NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

RESOLUTION No. 22-HF-896

APPROVING A SPECIFIED PROJECT OF THE HOUSING FINANCE AGENCY
(405 West 206th Street (Lot 21))

WHEREAS, the New York State Public Authorities Control Board ("PACB"), created pursuant to Chapter 38, Laws of 1976, as amended, is empowered by Section 51 of the Public Authorities Law to receive applications from designated public benefit corporations, including the Housing Finance Agency ("HFA"), for approval of the acquisition, rehabilitation, construction or financing of any project by any such public benefit corporation; and

WHEREAS, the PACB has duly received an application from HFA for approval of the financing of a 224-unit multifamily housing development to be known as 405 West 206th Street (Lot 21) (the "Project"), located in the City of New York (New York County), to be partially financed through the issuance of bonds in an amount outstanding at any one time not to exceed $105,190,800 (the "Maximum Bond Amount") with a term not to exceed 35 years (the "Bonds"); and

WHEREAS, HFA intends to provide construction and permanent financing for the Project through the issuance of the Bonds which may bear interest at a variable, adjustable or fixed rate,
including a variable rate based on an index or a rate that is fixed
to a mandatory tender date; and

WHEREAS, HFA is authorized to issue its bonds on an unrated,
private placement basis, and has determined to issue the Bonds on
an unrated, private placement basis in multiple series; and

WHEREAS, the applicable legislation requires that HFA's
unrated bonds may be purchased by a bank, national bank, trust
company, savings bank, savings and loan association, insurance
company, governmental agency of the United States or any wholly­
owned subsidiary or combination thereof; and

WHEREAS, the unrated privately placed Bonds will either: (i)
be subject to a "Default Avoidance Mechanism" whereby prior to
asserting bondholder remedies in the event of the Borrower's
payment default, or event of non-compliance under the HFA
Regulatory Agreement or the failure to successfully remarket the
unrated privately placed Bonds, bondholders must tender their
unrated privately placed Bonds to HFA for cancellation in exchange
for an assignment of the Loan; or (ii) be secured by a letter of
credit issued by in an amount equal to the principal amount of the
Bonds plus an amount determined by HFA to be sufficient to cover
payments of interest on the Bonds, to be issued by Fannie Mae or
another financial institution acceptable to HFA; and
WHEREAS, to the extent permitted by law, the Bonds may subsequent to their initial issuance be remarketed or reoffered on a public, negotiated basis upon receipt of a rating on the Bonds of not less than "A/VMIG1" from any nationally recognized rating agency from which a rating is requested; and

WHEREAS, to the extent the Bonds are issued as tax-exempt bonds, such Bonds will require an allocation of the State's Private Activity Bond Cap; and

WHEREAS, HFA expects to finance the Project through a mortgage loan (the "Loan") to Harlem River Ninth Avenue Development LLC and Harlem River Ninth Avenue Development LIHTC LLC (collectively, the "Borrower"), or another single-purpose entity or entities controlled by the principals of L+M Development Partners LLC, MSquared and Taconic Investment Partners, in an aggregate principal amount equal to the principal amount of the Bonds; and

WHEREAS, the total estimated cost of development of the Project is $128,565,110 ("Total Development Cost"), which is expected to be funded from Bond proceeds, tax credit equity and developer equity; and

WHEREAS, if upon final certification of costs of the Project it is determined that the costs of the Project that are eligible for tax-exempt reimbursement are lower than anticipated, requiring the redemption of tax-exempt Bonds previously issued, then HFA may
redeem said amount of the tax-exempt Bonds and issue a like amount of taxable Bonds provided that the aggregate amount of Bonds outstanding at any one time does not exceed the maximum bond amount; and

WHEREAS, a copy of HFA's application has been duly filed with the Comptroller and he has had an opportunity to comment.

