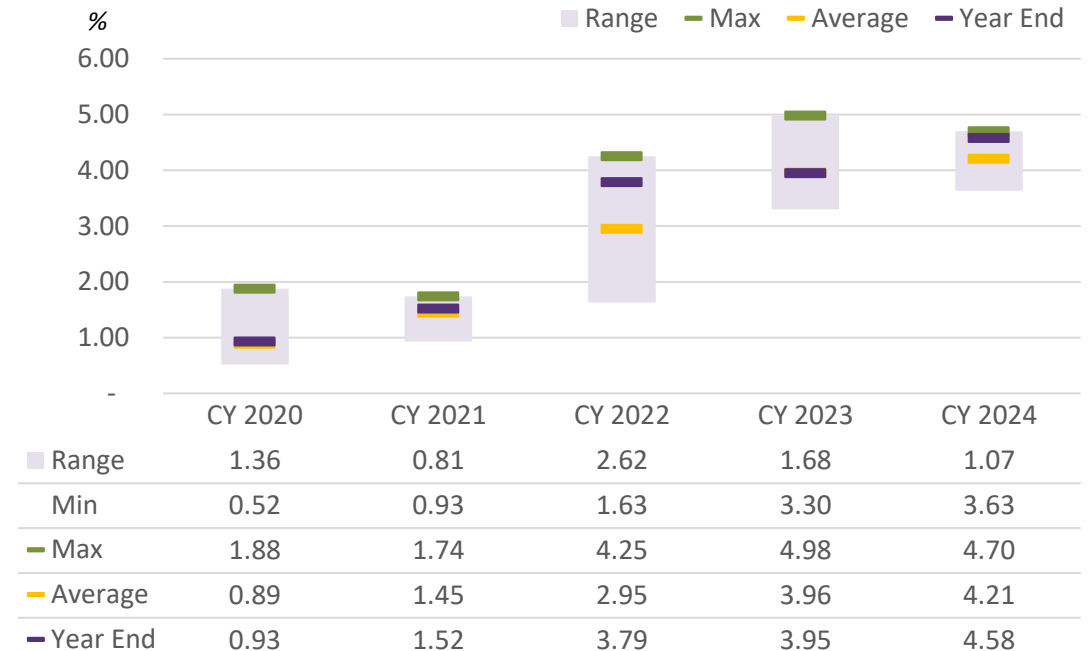
In 2024, overall municipal bond issuance increased by 32% year-over-year despite an increase in rates

- Tax-exempt issuance increased by 35%
- Taxable issuance decreased by 4%
- 10-year US Treasury Rates increased by 63 basis points over the year within a narrower range
- Rates at year-end approached peak rates at 37 basis points above the year's average

Annual Municipal Bond Issuance (\$B)



10-Year UST Rate History



Source: Refinitiv SDC New Issuance Stats, January 3, 2025; includes long- and short-term issuance

US Municipal Housing Issuance in CY2024

In 2024, housing municipal bond issuance increased 7% year-over-year

- Single family issuance increased by 8.3% year over year
- Multifamily issuance increased by 5.9% year over year



