NEW YORK CITY HOUSING AUTHORITY

NEW YORK, NEW YORK

NEW YORK CITY
HOUSING
AUTHORITY

A Component Unit of The City of New York

CONSOLIDATED
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE
YEARS ENDED
DECEMBER 31, 2025 AND 2024

Prepared by the Finance Department

Lisa Bova-Hiatt
Chief Executive Officer

Eva Trimble
Chief Operating Officer

Annika Lescott-Martinez
Executive Vice-President
& Chief Financial Officer

Ah-Yat Lee
Vice-President and Controller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New York City Housing Authority
New York

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

New York City Housing Authority

New York, New York

Annual Comprehensive Financial Report

For the Years Ended December 31, 2025 and 2024

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NEW YORK CITY HOUSING AUTHORITY
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LISA BOVA-HIATT
CHIEF EXECUTIVE OFFICER

July 24, 2026

Board Members of the New York City Housing Authority
Residents of the New York City Housing Authority

The Real Estate Assessment Center ("REAC") of the U.S. Department of Housing and Urban Development ("HUD") requires that all public housing authorities publish, within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America ("GAAP") and audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* by a firm of independent public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report ("ACFR") of the New York City Housing Authority (the "Authority" or "NYCHA") for the year ended December 31, 2025. The Audit and Finance Committee of the Authority's Board reviewed and approved the statements on July 15, 2026.

This ACFR consists of management's representations concerning the finances of the Authority. Management is responsible for the completeness and reliability of all the information presented in this report. To provide for a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect its assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh its benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that to the best of our knowledge and belief, this ACFR is complete and reliable in all material respects.

The Authority's 2025 financial statements have been audited by independent public accountants. The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Authority present fairly, in all material respects, the financial position, including the results of operations and cash flows of the Authority in accordance with GAAP.

The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The independent auditors issued an unmodified opinion on the Authority's financial statements for the years ended December 31, 2025 and December 31, 2024, indicating that they were fairly presented, in all material respects, in accordance with GAAP. The independent auditors' report is presented as the first component of the financial section of this ACFR.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the independent auditors' report.

Profile of the Authority

The Authority, created in 1934, is a public benefit corporation chartered under New York State Public Housing Law. The Authority is a component unit of The City of New York.

The Authority provides affordable housing to approximately 280,000 low-and-moderate-income residents in New York City living in approximately 146,000 apartments across 219 conventional public housing (Section 9) developments. Through the Section 8 Housing Choice Voucher Program, the Authority assists approximately 110,000 families in locating and renting housing in privately owned buildings, housing approximately 222,000 residents.

The Authority's basic financial statements consist of a single enterprise fund, which includes the following programs:

- Low Rent Housing Program
- Public Housing Capital Fund Program
- Section 8 Housing Choice Voucher Program
- Section 8 Rental New Construction Program
- Other Grant Programs

Refer to Note 1 to the financial statements for a description of Authority programs. For further analysis, we have also included supplemental statistical schedules which can be found following the required supplementary information.

The Authority's basic financial statements also include the following blended component units:

- NYCHA Public Housing Preservation I, LLC
- NYCHA Public Housing Preservation II, LLC *(inactive since 2023)*
- The New York City Public Housing Preservation Trust ("The Trust")
- NYCHA II Housing Development Fund Corporation ("HDFC II"), Parent Company of LLC II
- NYCHA III Parent Housing Development Fund Corporation

Please refer to Notes 16 and 20 to the financial statements for a description and financial information relating to these component units.

HUD Agreement and Pollution Remediation

HUD declared NYCHA to be in "substantial default" of the U.S. Housing Act on January 31, 2019, following the filing of a complaint in federal court that detailed a set of findings. HUD found that NYCHA failed to follow laws and regulations concerning lead-based paint; failed to provide decent, safe, and sanitary conditions; and engaged in deceptive practices to hide the condition of NYCHA properties. As a result, NYCHA signed an agreement with HUD, the United States Attorney's Office for the Southern

District of New York ("SDNY"), and The City of New York effective January 31, 2019 (the "Agreement") to remedy the physical deficiencies at NYCHA properties, ensure the Authority's compliance with federal law, and reform NYCHA's management structure. The obligations of this Agreement apply to apartment units, common areas, residential buildings, and building sites consisting of public housing owned or operated by NYCHA and receiving funding through Section 9 of the Housing Act. The Agreement appointed a Federal Monitor to oversee the Authority's compliance and to approve Action Plans that NYCHA has submitted to achieve all the requirements of the Agreement for the six pillar areas: lead, mold, heat, elevators, Public Housing Assessment System ("PHAS") inspections and apartment inspections, and pests and waste management.

NYCHA agreed to perform lead-based paint interim controls, follow lead-safe work practices mandated by HUD and the U.S. Environmental Protection Agency ("EPA"), and perform specified lead-based paint abatement activities. These requirements include all apartments and interior common areas that contain lead-based paint in the same building as those units, in addition to all exterior common areas. Timelines are subject to a phased approach over the 20-year term of the Agreement.

Effective December 1, 2021, New York City implemented a new standard for defining the presence of lead in paint, in accordance with Local Law 66 of 2019. This new standard defines lead-based paint as having 0.5 milligrams (mg) of lead per square centimeter (cm) or more, which is stricter than the prior New York City and current federal standard of 1.0mg/cm^2. Under the new standard, NYCHA identified 147,184 units that required testing and has initiated a program to aggressively test and abate all apartments built prior to 1978 with a special emphasis on those where children under 6 ("CU6") years of age visit or reside. Of the 138,592 units tested thus far, 62,297 are positive and NYCHA has abated 19,948 of that universe. Any positive unit not abated will be included in the annual visual assessment program to ensure there is not a lead-based paint hazard while the unit awaits abatement.

Based on its current evaluation, NYCHA has reflected \$3.8 billion and \$4.9 billion of pollution remediation liability (lead-based paint) in 2025 and 2024, respectively (see Note 7). The primary drivers of the decrease in this liability are due to the decrease in the average number days of resident relocation from 22 days in 2024 to 11.9 days in 2025, a decrease in lead positivity test results from 46% in 2024 to 45% in 2025 and a decrease in contractor abatement costs per unit.

While work streams and cash outlays will occur over the 20-year term of the Agreement, Governmental Accounting Standards Board ("GASB") Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation. Total costs are subject to variations in testing, timing of when remediation and abatement can be executed, variation in contractor costs, and other factors.

As part of the 2019 HUD/SDNY Agreement, The City of New York committed to providing \$2.2 billion in capital funds over ten years to assist NYCHA in meeting its various obligations in the Agreement, of which \$1.1 billion has been allocated to executed agreement funding as per the Action Plan approved by the Federal Monitor. Such commitments are supported by an Action Plan approved on May 8, 2021, by the Federal Monitor which identifies projects and related spending plans including \$1.1 billion dedicated to the HUD/SDNY agreement pillars from 2022 to 2025. The City continues to commit funding for the Agreement on an annual basis and the total amount is now \$3.6 billion through 2035. Such funding will be treated as a voluntary nonexchange transaction, and revenues will be recognized on a cost reimbursement basis.

NYCHA is not yet in full compliance with the requirements of the Agreement and lead-based paint regulations but continues to work with the Monitor, HUD and the SDNY to improve its compliance.

Financial Results

The Authority reported income before unusual or infrequent items of $1.005 billion for 2025, compared to $1.152 billion in 2024, representing a decrease of $147 million. The decline was primarily attributable to a $68 million decrease in Operating Revenues and a $347 million increase in Operating expenses. These changes were partially offset by a $254 million increase in Non-capital subsidies and a $13 million increase in other Non-Operating Revenues, net.

Operating expenses increased by $347 million, primarily due to higher Rent for leased dwellings and increased environmental costs related to lead-based paint, mold, and asbestos activities. The impact on the operating loss was partially offset by lower General and Administrative expenses, and reduced OPEB expenses.

Noncapital subsidies increased by $254 million, primarily due to higher Section 8 Housing Assistance Program funding and increased federal capital funds used for operating purposes. Other Non-Operating Revenue, net increased by $13 million, mainly reflecting higher investment income from increased interest rates and interest earned on HUD appeal subsidy funds, as well as higher gains on real estate transactions and insurance recoveries related to Hurricane Ida, partially offset by lower federal capital funding.

Factors Affecting Financial Condition

To assess the Authority's overall financial condition, the following information contained within the Authority's financial statements should be considered in connection with an understanding of the following major factors affecting its financial condition:

Congressional Budget and HUD Policy. As a public housing authority ("PHA"), the Authority's primary source of funding is the U.S. Department of Housing and Urban Development (HUD). The amount of funding received from HUD is affected by Congressional housing legislation and the federal appropriations budget process. The Authority continually monitors changes and trends in the Congressional budget and HUD policy and adjusts its strategy and financial planning accordingly. The 2027 President's budget outline released on April 3, 2026 proposes a slight increase to HUD funding. The House budget bill proposed on May 4, 2026 proposes significant reductions to HUD funding. Under the House request, the public housing program would see a $1.3 billion cut. NYCHA is monitoring this evolving situation closely, and our financial planning and budget will adapt to the specific figures for each program once federal appropriations are finalized by Congress.

Public Housing Subsidies - Operating Fund Program. HUD's Public Housing Operating Fund provides subsidies to PHAs nationwide to operate and maintain public housing in local communities. HUD calculates each PHA's eligibility for operating subsidy based on the PHA's expense levels less their formula income. In the past, appropriations have fallen short of the funding levels required to fully fund public housing operations in accordance with HUD's eligibility formula. It is also important to note that while HUD's formula takes location into account, New York City has long advocated that the system is inequitable when one considers its uniquely high construction and employment costs in comparison to authorities across the nation.

In 2025, PHAs nationwide were eligible to receive $5.476 billion in operating subsidies. The final appropriation was $5.444 billion at 102.58% proration, which translates to an extra three cents for every dollar PHAs were eligible based on the operating formula. This resulted in the Authority being awarded $1.335 billion of operating subsidy during the fiscal year, which was a $233 million decrease from 2024.

