



Hudson Yards Infrastructure Corporation

**FOR IMMEDIATE RELEASE**

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**HUDSON YARDS INFRASTRUCTURE CORPORATION ANNOUNCES REVIEW AND REVISION OF INVESTMENT PROCEDURES AND NO EXPOSURE TO SUBPRIME MORTGAGE PROBLEMS**

Hudson Yards Infrastructure Corporation (“HYIC”) has completed a review of its investments and announced today that it does not have investments in subprime mortgages, asset-backed commercial paper and special investment vehicles or any other related financial instruments. HYIC has instituted several revised procedures to ensure that HYIC will not have exposure to these investments which have been under scrutiny in recent months as a result of the subprime mortgage crisis.

HYIC does not currently utilize outside investment managers and does not invest in state and local government investment pools.

HYIC does not have a debt service reserve fund. Its invested funds consist of debt service funds, operating funds and unexpended bond proceeds.

Investments are made pursuant to HYIC’s bond indenture and investment guidelines approved by the HYIC Board of Directors. These investment guidelines and bond indenture are posted on HYIC’s web site, which can be found at: <http://www.nyc.gov/html/HYIC/html/documents.html>.

HYIC has issued written instructions to its trustee that, until further notice, all new or rollover investments in commercial paper and finance paper, in addition to meeting other minimum requirements of the investment guidelines, including minimum ratings of A-1 + by Standard & Poor’s and P-1 by Moody’s Investors Service, may not be investments in asset-backed commercial paper. The additional written instructions also stated that investments in direct obligations of, or obligations guaranteed as to timely payment of principal and interest by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Federal Farm Credit System, must be rated triple-A by both Moody’s Investors Service and Standard & Poor’s.

HYIC’s staff will continue to monitor and assess the risks associated with the different types of investments HYIC is permitted to make under its indenture and investment guidelines. If HYIC determines that circumstances warrant a change in these written investment instructions, it expects to announce that change in a subsequent press announcement which will also be posted on the HYIC’s

web site.

As of December 13, 2007, HYIC had approximately \$1.83 billion of invested funds, consisting of unexpended bond proceeds, of which \$1.7 billion is invested in Repurchase agreements which are fully collateralized by direct obligations of the U.S. Government or senior debt obligations of the Government National Mortgage Association, Federal National Mortgage Association, Federal Home Loan Corporation, which are AAA-rated by Moody's Investors Service and by Standard & Poor's, with maturities of ten years or less and excluding mortgage-backed securities. Approximately \$49 million is invested in commercial paper rated A-1+ and P-1, none of which is asset-backed. The remaining funds of \$80 million are invested in AAA-rated discount notes of Government Sponsored Entities, including Federal Home Loan Bank and Federal National Mortgage Association, and a money market fund invested in U.S. government obligations.