Source: Refinitiv SDC New Issuance Stats, January 3, 2025

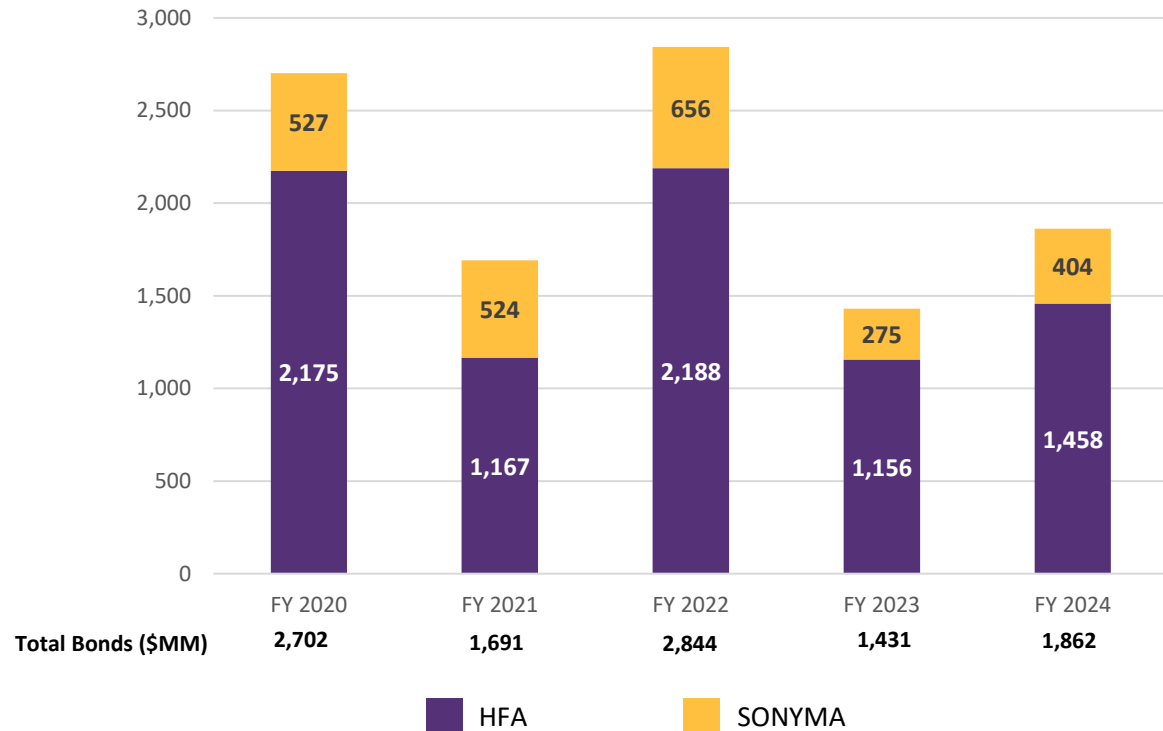


HCR Fiscal Year Bond Issuance and Calendar Year Issuer Rankings

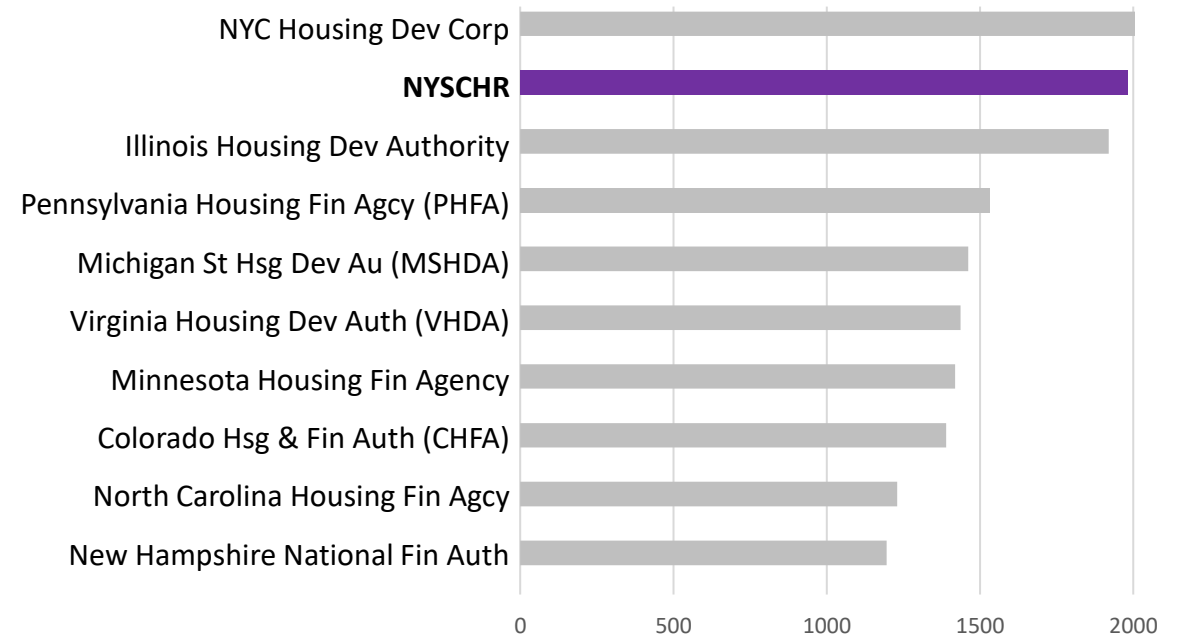
On a combined basis, NYSHCR was the #2 housing bond issuer in calendar year 2024

- HFA and SONYMA combined bond issuance comprised 4.5% of overall housing bond issuance in calendar year 2024
- NYSHCR has been a top three housing bond issuer over the last three calendar years

NYSHCR Fiscal Year Bond Issuances (\$MM)¹



CY2024 Housing Bond Issuance Par (\$MM)



1. Includes refundings and remarketings

Bond Program Accomplishments in CY2024

HFA

- Issued over **\$384 million of Personal Income Tax Revenue Bonds** to meet the Agency's target issuances
- The Affordable Housing Revenue Bond indenture **maintained a stable Aa2 rating** from Moody's based on strong credit support providers, significant pledged funds, and strong asset management track record
- NYSHFA was ranked the **#2 multifamily housing issuer** across the country
- Remained active in the municipal market with over **\$1.2 billion bonds issued**
- Issued its Affordable Housing Revenue Bonds as **Sustainability Bonds** consistent with the International Capital Market Association's Sustainability Bond Guidelines given the green and social aspects of the funded projects
- Optimized volume cap by using **501c3 bonds and recycled nearly \$46 million of bonds** inclusive of the NYSHFA-NYCHDC recycling program which helped support New York City multifamily projects

SONYMA

- The Homeowner Mortgage Revenue Bond indenture **maintained a stable rating of Aa1** from Moody's, reflecting a healthy balance sheet, cash flow projections, and good loan portfolio performance supported by mortgage insurance and pool insurance coverage
- Maintained portfolio performance with delinquency rates of 2.59%, below the statewide average of 3.40% and near to the pre-pandemic levels.
- 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 \$59 million of volume cap** with replacement refundings

HCR was the 2nd largest overall Housing Issuer across the country



Liquidity and Swaps



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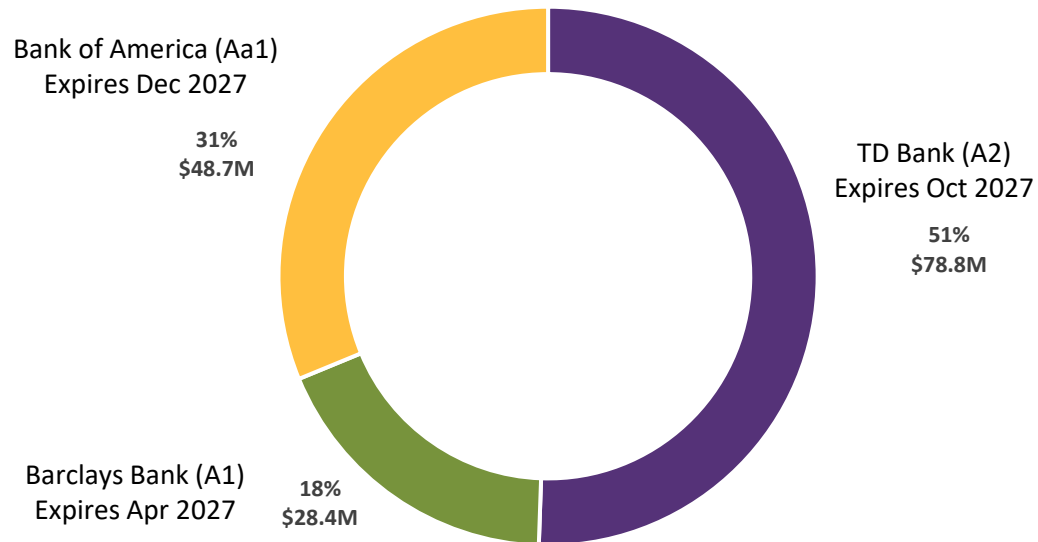
HFA Variable Rate Debt – Liquidity and Swaps