The 2026 budget assumes an operating subsidy of $1.269 billion. The 2026 appropriation level was awarded at an 87% proration of NYCHA's full eligibility, meaning that 2026 appropriations translate to only 87 cents to every dollar NYCHA is eligible for.

Public Housing Subsidies - Capital Fund Program. The Capital Fund Program provides financial assistance in the form of grants to public housing authorities to carry out capital and management activities, including those listed in Section 9(d)(l) of the United States Housing Act of 1937.

Congress provides Capital Funds through annual appropriations. The Capital Fund formula factors modernization backlog (existing modernization needs) and accrual needs in the calculation. The Capital Fund Rule went into effect on November 25, 2013, and combined the existing Capital Fund and development regulations into a consolidated regulation. The Authority was awarded $731 million in funding from HUD for the Public Housing Capital Fund Program in 2025, and $724 million in 2026 .

Section 8 Housing Choice Voucher Program. The Housing Choice Voucher ("HCV") Program is a federally funded program that provides rental assistance to eligible low-income families to fund affordable housing in the private rental market. The Authority's HCV program is the largest in the United States. Nearly 26,000 property owners currently participate in the program. During 2025, the Authority received $2.218 billion in subsidies from HUD for the Section 8 Housing Voucher Programs, representing a $315 million increase over 2024.

Five-Year Operating Plan. NYCHA's 2025-2029 Operating Plan includes initiatives to increase revenue, contain costs, and operate as a more efficient landlord. At the same time, however, NYCHA's portfolio presently requires more than $78 billion to bring its buildings to a state of good repair and provide residents with the quality of life they deserve. To address the immense capital needs and reduce the operational costs of aging buildings that have not received the continual investment they need, the Authority is pursuing two significant and groundbreaking initiatives: Permanent Affordability Commitment Together ("PACT") and the Public Housing Preservation Trust.

PACT. In 2018, NYCHA committed to using the PACT program to rehabilitate and preserve 62,000 apartments in its portfolio over 10 years. PACT transitions a development's funding to Project-Based Section 8 and enables the completion of long overdue major repairs and upgrades, providing residents with safe, fully renovated homes; professional property management; and enhanced services and programming – while NYCHA remains the permanent owner of the buildings and land, residents retain their rights, and residents' rent remains permanently affordable. To date, PACT has generated more than $7 billion in capital funding for comprehensive apartment renovations and building infrastructure improvements for approximately 25,000 households.

Public Housing Preservation Trust. The New York City Public Housing Preservation Trust (the "Trust"), a New York State-created public benefit corporation, will also enable NYCHA to comprehensively modernize a large segment of its portfolio – 25,000 apartments initially. Authorized by the State legislature in June 2022, the Trust will improve residents' homes through billions of dollars of capital investments while protecting residents' rights (including affordable rent), keeping the properties fully public, and preserving the NYCHA workforce. The Trust will transform residents' homes by expediting massive levels of rehabilitation through improved procurement processes, and the properties will receive more funding through a switch to the more reliable and valuable project-based Section 8 subsidy. Residents' feedback, ideas, and recommendations were incorporated in the updated State legislation authorizing the Trust, and residents will continue to be engaged as partners in the creation of the Trust. Through December 2025, the Trust has undertaken redevelopment of four NYCHA properties: Nostrand Houses, Bronx River Addition, Unity Towers, and Hylan Houses. Modernizations and conversions are expected to be completed over the next five years. Properties become eligible to transfer into the Trust upon a resident vote. NYCHA conducts a voting process for developments to choose whether to opt into the Trust's renovation and financing program.

Four developments (Nostrand Houses, Bronx River Addition, Unity Towers and Hylan) have opted into the Trust program through the date of this letter, representing 1,776 units. The Trust is diligently working on the pre-development of the four properties which includes resident participation and visioning, underwriting and financing, and design and construction among other aspects of pre-development.

Both PACT and the Trust will address all compliance elements of the HUD Agreement as well as basic housing quality standards, improving the quality of life for today's residents and the generations to come.

Physical Needs Assessment. In 2023, NYCHA completed a Physical Needs Assessment ("PNA") of the NYCHA portfolio of buildings. The goal was to get a sound and thorough understanding of the existing conditions of NYCHA buildings and grounds. The PNA concluded that the total projected cost of all needed repair and replacement - over the next five years is $78.3 billion. This amount continues to grow with inflationary and construction escalation factors. The bulk of this need is due to the aging NYCHA portfolio; the average age of a NYCHA building is roughly 60 years, and 70 percent of the portfolio was built prior to 1970. Under current accounting rules, there is no requirement to record or disclose the costs of such deferred maintenance within the financial statements.

General Economic Conditions in New York City. The New York City ("NYC") seasonally adjusted unemployment rate was 5.6% as of December 2024 and increased to 5.7% in December 2025.

NYC inflation rates (as measured by the Consumer Price Index on a twelve-month basis) were 2.9% in December 2023, increased to 4.3% in December 2024, and then moderated to approximately 3.4% in December 2025. Overall, inflation exhibited some year-to-year fluctuation but remained at relatively moderate levels over the 2023–2025 period. As of June 30, 2026, the inflation rate for the New York City metropolitan area increased to approximately 4.1%.

To reduce inflation and moderate economic activity, the Federal Reserve increased rates four times in 2023, totaling 1.00 percentage point. The Federal Reserve subsequently lowered interest rates three times in 2024, totaling 1.00 percentage point. During 2025, the Federal Reserve maintained a restricted monetary policy for much of the year before lowering benchmark interest rates later in the year as inflation continued to moderate and labor market conditions stabilized. Despite this easing, borrowing costs remain elevated at December 31, 2025, and continued to affect interest incurred on credit card debt and other types of consumer and business loans which may impact future tenants' personal budgets and their ability to make rent payments. Changes in interest rates, together with other valuation assumptions may affect the Authority's OPEB Liability and Investment Income.

Specific Economic Conditions in New York City impacting Rental Revenue. Rent provides a significant portion of the Authority's income. After reviewing the household composition, income, assets, and expenses, the Authority sets a household's rent at either 30 percent of the household's adjusted gross income or the flat rent, whichever is lower. Adjusted gross income is the household's gross income plus the cash value of assets minus any exclusions and allowable deductions. In comparison, flat rent is set at 80 percent of Fair Market Rent ("FMR") and is based on rent charged for similar units in the private, non-subsidized rental market. The COVID-19 pandemic had a direct impact on tenants' ability to pay rent, disproportionately affecting low-income families. While unemployment rates have greatly improved since the pandemic peak, unemployment rates are still higher than before the pandemic. The pandemic also triggered higher inflation rates, which have leveled off, but are still higher than before the pandemic. These economic factors impacted the ability for low-income families to make rent payments and resulted in the growth of tenant rent arrears at NYCHA.

GFOA. The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the Authority for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended December 31, 2024. This was the twenty-second consecutive year that the Authority achieved this prestigious award. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR that demonstrates a constructive "spirit of full disclosure." This report must satisfy both generally accepted accounting principles and applicable legal requirements. A copy of the 2024 *Certificate of Achievement for Excellence in Financial Reporting* can be found at the front of this ACFR.

The Authority completed its financial statements for the year ended December 31, 2025, and its auditors expressed an unmodified opinion in accordance with Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants ("AICPA") and Government Auditing Standards, subject to Board approval. The Single Audit will be issued within the deadlines established by the Uniform Guidance issued by the Office of Management and Budget. The timely and quality issuance of its audited financial statements has once again afforded the Authority the opportunity to compete for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. We believe that the current ACFR continues to meet the Certificate of Achievement Program's rigorous requirements.

