

# **STATE OF NEW YORK MORTGAGE AGENCY**

## **MISSION**

The State of New York Mortgage Agency is a public benefit corporation created in 1970 to increase the affordability of homeownership for low- to moderate-income residents of New York State. This is accomplished by the Agency's issuance of taxable and tax-exempt bonds and the use of proceeds to purchase low-interest rate mortgage loans. In 1978, the Agency's mission was expanded to include the issuance of mortgage insurance to promote the stabilization of neighborhoods throughout the State.

## **ORGANIZATION AND STAFFING**

The Agency is overseen by a Board of Directors comprised of the State Comptroller, the Director of the Budget, the Commissioner of Housing and Community Renewal and four appointees of the Governor, the Temporary President of the Senate and the Speaker of the Assembly. Responsibility for operation of the Agency rests with the President/Chief Executive Officer, who also serves in this capacity for the Housing Finance Agency — the State's other major housing finance entity. The Agency is operated jointly with the Housing Finance Agency out of its central headquarters in New York City and from regional offices in Albany, Buffalo and Long Island.

The State of New York Mortgage Agency has two program divisions. Its Single Family Programs and Financing Division provides low-interest rate mortgages to low- and moderate-income first-time homebuyers (and for other eligible homebuyers in designated target areas) through the issuance of mortgage revenue bonds. The Agency uses a network of banking institutions to originate mortgages on its behalf. The Mortgage Insurance Division provides insurance on mortgage loans for residential, mixed residential, commercial and community service-related properties throughout the State. In addition, in December 2004, the Mortgage Insurance Fund was authorized to enter into agreements to provide credit support for bonds and ancillary bond facilities issued by the Convention Center Development Corporation, a subsidiary of the New York State Urban Development Corporation. This insurance is supported by the Mortgage Insurance Fund, which is funded by a surcharge on the Mortgage Recording Tax.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Agency receives no direct operating support from the State. Statute requires the State to guarantee payments made by the Agency to the State in prior years. The Executive Budget recommends more than \$370 million in appropriations in 2007-08 to satisfy this requirement, although no cash disbursements are projected to be made from this appropriation. All State of New York Mortgage Agency programs and operations are supported by Agency funds, consisting of mortgage income, application fees, insurance premiums and investment proceeds.

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## PROGRAM HIGHLIGHTS

Since its inception in 1970, the Agency's Single Family Division has provided more than \$9.7 billion of affordable financing for over 143,000 homes in New York. Between January 1, 1995 and the close of the Agency's fiscal year on October 31, 2006, the Agency purchased \$4.8 billion in single-family mortgages — helping more than 52,000 New Yorkers buy their first homes. During the Agency's 2005-06 fiscal year, 3,319 loans were financed in the amount of \$367 million.

The Mortgage Insurance Fund's portfolio of insured mortgages exceeds \$4 billion. In 2005-06, mortgage insurance provided by the Agency totaled more than \$175 million.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	76,800,000	76,800,000	0	0
Aid To Localities	304,414,000	293,718,000	(10,696,000)	0
Capital Projects	0	0	0	0
Total	381,214,000	370,518,000	(10,696,000)	0

### STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	76,800,000	76,800,000	0
Total	76,800,000	76,800,000	0

### STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2006-07	Recommended 2007-08	Change
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues			
General Fund	61,800,000	61,800,000	0
SONYMA Mortgage Insurance Fund Restoration			
General Fund	15,000,000	15,000,000	0
Total	76,800,000	76,800,000	0

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**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total Amount</b>	<b>Change</b>	<b>Maintenance Undistributed Amount</b>	<b>Change</b>
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues	61,800,000	0	61,800,000	0
SONYMA Mortgage Insurance Fund Restoration	15,000,000	0	15,000,000	0
Total	<u>76,800,000</u>	<u>0</u>	<u>76,800,000</u>	<u>0</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	304,414,000	293,718,000	(10,696,000)
Total	<u>304,414,000</u>	<u>293,718,000</u>	<u>(10,696,000)</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
SONYMA Mortgage Insurance Fund Restoration			
General Fund	304,414,000	293,718,000	(10,696,000)
Total	<u>304,414,000</u>	<u>293,718,000</u>	<u>(10,696,000)</u>