- 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

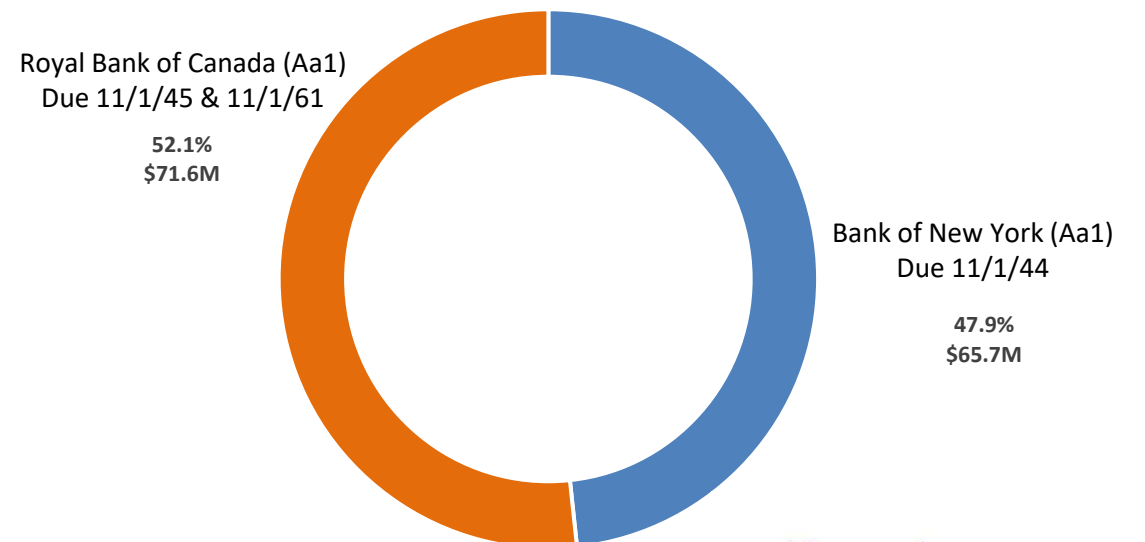
Total Liquidity Principal Outstanding: \$155,965,000