Respectfully submitted,

Annika Lescott-Martinez
Executive Vice President and Chief Financial Officer

Holmes Towers, Manhattan

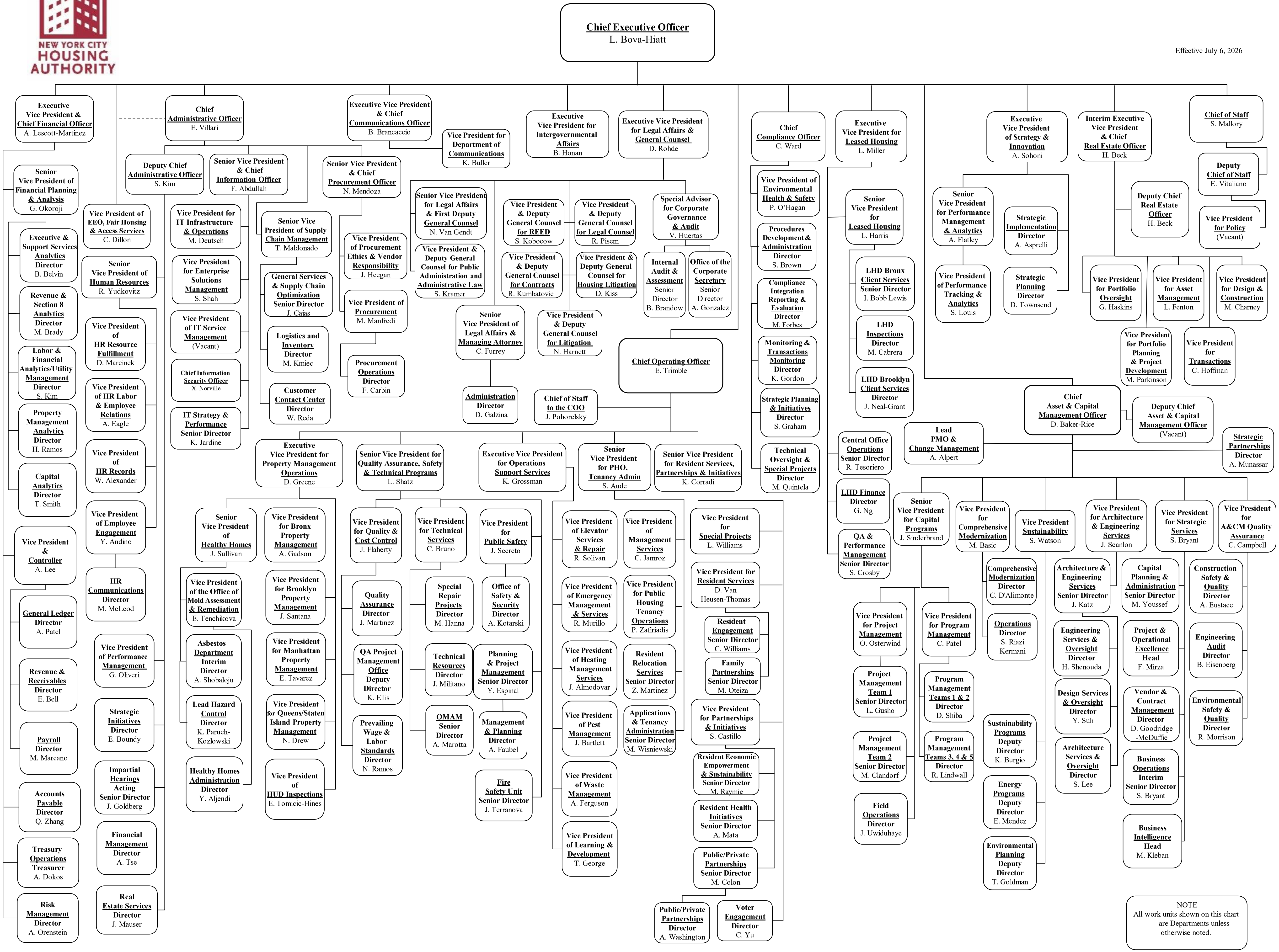
Lower East Side I Infill, Manhattan

Red Hook West and East, Brooklyn

Bracetti Plaza, Manhattan

NEW YORK CITY HOUSING AUTHORITY ORGANIZATION CHART

Effective July 6, 2026



NOTE
All work units shown on this chart are Departments unless otherwise noted.

NEW YORK CITY HOUSING AUTHORITY LIST
OF PRINCIPAL OFFICIALS
July 24, 2026

NAME	TITLE
NYCHA BOARD	
Jamie Rubin……………………………………….…..	Chair
Victor A. Gonzalez……………..……………..........	Vice Chair
Greg Belinfanti ……….……………………………	Board Member
Paula Gavin ………………………………………..	Board Member
James McKoy……..……………………………..…..	Board Member
Raymond Miller……………………………............	Board Member
Joan Tally…..……………………………….....….	Board Member
SENIOR MANAGEMENT	
Lisa Bova-Hiatt……….………………………….......	Chief Executive Officer
Eva Trimble…………. ..…………………………..	Chief Operating Officer
Annika Lescott-Martinez…….…………….…….....	Executive Vice President and Chief Financial Officer
Erin Villari…………………………………………	Chief Administrative Officer
Nick Mendoza………………………………………	Chief Procurement Officer
David Rohde……………………………………….	Executive Vice President for Legal Affairs and General Counsel
Arvind Sohoni………………………………………	Executive Vice President of Strategy and Innovation
Keith Grossman…………………………………….	Executive Vice President for Operations Support Services
Farhan Abdullah………………………………….....	Senior Vice President and Chief Information Officer
Daniel Greene………………………………….…….…	Executive Vice President for Property Management Operations
Lakesha Miller………………………………………	Executive Vice President for Leased Housing
Kathleen Corradi……………………………………	Senior Vice President Resident Services, Partnerships, and Initiatives
Dylan Baker-Rice……………………………………	Chief Asset and Capital Management Officer
Heather Beck………………………………………	Interim Executive Vice President and Chief Real Estate Officer
Brian Honan…………………………………………	Executive Vice President of Intergovernmental Affairs

NEW YORK CITY HOUSING AUTHORITY LIST
OF PRINCIPAL OFFICIALS
July 24, 2026

NAME	TITLE
SENIOR MANAGEMENT	
Barbara Brancaccio……….………………………....	Chief Communication Officer
Cassiah M. Ward…….………………………...…...	Chief Compliance Officer
Sarah Mallory…….…………….……...……………	Chief of Staff
Vilma Huertas………………………………………	Special Advisor for Corporate Governance and Audit
Georgiana Okoroji………………………………....	Senior Vice President of Financial Planning and Analysis
Ah-Yat Lee…………………………………….…	Vice President and Controller
Patrick O'Hagan……………………………………	Vice President of Environmental Health and Safety

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and the Audit Committee
of the New York City Housing Authority

Opinion

We have audited the financial statements of the New York City Housing Authority (the "Authority"), a component unit of The City of New York, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements ("financial statements") as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2025 and 2024, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1A to the financial statements, the Authority is a component unit of The City of New York. The Authority requires significant subsidies from and has material transactions with The City of New York, New York State, and the United States Department of Housing and Urban Development. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios, Schedule of the Authority's Contributions to the New York City Employees' Retirement System (NYCERS), and Schedule of the Authority's Proportionate Share of the Net Pension Liability of NYCERS be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

July 24, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following is a narrative overview and analysis of the Authority's financial activities for the years ended December 31, 2025 and 2024. It should be read in conjunction with the transmittal letter at the beginning of this report, the Authority's financial statements following this section and the notes to the financial statements.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The **Statements of Net Position** present the Authority's *assets, deferred outflows, liabilities,* and *deferred inflows* at the end of the year. *Net position* is the difference between (a) assets and deferred outflows and (b) liabilities and deferred inflows. Over time, increases or decreases in *Net Position* is a useful indicator as to whether the Authority's financial health is improving or deteriorating.

The **Statements of Revenues, Expenses, and Changes in Net Position** report on the Authority's operating results and explain how its Net Position changed during the year. All Revenues, Expenses, and Changes in Net Position are reported on an *accrual basis* of accounting, which reports events as they occur, rather than when cash changes hands (*cash basis* of accounting).

The **Statements of Cash Flows** report on how the Authority's cash and cash equivalents increased or decreased during the year. The statements report how cash and cash equivalents were provided by and used in the Authority's operating, Non-capital financing, capital, and related financing, and investing activities. The Authority uses the direct method of presenting cash flows, which includes a reconciliation of operating income or loss to net cash provided by operating activities.

The **Notes to the Financial Statements** are an integral part of the financial statements, disclosing information which is essential to a full understanding of the statements.

These statements are interrelated. Specifically, the ending balance of net position reported in the Statement of Net Position agrees with the ending balance reported in the Statement of Revenues, Expenses, and Changes in Net Position, while the change in cash on the Statement of Cash Flows reconciles to the cash balances presented in the Statement of Net Position.

The statements also differ in the type of information they convey. The Statement of Net Position provides a point-in-time snapshot of financial condition, while the Statement of Revenues, Expenses, and Changes in Net Position reflects the results of operations over a period. In contrast, the Statement of Cash Flows focuses solely on actual cash inflows and outflows, which differs from the accrual-based results reported in the Statement of Revenues, Expenses, and Changes in Net Position.

REQUIRED SUPPLEMENTARY AND STATISTICAL INFORMATION

The **Required Supplementary Information** presents information regarding: (1) the Authority's changes in total OPEB Liability and related ratios; (2) the Authority's contributions to the New York City Employees' Retirement System ("NYCERS"), and (3) the Authority's proportionate share of the Net Pension Liability of NYCERS.

The **Statistical Section** provides information on the Authority's overall economic condition. The major categories presented are: (1) financial trends; (2) revenue capacity; (3) debt capacity; (4) demographic and economic information; and (5) operating information.

FINANCIAL HIGHLIGHTS AND ANALYSIS

The Authority reported *income before unusual or infrequent items* of $1.005 billion for 2025, compared to $1.152 billion in 2024, representing a decrease of $147 million. The decline was primarily attributable to a $68 million decrease in O*perating Revenues* and a $347 million increase in O*perating expenses*. These changes were partially offset by a $254 million increase in Non-capital subsidies and a $13 million increase in other *Non-Operating Revenues, net.*

The $68 million decrease in *Operating Revenues*, is primarily due to lower tenant revenue resulting from higher rent collection losses and the impact of PACT conversions, which reduced the number of units available for rent. The decrease was partially offset by $61 million increase in Other Income, primarily driven by higher developer fee revenue, including amounts recognized with the Williamsburg PACT LLC development. The decline in tenant rental income was primarily attributable to the conversion of several developments under the PACT program.

The $347 million increase in *Operating expenses was* primarily due to higher *Rent for leased dwellings* which is roughly offset by increases in subsidies from Section 8 Housing Assistance Program (see Note 14), and a significant increase in environmental costs, related to lead-based paint, mold, and asbestos monitoring, testing, and abatement activities. These increases were partially offset by lower General and Administrative expenses and a decrease in OPEB expenses.

The $254 million increase in *Non-capital subsidies* primarily reflects an increase in Section 8 Housing Assistance Program funding and higher federal capital funds used for operating purposes. Additional information regarding the factors contributing to this increase is provided in the Non-capital Subsidies analysis section below.

The $13 million increase in *Other Non-Operating Revenue*, net is primarily due to higher investment income resulting from increased interest rates and additional interest earned on HUD appeal subsidy funds, as well as an increase in gain on real estate transactions and insurance recoveries related to Hurricane Ida. These increases were partially offset by lower federal capital funding.

Summary of Net Position ($ in thousands)

	2025	2024	2023
Current and other assets	$ 2,928,169	$ 2,819,261	$ 2,400,610
Capital assets, net	11,982,762	11,227,956	10,452,112
Total Assets	**14,910,931**	**14,047,217**	**12,852,722**
Deferred Outflows of Resources	**369,061**	**384,939**	**621,007**
Current liabilities	1,912,560	1,739,715	1,497,268
Non-current liabilities	9,523,954	10,720,649	10,311,366
Total Liabilities	**11,436,514**	**12,460,364**	**11,808,634**
Deferred Inflows of Resources	**452,718**	**551,025**	**729,698**
Net investment in capital assets	10,173,126	9,412,226	8,813,307
Unrestricted deficit	(6,782,366)	(7,991,459)	(7,877,910)
Total Net Position	**$ 3,390,760**	**$ 1,420,767**	**$ 935,397**

December 31, 2025 vs. December 31, 2024 ($ in thousands)

- The Authority's *Net Position* increased by $1,969,993 from the prior year, consisting of *Income before unusual or infrequent items* of $1,004,671 and *Unusual or Infrequent Items* of $965,322. The unusual or infrequent items primarily reflect a reduction in the estimated future costs associated with the Authority's pollution remediation obligation for lead-based paint, together with subsidies and grants received in support of lead-based paint activities. The reduction in the estimated future costs was primarily due to lower estimated tenant relocation costs and a decline in the projected lead positivity rate.