NOW, THEREFORE, BE IT RESOLVED, that PACB approves the Project identified below, in accordance with Section 51 of the Public Authority Law:

(Continued on Next Page)
PROJECT IDENTIFICATION

Project Description

405 West 206th Street (Lot 21)
Acquisition, construction and permanent financing of 224 units contained in one building in the City of New York.
(New York County)

<table>
<thead>
<tr>
<th>Sources of Funds - Construction</th>
<th>Estimated Amount: Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>HFA First Mortgage (Tax-Exempt Bonds)</td>
<td>$ 25,954,000</td>
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<tr>
<td>HFA First Mortgage (Tax-Taxable Bonds)</td>
<td>$ 69,702,000</td>
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<tr>
<td>Tax Credit Equity: LIHTC</td>
<td>$ 4,510,977</td>
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<tr>
<td>Brownfield Tax Credit Equity</td>
<td>$ 9,445,901</td>
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<tr>
<td>Deferred Developer Fee Equity</td>
<td>$ 1,210,651</td>
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<td>Total Sources</td>
<td>$ 128,565,110</td>
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<table>
<thead>
<tr>
<th>Sources of Funds - Permanent</th>
<th>Estimated Amount: Total Project</th>
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<tr>
<td>HFA First Mortgage (Tax-Exempt Bonds)</td>
<td>$ 25,954,000</td>
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<tr>
<td>HFA First Mortgage (Tax-Taxable Bonds)</td>
<td>$ 50,589,000</td>
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<tr>
<td>Fannie Mae Upsize</td>
<td>$ 7,654,348</td>
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<td>Tax Credit Equity: LIHTC</td>
<td>$ 22,554,884</td>
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<tr>
<td>Brownfield Tax Credit Equity</td>
<td>$ 10,495,425</td>
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<tr>
<td>Equity</td>
<td>$ 11,317,453</td>
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<td>Total Sources</td>
<td>$ 128,565,110</td>
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<table>
<thead>
<tr>
<th>Uses of Funds</th>
<th>Estimated Amount: Total Uses</th>
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<tr>
<td>Project Cost</td>
<td>$ 124,760,817</td>
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<tr>
<td>Cost of Issuance</td>
<td>$ 3,063,071</td>
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<td>Bond Issuance Fee</td>
<td>$ 741,222</td>
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<td>Total Uses</td>
<td>$ 128,565,110</td>
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</tbody>
</table>

Maximum Amount of Bonds to be Issued:
Not to Exceed $105,190,800 Outstanding At Any Time

* * * * * * *
The resolution shall become effective upon:

1. A determination of the availability of Total Development Costs; and

2. The Bonds will be issued pursuant to a private placement at an initial interest rate not to exceed 7.50% per annum.

Robert F. Mujica, Jr., Chair
Public Authorities Control Board

Amy Paulin,
Member of the Board

Leroy Comrie,
Member of the Board

Dated: May 18, 2022
CERTIFICATION

STATE OF NEW YORK
COUNTY OF ALBANY ss.

I, Dylan Williams, Assistant Secretary of the New York State Public Authorities Control Board, do hereby certify that at a meeting of such Board, held on May 18, 2022, the attached resolution was duly adopted by the unanimous vote of the Members of the Board. The resolution attached is a true copy of the resolution and the certification of the determination made by such resolution and of the signatures thereto of each of the Members of the Board or their duly appointed representatives, the original of which is on file in my office. As of the date of this certification, such resolution has not been modified, superseded, amended or repealed and remains in full force and effect.

In witness thereof I have hereunto set my hand this 18th day of May 2022.

[Signature]
Dylan Williams
Assistant Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 18th day of May 2022, before me personally came Dylan Williams to me known, who, being by me duly sworn, did depose and say that he is the Assistant Secretary of the New York State Public Authorities Control Board, that he executed the foregoing certification and that the contents thereof are true.

[Signature]
Brittany N. Glenn
Notary Public, State of New York
No. 01GL6253075
Qualified in Rensselaer County
Commission Expires: 12/19/2023