Total SWAP Notional Amount: \$137,340,000

Liquidity Providers



Swap Providers

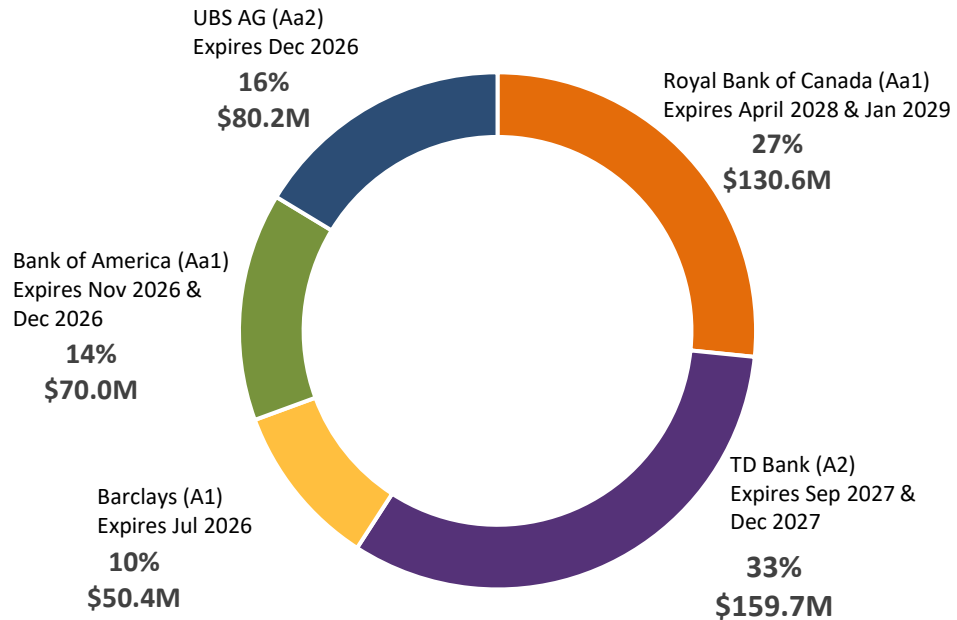


SONYMA Variable Rate Debt – Liquidity and Swaps

- 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

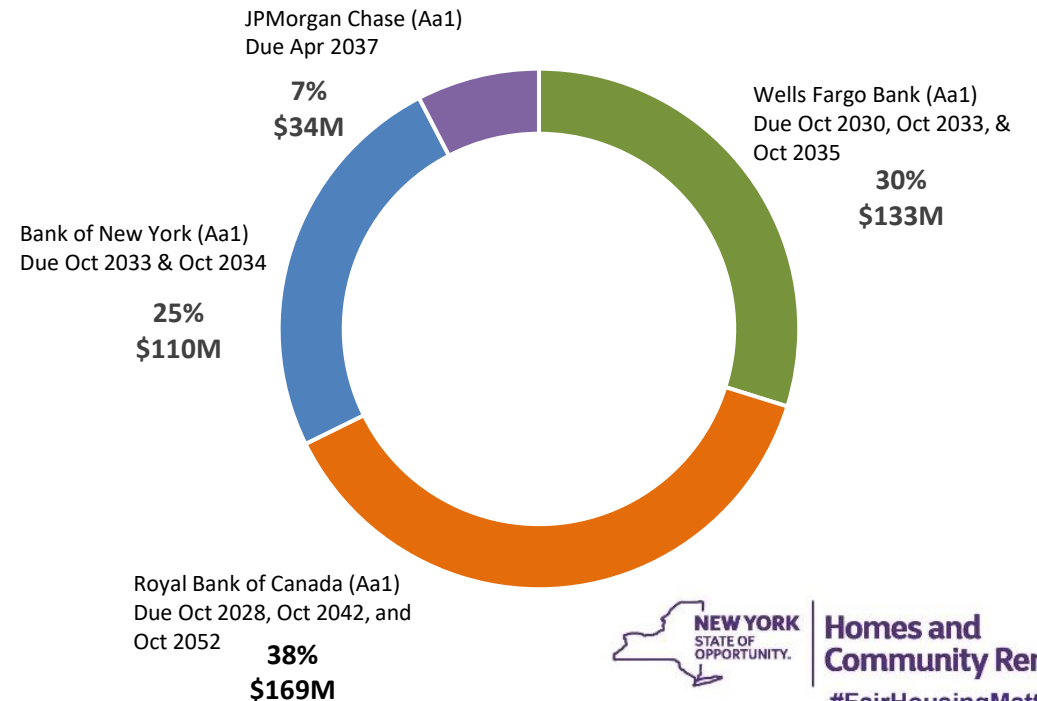
Total Liquidity Principal Outstanding: \$490,810,000

Liquidity Providers



Total SWAP Notional Amount: \$446,015,000

Swap Providers



Housing Finance Agency Annual Overview



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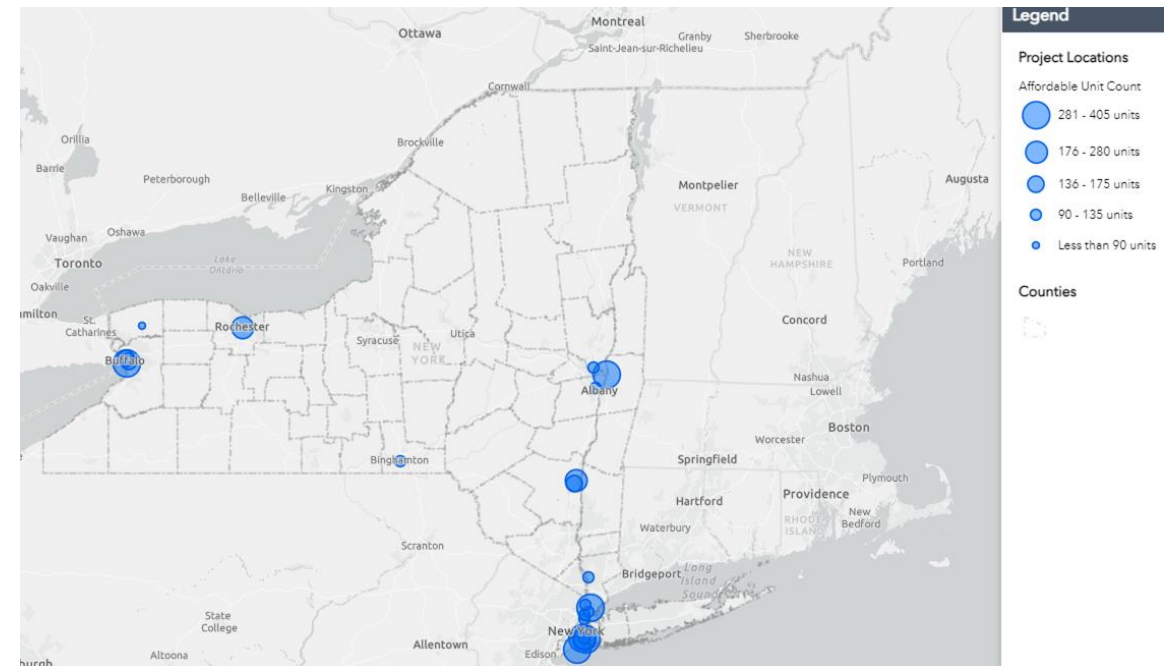
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Housing Finance Agency Updates

- HFA sold **\$1.248 Billion** of bonds in FY2024 to fund new projects
 - Of these, \$858.9 Million was in Affordable Housing Revenue Bonds
 - \$259.7 Million in State Personal Income Tax Revenue Bonds
 - \$124.4 Million in direct purchase bonds
- In FY2024, HFA bond-financed **4,289** units in **22** projects:

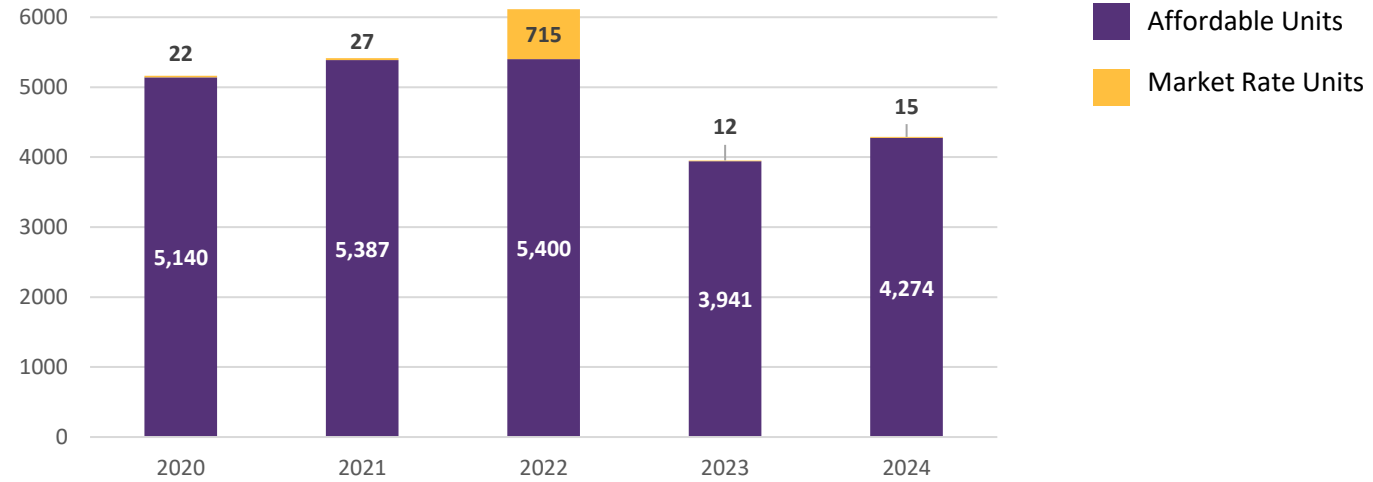
- HFA’s overall bond programs include
 - **\$18.7 Billion** of Bonds
 - **\$16.9 Billion** of Mortgages
 - **\$3.3 Billion** of Cash and Investments