- *Income before unusual or infrequent items* of $1,004,671 was increased by *Unusual or Infrequent Items* of $965,322, consisting of a $841,289 reduction in the estimated future costs associated with the Authority's pollution remediation obligation for lead-based paint remediation and abatement efforts and $124,033 of Subsidies and Grants Lead-Based Paint activities (see Note 7).

- Current and other assets increased by $108,908, primarily due to a $118,776 increase in cash and cash equivalents and a $59,869 increase in accounts receivable, net, mainly attributable to higher receivables from the City of New York, partially offset by a $71,170 decrease in investments.

- *Capital assets*, net increased by $754,806, reflecting current year additions of $1,240,049, offset by $462,668 in Depreciation and Amortization expense and $22,575 in net asset retirements (see Note 6).

- *Deferred Outflows of Resources* decreased by $15,878, from $384,939 to $369,061. This decline was primarily driven by a $47,150 reduction in the deferred amount on OPEB, largely resulting from changes in the discount rate assumptions. This decrease was partially offset by a $32,683 increase in pension-related deferred outflows, primarily resulting from changes in proportionate share and contributions made subsequent to the measurement date.

- *Current liabilities* increased by $172,845, driven primarily by a $69,918 increase in accrued liabilities, a $54,905 increase in current pollution remediation obligations and a $29,107 increase in other current liabilities.

- *Non-current liabilities* decreased by $1,196,695, primarily due to a $1,124,814 decline in long-term pollution remediation obligations. This decrease was primarily attributable to a $841,289 reduction in estimated future lead-based paint remediation and abatement costs, driven by lower tenant relocation costs, a decrease in the lead-positivity rate from 46% in 2024 to 45% in 2025 and a lower contractor abatement cost per unit.

- *Deferred Inflows of Resources* decreased by $98,307 to $452,718, primarily due to a $147,427 reduction in OPEB-related deferred inflows, largely driven by changes in actuarial assumptions. Additionally, pension-related deferred inflows increased by $52,073, mainly reflecting net differences between projected and actual earnings on pension plan investments.

December 31, 2024 vs. December 31, 2023 ($ in thousands)

- The Authority's *Net Position* increased by $485,370 from the prior year, comprised of *Loss before Capital Contributions* of $866,975 partially offset by *Capital Contributions* of $1,352,345.

- The *Loss before Capital Contributions* of $866,975 includes a *Special Item* of $846,280, representing an increase of future expected costs to be incurred on lead paint remediation and abatement efforts. (see Note 7)

- Current and other assets increased by $418,651, primarily driven by a $593,582 rise in accounts receivable net with large increases from the City of New York along with increases in Tenant Receivables and a $179,349 decrease in cash, cash equivalents and investments.

- *Capital assets*, net increased by $775,844, reflecting current year additions of $1,288,120, offset by $497,582 in Depreciation and Amortization expense and $14,694 in net asset retirements (see Note 6).

- *Deferred Outflows of Resources* decreased by $236,068, from $621,007 to $384,939. This decline was primarily driven by a $191,794 reduction in the deferred amount on OPEB, largely resulting from changes in the discount rate assumption, and a $41,459 decrease in pension-related deferred outflows, mainly due to differences between expected and actual earnings and changes in actuarial assumptions.

- *Current liabilities* increased by $242,447, driven primarily by a $82,886 rise in accrued liabilities, and $70,628 increase in unearned revenue and other current liabilities, a $55,690 growth in Current Pollution remediation obligations, and a $23,834 increase in compensated absences associated with the implementation of GASB 101.

- *Non-current liabilities* increased by $409,283, primarily due to a $481,639 rise in long-term pollution remediation obligations. This increase reflects $846,280 in expected incremental lead-paint remediation and abatement costs, driven by an increase in tenant relocation costs, an increase of lead-positivity rate from 43% in 2023 to 46% in 2024 and an increase in contractor abatement cost per unit. The overall increase was partially offset by a $78,463 reduction in long-term debt.

- *Deferred Inflows of Resources* decreased by $178,673 to $551,025, primarily due to a $157,052 reduction in OPEB-related deferred inflows, largely driven by changes in actuarial assumptions. Additionally, pension-related deferred inflows declined by $18,640, mainly reflecting net differences between projected and actual earnings on pension plan investments.

Summary of Revenues, Expenses, and Changes in Net Position ($ in thousands)

	2025	2024
OPERATING REVENUES:		
Tenant revenue, net	$ 912,312	$ 1,041,032
Other income	104,647	43,596
Total Operating Revenues	**1,016,959**	**1,084,628**
OPERATING EXPENSES:		
Rent for leased dwellings	2,152,758	1,839,134
Maintenance and operations	1,263,443	1,094,103
General and administrative	1,245,616	1,329,767
Utilities	701,509	622,741
Depreciation and Amortization	462,668	497,582
OPEB expense	39,945	114,041
Protective services	21,248	45,431
Tenant services	42,294	39,604
Total Operating Expenses	**5,929,481**	**5,582,403**
OPERATING LOSS	**(4,912,522)**	**(4,497,775)**
NONCAPITAL SUBSIDIES		
Subsidies and grants	4,568,525	4,314,148
Total noncapital subsidies	**4,568,525**	**4,314,148**
OPERATING LOSS AND NONCAPITAL SUBSIDIES	**(343,997)**	**(183,627)**
OTHER NON-OPERATING REVENUES (EXPENSES)		
Investment income	58,639	23,226
Gain (Loss) on real estate transactions	61,972	715
Change in fair value of investments	12,879	11,155
Interest expense	(44,302)	(52,260)
Capital Contributions	1,241,481	1,352,345
Insurance recoveries	17,999	466
Total Non-Operating Revenues, Net	**1,348,668**	**1,335,647**
INCOME BEFORE UNUSUAL OR INFREQUENT ITEMS	**1,004,671**	**1,152,020**
UNUSUAL OR INFREQUENT ITEMS:		
Pollution remediation costs - lead based paint	841,289	(846,280)
Subsidies and grants - lead based paint	124,033	179,630
Total unusual or infrequent items	**965,322**	**(666,650)**
CHANGE IN NET POSITION	**1,969,993**	**485,370**
NET POSITION, BEGINNING OF YEAR	1,420,767	935,397
NET POSITION, END OF YEAR	**$ 3,390,760**	**$ 1,420,767**

***GASB 103 changed the presentation and classification of certain financial statement amounts. Accordingly, certain prior year amounts have been reclassified to confirm to the current year presentation.**

<u>2025 vs. 2024 ($ in thousands)</u>

- The *Operating Loss* for the Authority increased $414,747 from $4,497,775 in 2024 to $4,912,522, due to an increase of $347,078 in *Operating Expenses* and a decrease of $67,669 in *Operating Revenues.*

- The $347,078 increase in *Operating Expenses* is primarily driven by a $313,624 rise in Rent for leased Dwellings, resulting from higher Housing Assistance Program ("HAP") payments per voucher unit and an increase in the number of voucher units. Maintenance and Operations expenses also increased by $169,340, primarily due to a $134 million increase in environmental costs associated with asbestos abatement, mold remediation, air monitoring, and related environmental activities at several developments, including Forest, Ravenswood, Red Hook East, Washington, Whitman, and Astoria. Environmental costs also increased because of expanded monitoring and testing for lead-based paint, mold, and asbestos across approximately 63 developments. In addition, utility expenses increased by $78,768 due to higher rates and increased consumption. These increases were partially offset by an $84,151 decrease in General and Administrative expenses, primarily resulting from lower workers' compensation costs due to favorable insurance claims experience and related adjustments, as well as lower liability insurance costs. OPEB expense also decreased by $74,096 largely due to an increase in the discount rate assumption from 4.28% to 4.83%.

- The $67,669 decrease in *Operating Revenues* is largely due to a decrease in *Tenant revenue, net.* The decrease was primarily attributable to a $126 million increase in rent collection losses, resulting from a higher allowance for doubtful accounts. The increase in the allowance was largely driven by lower anticipated recoveries from rental assistance programs compared to the prior year and continued challenges in collecting aged tenant receivables. In addition, PACT conversions (Note 15), reduced the number of units and related rental revenue. This decrease was partially offset by a $61,051 increase in Other income primarily attributable to higher developer fee revenue, including $36 million recognized in connection with the Williamsburg PACT LLC development, a project within HDFC III.

- *Non-capital Subsidies* increased by $254,377, primarily reflecting increased funding from the Section 8 Housing Assistance Program of $311,483, a $95,601 increase in federal capital funds used for operating purposes and a $22,479 increase in funding from the City of New York. These increases were partially offset by decreases in Public Housing subsidy of $167,154.

- *Other Non-Operating Revenues*, *net* increased by $13,021, primarily due to a $35,413 increase in investment income and a $61,257 increase in Gain on real estate transactions and a $17,533 of insurance recoveries. The increase in investment income was attributable to higher interest rates earned on escrow deposits, which were approximately three percentage points higher than the prior year, as well as interest earned on $163 million of appeal subsidies received from HUD in December 2024. The increase in gain on real estate transactions was primarily attributable to the absence of a one-time charge recorded in 2024 against a loan receivable associated with a PACT conversion transaction. Insurance recoveries increased primarily due to reimbursement related to damages incurred from Hurricane Ida. These increases were partially offset by a $110,864 decrease in Capital Contributions primarily due to lower federal capital funding.

- The *Unusual or Infrequent Items* recognized in 2025 consisted of $841,289 reduction in the estimated future costs of lead-based paint remediation and abatement and $124,033 of subsidies and grants received in support of lead-based paint activities from the City of New York as part of the 2019 HUD/SDNY agreement. The reduction in the estimated future costs was primarily attributable to lower estimated tenant relocation costs, a decrease in the lead positivity rate from 46% of apartment units in 2024 to 45% in 2025, and lower estimated contractor abatement costs per unit. Although remediation activities and the related cash outlays will occur over the 20-year term of the agreement, GASB Statement No. 49 requires the Authority to recognize the estimated total remediation obligation when the pollution remediation liability is triggered.

Summary of Revenues, Expenses, and Changes in Net Position ($ in thousands)

	2024	2023
OPERATING REVENUES:		
Tenant revenue, net	$ 1,041,032	$ 932,444
Other income	43,596	43,356
Total Operating Revenues	**1,084,628**	**975,800**
OPERATING EXPENSES:		
Rent for leased dwellings	1,839,134	1,550,190
Maintenance and operations	1,094,103	1,123,233
General and administrative	1,329,767	1,199,720
Utilities	622,741	591,811
Depreciation and Amortization	497,582	500,839
OPEB expense	114,041	126,290
Protective services	45,431	55,899
Tenant services	39,604	40,127
Total Operating Expenses	**5,582,403**	**5,188,109**
OPERATING LOSS	**(4,497,775)**	**(4,212,309)**
NON-OPERATING REVENUES (EXPENSES):		
Subsidies and grants	4,493,778	3,630,442
Investment income	23,226	31,577
Gain (Loss) on real estate transactions	715	(17,414)
Change in fair value of investments	11,155	18,789
Interest expense	(52,260)	(52,494)
Other	466	247
Total Non-Operating Revenues, Net	**4,477,080**	**3,611,147**
LOSS BEFORE SPECIAL ITEM AND CAPITAL CONTRIBUTIONS	**(20,695)**	**(601,162)**
SPECIAL ITEM:		
Pollution remediation costs - lead based paint	846,280	753,841
LOSS BEFORE CAPITAL CONTRIBUTIONS	**(866,975)**	**(1,355,003)**
CAPITAL CONTRIBUTIONS	1,352,345	1,092,741
CHANGE IN NET POSITION	**485,370**	**(262,262)**
NET POSITION, BEGINNING OF YEAR	935,397	1,197,659
NET POSITION, END OF YEAR	**$ 1,420,767**	**$ 935,397**

2024 vs. 2023 ($ in thousands)

- The *Operating Loss* for the Authority increased $285,466 from $4,212,309 in 2023 to $4,497,775, due to an increase of $394,294 in *Operating Expenses* and an increase of $108,828 in *Operating Revenues.*

- The $394,294 increase in *Operating Expenses* is primarily driven by a $288,944 rise in Rent for leased Dwellings, resulting from higher Housing Assistance Program ("HAP") payments per voucher unit and an increase in the number of voucher units. General and administrative expenses also increased by $130,047, primarily due to higher employee benefit costs (pension and health insurance), higher workers' compensation costs resulting from insurance claims and adjustments, increased liability insurance, as well as an increase in compensated absences related to the implementation of GASB 101. Additionally, utility costs rose by $30,930 due to higher rates and increased consumption. These increases were partially offset by a $29,130 decrease in maintenance and operations expenses.

- The $108,828 increase in *Operating Revenues* is largely due to an increase in *Tenant revenue.* The increase in tenant revenue is primarily attributable to an $82 million reduction in the Allowance for Uncollectible Accounts as it relates to expected rent collections estimate through the HOME-American Rescue Plan ("HOME-ARP"). (Actual funds of $89 million received in April 2025 through HOME-ARP, exceeded the estimate implicit in the 2024 Allowance for Uncollectible Accounts.). In addition, the improvement in 2024 Operating Revenues was impacted by $35 million in rental revenues through the COVID Rental Assistance Program ("CRA"), most of which was collected in 2024.

- *Non-Operating Revenues, net* increased by $865,933, primarily due to a $863,336 rise in *Subsidies and grants* (Note 14) and a $18,129 increase in *Gain on real estate transactions.* These increases were partially offset by a $8,351 decrease in investment income and $7,634 decline in *Change in fair value of investments.* The increase in Subsidies and grants was largely driven by $320,673 in additional funding from Section 8 housing assistance programs, $214,292 from Public housing Subsidies (of which $184,000 is from the first-time appeal subsidy) and $250,797 increase from the City of New York. The $18,129 improvement in *Gain on real estate transactions* was mainly due to a $30,000 allowance for uncollectible accounts recorded in 2023 in connection with the Sun Loan Participation (Manhattan Bundle) which had reflected uncertainty. The $8,351 decrease in investment income and $7,634 decrease in change in fair value of investments were attributable to market interest rates which declined at a slower pace in 2024 compared to 2023.

- The $846,280 *Special Item* in 2024 represents an increase of expected costs for lead-based paint incremental remediation and abatement costs. These costs are directly related to an increase in tenant relocation costs, an increase in lead positivity rate from 43% of apartment units in 2023 to 46% in 2024 and an increase in contractor abatement costs per unit. While workstreams and cash outlays will occur over the 20-year term of the agreement, GASB Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation.

- *Capital Contributions* increased $259,604 to $1,352,345 in 2024. The current year contributions are primarily comprised of $210,494 from Dormitory Authority State of New York ("DASNY"), $565,329 from the Department of Housing and Urban Development "Capital Fund Program", and $480,468 from The City of New York.

Revenues and Expenses on a Gross Basis ($ in thousands)

The following table shows revenues and expenses on a gross basis. Non-Operating Revenues are included in total program revenues and Non-Operating expenses are included in total program expenses. The components of this table are explained in the commentary following the Summary of Revenues, Expenses, and Changes in Net Position.

	2025	2024
Program Revenues:		
Subsidies and grants	$ 4,568,525	$ 4,314,148
Capital Contributions	1,241,481	1,352,345
Operating revenues	1,016,959	1,084,628
Investment income	58,639	23,226
Gain on real estate transactions	61,972	715
Change in fair value of investments	12,879	11,155
Other	17,999	466
Total Program Revenues	**6,978,454**	**6,786,683**
Program Expenses:		
Operating expenses	5,929,481	5,582,403
Loss on real estate transactions	-	-
Interest expense	44,302	52,260
Change in fair value of investments	-	-
Total Program Expenses	**5,973,783**	**5,634,663**
Income Before Unusual or Infrequent Items	**1,004,671**	**1,152,020**
Unusual or Infrequent Items:		
Pollution remediation costs - lead based paint	841,289	(846,280)
Subsidies and grants - lead based paint	124,033	179,630
Total unusual or infrequent items	965,322	(666,650)
Change in Net Position	**1,969,993**	**485,370**
Net Position, Beginning of Year	1,420,767	935,397
Net Position, End of Year	**$ 3,390,760**	**$ 1,420,767**

***GASB 103 changed the presentation and classification of certain financial statement amounts. Accordingly, certain prior year amounts have been reclassified to conform to the current year presentation.**

Revenues and Expenses on a Gross Basis ($ in thousands)

	2024	2023
Program Revenues:		
Subsidies and grants	$ 4,493,778	$ 3,630,442
Operating revenues	1,084,628	975,800
Investment income	23,226	31,577
Gain on real estate transactions	715	-
Change in fair value of investments	11,155	18,789
Other	466	247
Total Program Revenues	**5,613,968**	**4,656,855**
Program Expenses:		
Operating expenses	5,582,403	5,188,109
Loss on real estate transactions	-	17,414
Interest expense	52,260	52,494
Change in fair value of investments	-	-
Total Program Expenses	**5,634,663**	**5,258,017**
Loss before Special Item and Capital Contributions	**(20,695)**	**(601,162)**
Special Item:		
Pollution remediation costs - lead based paint	846,280	753,841
Loss before Capital Contributions	(866,975)	(1,355,003)
Capital Contributions	**1,352,345**	**1,092,741**
Change in Net Position	**485,370**	**(262,262)**
Net Position, Beginning of Year	935,397	1,197,659
Net Position, End of Year	**$ 1,420,767**	**$ 935,397**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets, net and the debt related to capital assets as of the three years ended December 31 are as follows:

Net Investment in Capital Assets ($ in thousands)

	2025	2024	2023
Land	$ 687,510	$ 687,510	$ 687,510
Construction in progress	3,074,963	3,297,915	2,860,082
Buildings	3,119,268	3,124,375	3,125,775
Building improvements	14,555,014	13,216,830	12,555,916
Facilities and other improvements	561,260	555,213	543,452
Furniture and equipment	1,185,292	1,139,613	1,098,978
Leasehold improvements	150,424	149,240	148,084
Right to Use Assets- Leased Buildings	852,412	852,412	852,412
Right to Use Assets- Leased Equipment	27,067	30,043	28,216
Right to Use Assets- SBITA	12,529	11,329	9,804
Total Capital Assets	**24,225,739**	**23,064,480**	**21,910,229**
Less accumulated depreciation and amortization	12,242,977	11,836,524	11,458,117
Capital Assets, net	**11,982,762**	**11,227,956**	**10,452,112**
Less related debt	1,809,636	1,815,730	1,638,805
Net Investment in Capital Assets	**$ 10,173,126**	**$ 9,412,226**	**$ 8,813,307**

Capital Assets

During 2025, the Authority's investment in capital assets, net of depreciation and amortization, increased by $754,806 from $11,227,956 in 2024 to $11,982,762. This increase reflects the Authority's continued commitment to modernization and rehabilitation initiatives throughout its housing portfolio, including a $1,338,184 increase in building improvements. Significant projects include Superstorm Sandy recovery work at various developments, including the installation of new heating plants and related restoration work at Red Hook East and West. Other major projects included roof replacements, boiler replacements, heating system improvements, and brickwork rehabilitation and related work performed to comply with New York City's Facade Inspection and Safety Program (Local Law 11) at Brownsville, Marcy, Nostrand, Washington, Monroe, and other developments.