Project Name	Unit Count	County	Units in County	County Units as % of Total
Freedom Springs	118	Albany	118	2.8%
Jericho 158	129	Bronx		
La Olazul	115	Bronx		
White Plains Road	135	Bronx	379	8.9%
Court Street Apartments	111	Broome	111	2.6%
Perry Homes I	405	Erie	405	9.5%
Marcus Garvey Extn, - Phase 2 - Building G	109	Kings		
Utica Crescent	322	Kings		
Innovative Urban Village Phase IA	386	Kings		
Marcus Garvey Extn, Phase Buildings & C.E.	177	Kings		
Luna Green	281	Kings	1275	29.8%
Park Square II	240	Monroe	240	5.6%
Francis John Apts/ Fred. Douglas Towers Phase II	174	New York		
Main Street Lofts	147	New York	321	7.5%
Harrison Place Lofts	82	Niagara	82	1.9%
Troy Portfolio Preservation Bundle	340	Rensselaer	340	7.9%
Hudson Heights Apartments	120	Saratoga	120	2.8%
Ulster Portfolio	212	Ulster		
Golden Hill	164	Ulster	376	8.8%
115 South MacQuesten	314	Westchester		
Station Plaza	108	Westchester		
Willow of the Ridgeway (Ridgeway VI)	92	Westchester	514	12.0%