The Authority's net investment in capital assets grew to $10,173,126 in 2025, compared with $9,412,226 in 2024, demonstrating the Authority's sustained commitment to reinvesting in and maintaining its capital assets. Additional information on the Authority's capital assets is presented in Note 6 to the financial statements.

Debt Administration

Debt Type	Jan. 1, 2024	Payments & Amortization	Dec. 31, 2024	Due Within One Year (2024)	Dec. 31, 2025	Change (2025 vs. 2024)
Revenue Bonds (Series 2022A)	$ 353,250	$ (46,190)	$ 307,060	$ 47,600	$ 259,460	$ (47,600)
Energy Performance Contract (EPC) Financing	285,005	(12,106)	272,899	10,178	257,971	(14,928)
HDC 2009 Series L-1 Bonds	19,772	(19,772)	-	-	-	-
Total Long-Term Debt	**$ 658,027**	**$ (78,068)**	**$ 579,960**	**$ 57,778**	**$ 517,431**	**$ (62,529)**

Long-term debt activity during 2025 and 2024 resulted in net reductions of approximately $63 million and $78 million respectively, reflecting both the retirement of an equipment lease purchase agreement and the refinancing of existing bonds. The Series 2022A bond proceeds were used to fund an escrow account for the refunding of the Series 2013 A and B Bonds that have remaining maturities between 2025 and 2033. While this transaction did not generate new resources for capital improvements, it lowered borrowing costs and eliminated IRS private-activity restrictions, providing the Authority with greater flexibility to advance the conversion of apartments from public housing funding to Section 8 project-based vouchers. In 2024, the Authority also made full prepayment of the remaining $19,772 principal on the 2009 Series L-1 Bonds, which represented a mortgage loan, further reducing its outstanding debt obligations.

In addition, the Authority maintains multiple Equipment Lease/Purchase Agreements with Bank of America Public Capital Corp (BAPCC), executed between 2013 and 2023, to finance a series of Energy Performance Contracts (EPCs). These EPCs—ranging from $18 million to $79 million each, with interest rates between 1.98 percent and 4.75 percent—support the installation of boilers, heating controls, temperature sensors, lighting, and plumbing upgrades across numerous developments. Each EPC provides HUD-sponsored EPC funding, allowing the Authority to preserve its Federal Capital Funds for other critical modernization initiatives in accordance with its Five-Year Capital Plan. Additional information on the Authority's long-term debt and EPC financing is presented in Note 10 to the financial statements.

Currently Known Facts and Conditions

The Authority is aware of the following facts and conditions that are expected to have an impact on its future financial position or results of operations.

- The New York City ("NYC") seasonally adjusted unemployment rate was 5.6% as of December 2024 and increased to 5.7% in December 2025.
- NYC inflation rates (as measured by the Consumer Price Index on a twelve-month basis) were 2.9% in December 2023, increased to 4.3% in December 2024, and then moderated to approximately 3.4% in December 2025. Overall, inflation exhibited some year-to-year fluctuation but remained at relatively moderate levels over the 2023–2025 period. As of June 30, 2026, the inflation rate for the New York City metropolitan area increased to approximately 4.1%.
- To reduce inflation and moderate economic activity, the Federal Reserve increased rates four times in 2023, totaling 1.00 percentage point. The Federal Reserve subsequently lowered interest rates three times in 2024, totaling 1.00 percentage point. During 2025, the Federal Reserve maintained a restricted monetary policy for much of the year before lowering benchmark interest rates later in the year as inflation continued to moderate and labor market conditions stabilized. Despite this easing, borrowing costs remain elevated at December 31, 2025, and continued to affect interest incurred on credit card debt and other types of consumer and business loans which may impact future tenants' personal budgets and their ability to make rent payments. Changes in interest rates, together with other valuation assumptions may affect the Authority's OPEB Liability and Investment Income.
- During fiscal year 2026, legislation was enacted that restructures New York City pension payment schedules through an extended amortization approach for certain unfunded pension obligations. The legislation is intended to reduce near-term pension contribution requirements by extending the funding period for certain unfunded pension obligations and may affect future pension contribution requirements and pension-related amounts reported by the Authority.
- As of date of this report the Authority was awarded $724 million in funding from HUD for the Public Housing Capital Fund Program in 2026. The Authority relies substantially on funding from the U.S. Department of Housing and Urban Development (HUD). Accordingly, changes to final federal appropriations for HUD programs could affect future operating subsidies and capital funding available to the Authority. Management continues to monitor legislative developments and will evaluate the impact of enacted appropriations on future operations and financial planning.
- Subsequent to year-end, the Municipal Labor Committee ratified a proposal to self-insure the Comprehensive Benefits Plan (CBP) for active employees and pre-Medicare retirees, which became effective January 1, 2026. Although the Authority's December 31, 2025 actuarial valuation does not reflect the impact of this change, management will evaluate its effect on future OPEB-related amounts as additional actuarial information becomes available.

BASIC FINANCIAL STATEMENTS

NEW YORK CITY HOUSING AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
	($ in Thousands)	
CURRENT ASSETS:		
Cash and cash equivalents	$ 379,735	$ 260,959
Accounts receivable, net	1,596,049	1,536,180
Investments	73,360	109,743
Prepaid expenses	120,957	121,837
Inventories, net	11,487	7,741
Notes, loans and lease receivables, net	2,409	2,481
Total current assets	2,183,997	2,038,941
NON-CURRENT ASSETS:		
Land and construction in progress	3,762,473	3,985,425
Other capital assets, net of depreciation	8,220,289	7,242,531
Investments for claims payable	178,359	213,146
Restricted cash and cash equivalents	367,525	392,533
Restricted investments	57,284	30,708
Notes, loans and lease receivables, net	141,004	143,933
Total non-current assets	12,726,934	12,008,276
Total assets	14,910,931	14,047,217
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amount on refunding	5,511	6,298
Deferred amount on asset retirement obligations	1,165	1,789
Deferred amount on OPEB	99,401	146,551
Deferred amount on pensions	262,984	230,301
Total deferred outflows of resources	369,061	384,939
CURRENT LIABILITIES:		
Accounts payable	245,251	218,757
Accrued liabilities	689,970	620,052
Claims payable	156,280	143,571
Current portion of long-term debt	41,503	57,778
Compensated absences	103,100	115,565
Pollution remediation obligations	295,870	240,965
OPEB liability	109,900	101,448
Unearned revenues and other current liabilities	270,686	241,579
Total current liabilities	1,912,560	1,739,715
NON-CURRENT LIABILITIES:		
Long-term debt	475,928	522,182
Claims payable	787,153	756,548
Unearned revenue	390,500	357,285
Compensated absences	129,434	119,649
Net pension liability	652,925	750,853
OPEB liability	2,717,707	2,690,503
Lease liability	742,601	765,042
Asset retirement obligations	56,072	59,540
Pollution remediation obligations	3,564,411	4,689,225
Other liabilities	7,223	9,822
Total non-current liabilities	9,523,954	10,720,649
Total liabilities	11,436,514	12,460,364
DEFERRED INFLOWS OF RESOURCES:		
Deferred amount on OPEB	378,491	525,918
Deferred amount on Leases	13,135	16,088
Deferred amount on pensions	61,092	9,019
Total deferred inflows of resources	452,718	551,025
NET POSITION:		
Net investment in capital assets	10,173,126	9,412,226
Unrestricted deficit	(6,782,366)	(7,991,459)
TOTAL NET POSITION	$ 3,390,760	$ 1,420,767

See notes to the financial statements.

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
	($ in Thousands)	
OPERATING REVENUES:		
Tenant revenue, net	$ 912,312	$ 1,041,032
Other income	104,647	43,596
Total operating revenues	1,016,959	1,084,628
OPERATING EXPENSES:		
Rent for leased dwellings	2,152,758	1,839,134
Maintenance and operations	1,263,443	1,094,103
General and administrative	1,245,616	1,329,767
Utilities	701,509	622,741
Depreciation and Amortization	462,668	497,582
OPEB	39,945	114,041
Protective services	21,248	45,431
Tenant services	42,294	39,604
Total operating expenses	5,929,481	5,582,403
OPERATING LOSS	(4,912,522)	(4,497,775)
NONCAPITAL SUBSIDIES		
Subsidies and grants	4,568,525	4,314,148
Total noncapital subsidies	4,568,525	4,314,148
OPERATING LOSS AND NONCAPITAL SUBSIDIES	(343,997)	(183,627)
OTHER NON-OPERATING REVENUES (EXPENSES):		
Investment income	58,639	23,226
Gain (Loss) on real estate transactions	61,972	715
Change in fair value of investments	12,879	11,155
Interest expense	(44,302)	(52,260)
Capital contributions	1,241,481	1,352,345
Insurance recoveries	17,999	466
Total non-operating revenues, net	1,348,668	1,335,647
INCOME BEFORE UNUSUAL OR INFREQUENT ITEMS	1,004,671	1,152,020
UNUSUAL OR INFREQUENT ITEMS		
Pollution remediation costs - lead based paint	841,289	(846,280)
Subsidies and grants - lead based paint	124,033	179,630
Total unusual or infrequent items	965,322	(666,650)
CHANGE IN NET POSITION	1,969,993	485,370
NET POSITION, BEGINNING OF YEAR	1,420,767	935,397
NET POSITION, END OF YEAR	$ 3,390,760	$ 1,420,767

See notes to the financial statements.

***GASB 103 changed the presentation and classification of certain financial statement amounts. Accordingly, certain prior year amounts have been reclassified to confirm to the current year presentation.**

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
	($ in Thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received on behalf of tenants	$989,120	$969,023
Other operating receipts	88,457	53,360
Cash payments to employees	(1,774,291)	(1,788,134)
Cash payments for other operating expenses	(3,990,809)	(3,428,829)
Net cash used in operating activities	(4,687,523)	(4,194,580)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Subsidies and grants received	4,564,351	4,330,874
Other	-	466
Net cash provided by non-capital financing activities	4,564,351	4,331,340
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributions for capital	1,243,367	1,028,317
Proceeds from real estate transactions, net	164,163	(1,487)
Development and modernization costs	(1,185,213)	(1,230,646)
Principal payments on long-term debt	(62,529)	(78,068)
Interest payments on long-term debt	(17,630)	(24,799)
Receipts from leases	2,436	3,576
Payments of leases	(44,682)	(47,248)
Net cash used in capital and related financing activities	99,912	(350,355)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investment securities	(64,424)	-
Proceeds from sale and maturities of investment securities	121,857	109,149
Interest on investments	59,595	23,098
Net cash provided by investing activities	117,028	132,247
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	93,768	(81,348)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR:		
Cash and cash equivalents	260,959	283,894
Restricted cash and cash equivalents	392,533	450,946
Total cash and cash equivalents, beginning of year	653,492	734,840
CASH AND CASH EQUIVALENTS, END OF YEAR:		
Cash and cash equivalents	379,735	260,959
Restricted cash and cash equivalents	367,525	392,533
Total cash and cash equivalents, end of year	$ 747,260	$ 653,492

(continued on the following page)

See notes to the financial statements

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
	($ in Thousands)	
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
OPERATING LOSS	($4,912,522)	($4,497,775)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and Amortization	462,668	497,582
Reclassification of Capital Assets related to Pollution Remediation	-	46,713
GASB 87 Retirement	(1,835)	-
Insurance recoveries	17,999	-
(Increase) decrease in assets and deferred outflows:		
Tenants accounts receivable	(15,844)	(52,918)
Accounts receivable - other, net of interest	(29,602)	(13,177)
Prepaid expenses	759	(4,245)
Inventories, net	(3,746)	1,732
Leases receivable & allowance for receivables	479	(879)
Deferred inflows on Leases for receivables	(2,953)	(2,981)
Deferred outflows on pensions	(32,683)	41,459
Deferred outflows on OPEB	47,774	193,822
Increase (decrease) in allowance for doubtful accounts - tenants	94,077	(20,015)
Increase in allowance for doubtful accounts - other, net of non-capital financing activities	3,009	3,298
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	26,489	(8,035)
Accrued liabilities, net of interest and capital items	11,128	(156,088)
Claims payable	43,314	125,395
Compensated Absences	(2,680)	33,532
Unearned revenues and other current liabilities, net of prepaid Subsidies and current portion of Section 8 Recap unearned revenue	(2,602)	24,596
Net pension liability	(97,928)	(46,538)
OPEB liability-non-current	27,204	(24,317)
OPEB liability-current	8,452	6,999
Asset retirement obligation	(3,468)	(9,882)
Pollution remediation obligations - Lead based paint	(227,989)	(172,500)
Pollution remediation obligations - Other	(632)	15,126
Other non-current liabilities	(1,037)	208
Deferred inflows on OPEB	(147,427)	(157,052)
Deferred inflows on pensions	52,073	(18,640)
Total adjustments	224,999	303,195
NET CASH USED IN OPERATING ACTIVITIES	$ (4,687,523)	$ (4,194,580)
SUPPLEMENTAL DISCLOSURES OF NON CASH ACTIVITIES:		
Investing activities:		
Unrealized gain on investments	$ 12,831	$ 11,155
Capital and related financing activities:		
Amortization of deferred amount on refunding	(787)	(787)
Unusual and Infrequent Items: pollution remediation costs - lead based	(841,289)	846,280
Lease liability	(26,212)	(18,561)
Interest expense for leases	26,269	27,093
Interest Income from leases	545	644
Interest expense for SBITA	259	222

See notes to the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The New York City Housing Authority (the "Authority"), created in 1934, is a public benefit corporation chartered under New York State Public Housing Law. The Authority develops, constructs, manages and maintains affordable housing for eligible low-income families in the five boroughs of New York City. At December 31, 2025, the Authority provided affordable housing to approximately 280,000 low and moderate-income residents living in approximately 146,000 apartments across 219 conventional public housing (Section 9) developments. The Authority also administers the Section 8 Housing Choice Voucher Program, assisting approximately 110,000 families in securing housing in privately owned buildings and providing housing support to approximately 222,000 residents.

Substantial operating losses result from the costs of essential services that the Authority provides exceeding revenues. To meet the funding requirements of these operating losses, the Authority receives subsidies from: (a) the federal government, primarily the U.S. Department of Housing and Urban Development ("HUD"), in the form of annual grants for operating assistance, debt service payments, contributions for capital and reimbursement of expenditures incurred for certain federal housing programs; (b) New York State in the form of capital payments; and (c) The City of New York in the form of subsidies and capital payments. Subsidies are established through budgetary procedures, which establish amounts to be funded by the grantor agencies.

The Authority maintains its accounting records by program. The following programs are operated by the Authority:

Federal Programs - The Authority receives federal financial assistance from HUD in the form of annual contributions for debt service and operating subsidies for public housing developments, as well as rent subsidies for the Section 8 Housing Choice Voucher Program ("HCVP"). In addition, assistance is received under HUD's Public and Indian Housing Development Programs, Capital Fund Program, and other programs.

Funds received are used to provide maintenance, operating, and administrative services to federally aid low rent public housing developments. HCVP funds are used to reimburse private landlords for their participation in providing housing for low-income families at reduced rents. The funds cover the differential between the reduced rents charged to tenants and prevailing fair market rates based on rent reasonableness. Debt service fund contributions provide for the payment of principal and interest on outstanding debt as it matures. Contributions to capital provide for modernization and development costs.

New York State and The City of New York Programs - The Authority receives financial assistance from New York State (the "State") in the form of annual contributions for capital. The Authority also receives financial assistance from The City of New York (the "City") in the form of subsidies and contributions to capital.

Other Programs - The Authority receives funding for other programs from HUD, Federal Emergency Management Agency ("FEMA"), the State, and The City for several other grant programs.

B. Reporting Entity

The Authority is a component unit of The City of New York, based upon criteria for defining the *reporting entity* as identified and described in the Governmental Accounting Standards Board's ("GASB") *Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*.

The Authority's operations include five blended component units which are included in the Authority's basic financial statements, in compliance with GASB 61 *The Financial Reporting Entity: Omnibus – an amendment of GASB Statement No. 14 and No. 34*. These are legally separate entities with the same/similar governing body as the Authority for which the Authority has operational responsibility and are controlled by the Authority. There is a financial benefit/burden relationship between the Authority and the component units since the Authority is financially accountable as it appoints a voting majority of the component units Boards and the component units are fiscally dependent on the Authority in terms of subsidies, grants, shared service agreements and other forms of financial assistance.

The blended component units include:

NYCHA Public Housing Preservation I, LLC ("LLC I")

NYCHA Public Housing Preservation II, LLC ("LLC II")

NYCHA II Housing Development Fund Corporation ("HDFC II"), Parent Company of LLC II

NYCHA III Parent Housing Development Fund Corporation ("HDFC III")

New York City Public Housing Preservation Trust ("The Trust")

Additional information relating to the component units can be found in Notes 16 and 20 to the financial statements. LLC I issued stand-alone audited financial statements in 2025 and 2024 which can be obtained from The New York City Housing Authority, 90 Church Street, New York, New York, 10007. Stand-alone audited financial statements were not issued for HDFC II, LLC II and HDFC III for 2025 and 2024. The Trust was formed in July 2023 and issued its stand-alone audited financial statements in 2025 and 2024, which can be obtained from The New York City Public Housing Preservation Trust, 90 Church Street, New York, New York 10007.

The Authority's presentation of its blended component units and the provision of condensed financial information in the accompanying notes comply with the reporting requirements.

C. Basis of Accounting

The Authority's financial statements are prepared in accordance with generally accepted accounting principles as prescribed by GASB, using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recognized when earned, and expenses are recognized when liability is incurred.

The Authority applies Governmental Accounting Standards Board ("GASB") Codification of Governmental Accounting and Financial Reporting Standards ("GASB Codification") Section P80, *Proprietary Accounting and Financial Reporting.*

Recently Adopted Accounting Standards

<u>GASB Statement No. 102 ("GASB 102"),</u> Certain Risk Disclosures

The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

The concentration or constraint
Each event associated with concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements. Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

Effective Date and Transition
The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. The Authority adopted this statement in 2025 and based on assessment; no disclosures are required pursuant to GASB 102.

Recently Adopted Accounting Standards

<u>GASB Statement No. 103 ("GASB 103"),</u> Financial Reporting Model Improvements

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

Management's Discussion and Analysis
This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year.

This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Unusual or Infrequent Items

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and Non-Operating Revenues and Expenses. Operating Revenues and Expenses are defined as Revenues and Expenses other than Non-Operating Revenues and Expenses. Non-Operating Revenues and Expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other Non-Operating Revenues and Expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

Major Component Unit Information

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements is reduced, combining statements of major component units should be presented after the fund financial statements.

Budgetary Comparison Information

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

The implementation of GASB 103 primarily impacted the Authority as follows:

Management’s Discussion and Analysis resulted in revisions to the presentation and content of the Authority's Management's Discussion and Analysis to conform to the updated reporting requirements. The implementation of this Statement had no effect on the Authority's financial position, results of operations, or cash flows.

Unusual or infrequent items are used to separately present inflows and outflows related to the Authority’s obligation to remediate lead-based paint in the Statements of Revenues, Expenses, and Changes in Net Position. As a result of the adoption of this statement, lead-based paint remediation costs, previously presented as a special item in the Statements of Revenues, Expenses, and Changes in Net Position, are now presented as an unusual or infrequent item in the current year, and subsidies received from the City of New York related to the HUD Agreement were reclassified from noncapital subsidies to an unusual or infrequent item. The adoption of this statement changed only the presentation of these costs and revenues and did not affect when or how they were recognized or measured, nor did it impact the Authority’s financial position, results of operations, or cash flows.

Proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position now separately presents operating income (loss) and noncapital subsidies before other Non-Operating Revenues and Expenses. This change affected financial statement presentation by reclassifying and adding subtotals for subsidies and related items, but it did not change the underlying recognition or measurement of revenues and expenses.

Major Component Unit Information is not applicable to the Authority because none of its component units are considered major discretely presented component units. Instead, the component units are presented in Note 20 as condensed combining information within the notes to the financial statements.