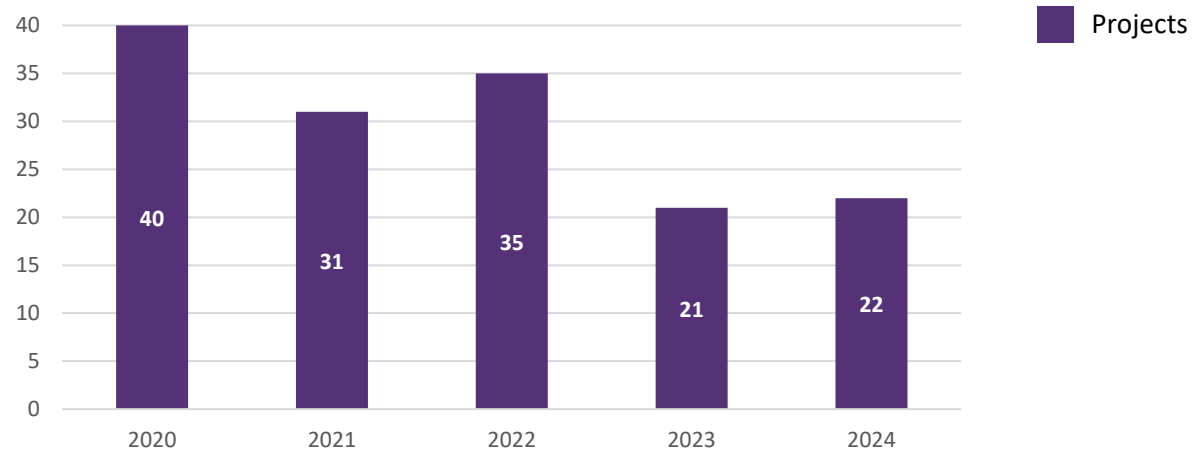


HFA Units and Projects Financed by Fiscal Year

Units Financed by Fiscal Year¹



Projects Financed by Fiscal Year¹

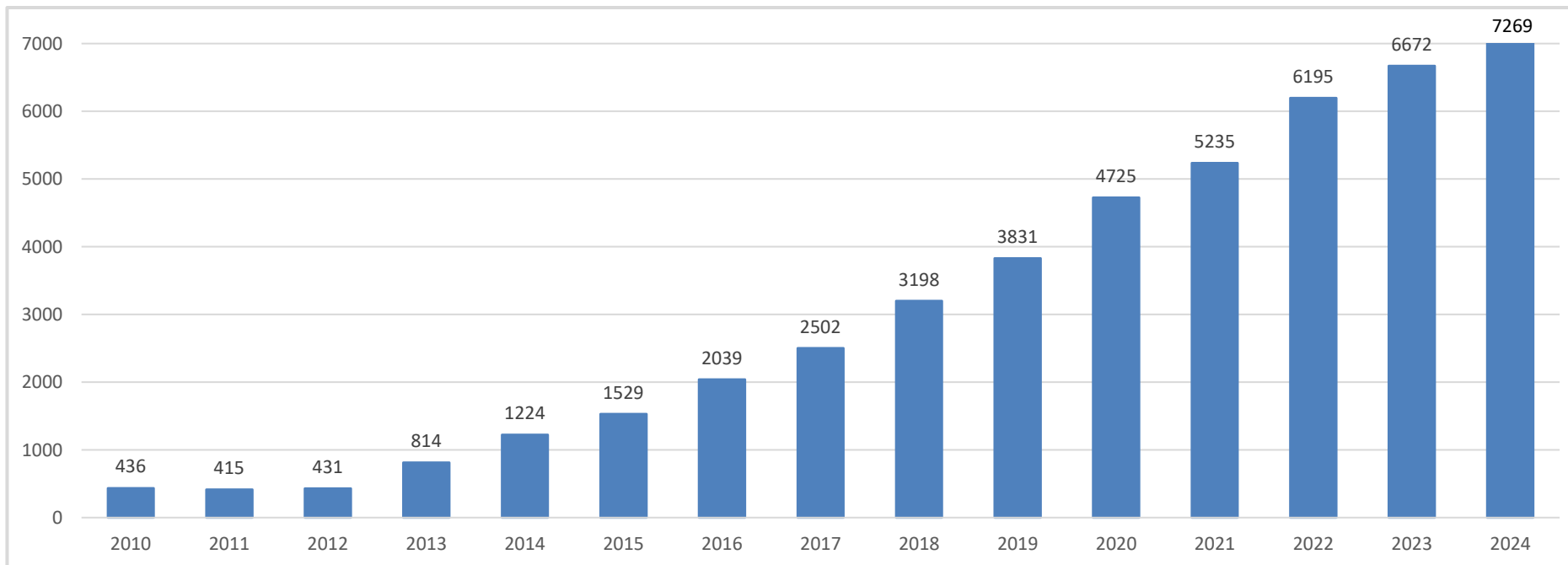


¹ Includes new AHRB, 80/20, and back-to-back transactions

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 **\$7,268,631,000** of outstanding AHRBs⁽¹⁾⁽²⁾

AHRBs Outstanding by Fiscal Year (\$MM)



¹ Does not include NIBP Bonds

² As of October 31, 2024



State of New York Mortgage Agency Annual Overview



SONYMA Single Family

SONYMA provides access to affordable homeownership to owner-occupant first-time homebuyers, US military veterans, or borrowers purchasing a home in a federally designated targeted area through three main programs. Income limits vary by program and county.



Achieving the Dream (ATD)

At or below 80% AMI



Low Interest Rate (LIRP)

80% -130% AMI



Habitat for Humanity (HH)

Applicants eligible under non-profit's program.
Program volume capped annually.



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SONYMA Volume

- Purchased **1,694** loans in 2024, on par with 1,701 loans in 2023, despite difficult market conditions.
 - Achieving the Dream (ATD) program: **1,351** loans, totaling \$286.9 Million
 - Habitat for Humanity (HH) program: **36** loans, totaling \$6.4 Million
 - Low-Interest Rate program: **307** loans, totaling \$108.3 Million
- Provided Down Payment Assistance for **70%** of borrowers, worth **\$19.9M** – an 80.4% increase from \$11.1M in 2023.
- **97.42%** of SONYMA loans are current, performing slightly better than the NY State average of 96.60%

Affordability Trends

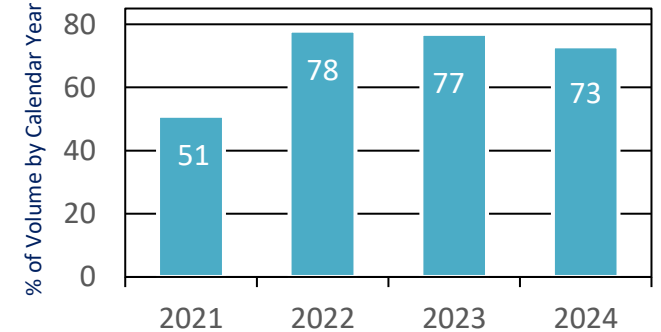
Year	Average Loan Amount	Average Interest Rate	Average Monthly Payment
2021	\$231,024	2.98%	\$ 974
2022	\$230,301	3.75%	\$1,073
2023	\$243,540	5.92%	\$1,448
2024	\$237,133	6.50%	\$1,486



SONYMA Priorities and '24 Accomplishments:

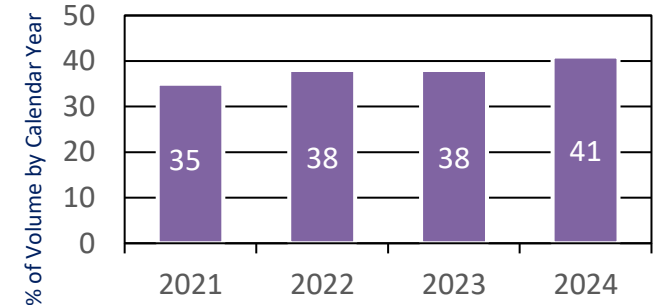
73% of our loans Put Low Income Families into Homeownership:

SONYMA is committed to helping low- and moderate-income families build for the future by realizing homeownership. Despite rising home prices and interest rates, in 2024, the agency maintained 73% low-income lending volume, only a slight decrease from 77% in 2023.



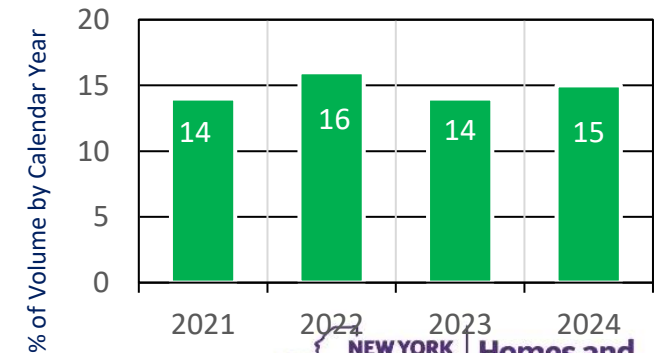
41% of our loans Serve Minority Homebuyers:

In 2024, we continued our outreach and support for partners who serve minority majority communities, including a program to support Special Purpose Credit Programs (SPCPs). SPCPs exclusively serve minority households and are structured to address their needs by expanding the definition of credit worthiness, among other things.



15% of our loans Assist Federally Designated High Poverty Areas:

SONYMA targets its homeownership lending to communities that are struggling to combat poverty. Providing financing in these underserved neighborhoods, which are often overlooked by other lenders, has the ability to revitalize communities.



SONYMA Initiatives

Credit is Due

A program to *address racial disparities in mortgage lending* by supporting Participating Lenders who have developed Special Purpose Credit Programs (SPCPs) launched in September 2023. The program, building on prior initiatives, provides enhanced Down Payment Assistance up to \$30,000; an interest rate reduction up to 2% off prevailing rates, as needed to qualify; and Give Us Credit alternative underwriting standards for applicants who need it to qualify. As of December 2024, 8 lenders were actively participating in the program.

Down Payment Assistance Loans Plus Achieving The Dream

A program to increase homeownership rates for *homebuyers earning below 60%* of the Area Median Income by providing larger down payment or closing cost assistance, up to \$30,000. The program, launched in October 2023, offers a total of \$20M in four rounds of funding thru December 2024.

Manufactured Home Loan Program

A program to provide low-income borrowers, particularly in rural areas with affordable financing of manufactured homes sited on leased land. Provides 30yr fixed rate loans at interest rates lower than financing currently available in this market by 400bps or more. The program launched in November 2024 with two non-profit partners.

Greater Program Reach

To expand program impact, the agency expanded direct outreach to consumers through increased community in-person events, virtual seminars, and industry partnership. Also, the agency continued efforts to onboard additional lending partners, including CDFI's, credit unions and others. As of December 2024, the agency had 82 Participating Lenders with additional lenders in the onboarding process.



State of New York Mortgage Agency Mortgage Insurance Fund



MIF Monthly Tax Surcharge Collections

The MIF receives a portion of the State’s Mortgage Recording Tax to fund its operations.

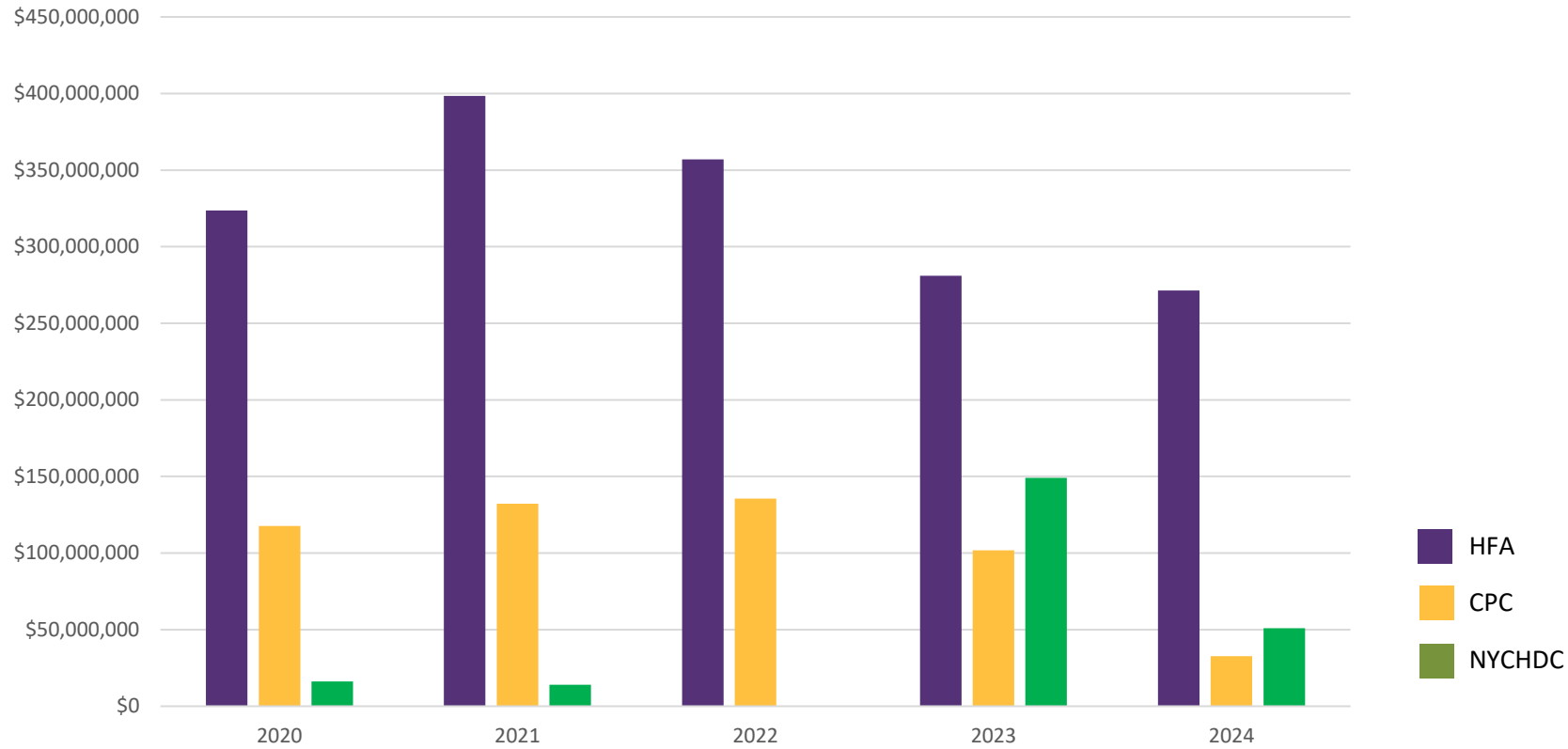
In 2024, the MIF received \$107M. The decrease from 2023 was due to lower borrowing as a result of higher interest rates.

	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>
November	\$ 14,989,430	\$ 15,328,590	\$ 15,385,042	\$ 11,442,219	\$ 8,687,198
December	\$ 11,698,157	\$ 10,041,202	\$ 13,053,807	\$ 12,388,830	\$ 7,886,290
January	\$ 16,570,024	\$ 12,821,119	\$ 19,242,517	\$ 14,280,235	\$ 9,373,354
February	\$ 16,306,852	\$ 8,272,916	\$ 25,787,028	\$ 11,564,654	\$ 8,470,680
March	\$ 11,043,936	\$ 12,899,780	\$ 14,211,912	\$ 9,674,218	\$ 7,013,559
April	\$ 11,920,788	\$ 9,289,366	\$ 20,958,966	\$ 8,889,233	\$ 9,733,035
May	\$ 6,805,927	\$ 10,406,054	\$ 13,941,547	\$ 8,964,585	\$ 7,991,058
June	\$ 7,804,976	\$ 12,155,100	\$ 17,771,998	\$ 9,144,723	\$ 7,238,555
July	\$ 9,564,518	\$ 19,343,585	\$ 19,323,439	\$ 10,986,950	\$ 10,503,992
August	\$ 11,683,215	\$ 13,346,142	\$ 16,383,191	\$ 8,405,983	\$ 11,688,421
September	\$ 7,525,345	\$ 13,625,394	\$ 17,935,255	\$ 9,015,342	\$ 9,980,086
October	\$ 11,777,854	\$ 14,710,859	\$ 16,497,590	\$ 9,370,079	\$ 8,845,448
Totals:	\$137,691,022	\$152,240,107	\$210,492,292	\$ 124,127,051	\$ 107,411,675



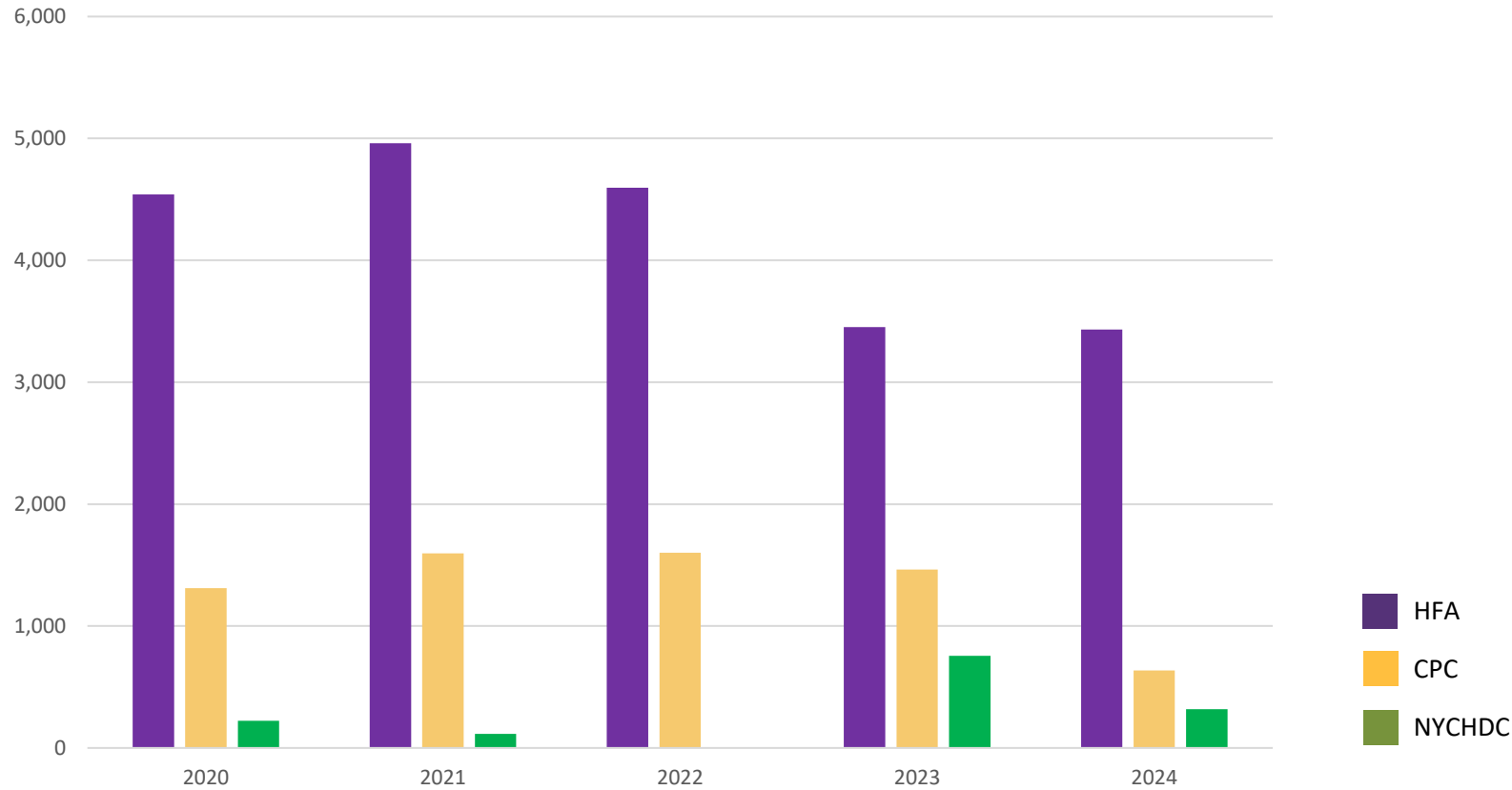
MIF Project Commitment by Loan Amount

HFA is by far the MIF's single largest insured lender by loan amount. The New York City Housing Development Corporation is the second largest by loan amount.



MIF Project Commitment by Units

Over the five year period from 11/1/2020 to 10/31/2024, the MIF insured 130 HFA mortgage loans on affordable multifamily projects with 20,982 homes.



2024 Financial Statements Conclusion for HFA, SONYMA , MBBA and TSFC

- In summary, the fiscal health of the above Public Authorities is both strong and stable.
- To further HCR's mission build, preserve, and protect affordable housing and increase homeownership throughout New York State, the entire HCR team is consistently looking to lower costs , be fiscally efficient, and earn a market return on our assets.