Budgetary comparison information is not applicable to the Authority and therefore is not presented as required supplementary information. Accordingly, variance analysis between original and final budget amounts, as well as final budget and actual results, is not included, and no related explanatory notes are provided.

Effective Date and Transition

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The Authority adopted this Statement in 2025 and has reclassified its 2024 financial statements.

Recently Adopted Accounting Standards

GASB Statement No. 104, ("GASB 104"), Disclosure of Certain Capital Assets

The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying assets in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

Effective Date
The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier applications are encouraged. The Authority adopted this Statement in 2025. The Statement had no material impact on the Authority's financial statements (see note 6).

Accounting Standards Issued but Not Yet Adopted

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the Authority upon implementation. Management has not yet evaluated the effect of implementation of these standards.

GASB Statement No.	GASB Accounting Standard	Effective Calendar Year
105	*Subsequent Events*	2027

D. Use of Management's Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. In addition, they affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

E. Cash and Cash Equivalents

Cash includes amounts on deposit with financial institutions, including bank accounts and certificates of deposit. The Authority considers investments in repurchase agreements and investments with a maturity of less than 90 days of purchase date as cash equivalents.

F. Accounts Receivable

Accounts Receivable include amounts expected to be received within one year from tenants and various governmental agencies. Tenants Receivable balances primarily consist of rents past due and due from vacant tenants. An allowance for uncollectable accounts is established to provide tenant accounts which may not be collected in the future for any reason. The Authority recognizes Accounts Receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts earned but unbilled as of year-end.

G. Notes, Loans and Lease Receivable

Notes and loans receivable are recorded based on the principal amount indicated in the underlying note agreement and include accrued interest where applicable. Lease Receivables are recorded at present value using the interest rate implicit in the lease agreement when available. In cases where interest rates are not implicit in the lease agreement, the Authority uses its incremental borrowing rate for similar classes of leases (See Note 17) as its discount rate. An allowance is established where there is uncertainty regarding the collection of notes, loans, or lease balances.

H. Investments

Investments are carried at fair value. Income from investments is recognized on the accrual basis. Realized gains or losses on sales of investment securities are accounted for using the specific identification method. The Authority combines realized and unrealized gains and losses on investments on the Statement of Revenues, Expenses and Changes in Net Position. Certain investments are classified as restricted based on underlying agreements.

I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end which will benefit future operations.

J. Inventories

Inventories consist of materials and supplies at the central warehouses, and fuel oil. Materials and supplies are valued using the *average moving cost* method on a first in – first out basis. Fuel oil is valued using *weighted average cost.* Materials and supplies are expensed when shipped from central warehouses to the developments. The Authority maintains an allowance for obsolete inventory.

K. Capital Assets

Capital assets include land, structures and equipment recorded at cost and is comprised of initial development costs, property betterments and additions, modernization program costs and right to use leased assets. With the exception of land and the right to use assets, the Authority depreciates these assets over their estimated useful lives once placed in service. Land is not depreciated. Right to use assets are amortized over the shorter of the respective lease term or subscription term. The straight-line method of depreciation/amortization is used, under normal operating conditions. The Capitalization Policy is as follows:

Capital Asset Category	Capitalization Threshold	Useful Life-Years
Buildings	$50,000	**40**
Building Improvements	$50,000	**25**
Leasehold Improvements	$50,000	**Up to 15**
Facilities & Other Improvements	$50,000	**10**
Computer Software	$50,000	**5**
Telecommunication Equipment	$50,000	**5**
Computer Hardware	$10,000	**5**
Furniture and Equipment	$10,000	**5 to 10**
Ranges and Refrigerators	All	**10**
Right to Use Assets-Buildings	$500,000	**Shorter of lease term or useful life of asset**
Right to Use Assets-Equipment	$500,000	**Shorter of lease term or useful life of asset**
Right to Use Assets-SBITA	$100,000	**Shorter of subscription term or useful life of asset**

Donated capital assets are recorded at acquisition value.

L. Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. The Authority recognizes a liability for wages and fringe benefits relating to expired collective bargaining agreements based on its best estimate of such future payments. These estimates are based on prior patterns and the current status of negotiations among other factors.

M. Claims Payable

The Authority recognizes a liability for general liability and workers' compensation claims based upon an estimate of all probable losses incurred, both reported and not reported. The liability for these claims is reported in the Statement of Net Position at a discounted amount.

N. Compensated Absences

Accumulated compensated absences are accrued at estimated amounts of future benefits attributable to services already rendered. The liability for compensated absences is calculated for all active employees and is based upon the leave time policy of the Authority, of which three of the major policy factors are retirement eligibility requirements, number of unused leave days eligible for payment and bonus retirement leave (see note 11).

O. Unearned Revenue

The Authority's unearned revenue includes the prepayment of rent by residents and the receipt of governmental program funding where certain eligibility requirements have not been met. In addition, purchase price and lease payments received on Real Estate transactions are reflected in Unearned Revenue and are recognized over the shorter of the lease term, when the Purchase Option can be exercised or the fifteen-year low-income housing tax credit compliance period.

P. Lease and SBITA Liabilities

The Authority recognizes lease and SBITA liabilities measured at the present value of payments expected to be made over the contract term using the interest rate implicit in the contract when available. In cases where interest rate is not implicit in the underlying contract, the Authority uses its incremental borrowing rate for similar classes of contracts (see notes 17 and 18) as its discount rate.

Q. Premium and Discount Amortization

The Authority amortizes debt premium and discount amounts over the life of the bonds using the *effective interest rate through maturity* methodology.

R. Deferred Outflows and Inflows of Resources

The Authority reports deferred outflows of resources in the *Statement of Net Position* in a separate section following Assets and deferred inflows of resources in a separate section following liabilities. Gains and losses in connection with advanced refunding of debt are recorded as either a deferred outflow (loss) or as a deferred inflow (gain) of resources and amortized as a component of interest expense over the shorter of the remaining life of the old or the new debt. Pension contributions made to the New York City Employees' Retirement System ("NYCERS") subsequent to the actuarial measurement date and prior to the Authority's fiscal year-end are reported as deferred outflows of resources. The net differences between projected and actual earnings on pension plan investments, changes in assumptions for pensions and OPEB, and differences in expected and actual experience for pensions and OPEB are recorded as either a deferred outflow or as a deferred inflow. Deferred outflows are recognized asset retirement obligations. Deferred inflow of resources on leases receivable are recorded pursuant to GASB 87 and amortized on a straight-line basis over the lease terms (see note 17).

S. Use of Restricted Net Position

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

T. Operating Revenues and Expenses

The Authority defines its Operating Revenues as income derived from charges to residents and others for rent and services provided including developer fees. Tenant Revenue is recognized on an accrual basis with an appropriate allowance in accordance with GASB 62 and is presented net of the related reserve. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others.

U. Non-capital Subsidies

The Authority classifies subsidies and grants that are not directly related to capital purposes as Non-Operating Revenues and Expenses in accordance with GASB Statement No. 103. The Authority's primary source of nonexchange revenue relates to subsidies and grants. Subsidies and grants revenue is recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements, in accordance with *GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, as amended by GASB Statement No. 103, Financial Reporting Model Improvements.*

V. Other Non-Operating Revenues (Expenses)

Capital Contributions are recognized when eligible program expenditures are incurred and/or when the Authority has satisfied all applicable grant requirements. These contributions are reported in accordance with GASB Statement No. 103 requirements for Non-Operating Revenues, with recognition occurring only when all eligibility criteria are met.

W. Taxes

The Authority is a public benefit corporation chartered under the New York State Public Housing Law and as such is exempt from income taxes and certain other Federal, state and local taxes.

X. Other Postemployment Benefits

The Authority's Total OPEB Liability, deferred outflow of resources and deferred inflows of resources, and expenses associated with the Authority's requirement to contribute to the New York City Health Benefits Program is calculated based on an amount that is actuarially determined (see Note 12).

Y. Net Pension Liability

The Authority's proportionate share of the net pension liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the Authority's requirement to contribute to NYCERS have been determined on the same basis as they are reported by NYCERS.

2. DEPOSITS AND INVESTMENTS

Deposits

As of December 31, 2025, the Authority's deposits, including its component units, had a carrying amount of $747,260,000 and a bank balance of $750,385,000. These deposits were insured up to $250,000 per bank by the Federal Deposit Insurance Corporation ("FDIC"). All deposits exceeding FDIC insurance limits were fully collateralized, excluding The Trust and HDFC II deposits that are not subject to collateralization requirements. Collateral coverage is monitored and maintained on a daily basis. The collateral is comprised of U.S. Treasury notes and bonds, in addition to other U.S. governmental agency securities approved in accordance with HUD guidelines.

Deposits were comprised of the following as of December 31, 2025 and 2024 ($ in thousands):

	Bank Balance	
Unrestricted	**2025**	**2024**
FDIC insured	$ 1,497	$ 1,266
Collateralized	367,539	261,956
General Deposits	13,008	
Subtotal	382,044	263,222
Restricted		
FDIC insured	$ 500	38,689
Collateralized	367,841	354,662
Subtotal	368,341	393,351
Total Deposits	$ 750,385	$ 656,573

As of December 31, 2025, unrestricted deposits totaling $382,044,000 included $40,764,000 of operating balances for both LLC I and LLC II, as well as replacement reserves for LLC I of $546,000, HDFC II balance of $11,526,000 and NYC Public Housing Preservation Trust balance of $1,982,000. The remaining balances totaling $327,772,000 are eligible for working capital and future liabilities of the Authority. The unrestricted deposits are held at various banks in interest-bearing accounts and demand deposit accounts (DDA) without interest.

As of December 31, 2025, restricted deposits totaling $368,341,000 included funds held in depository accounts on behalf of Sandy Recovery, escrow funds for real estate transactions, escrow funds for several Energy Performance Contracts, escrow funds for vendor retention, and HUD subsidies for tenant participation activity to be used by resident councils for the residents. The Certificates of Deposits for tenant security matured on March 31, 2025, and have been reinvested to U.S. Treasury Notes through January 15, 2026. The liability related to these deposits is included in unearned revenues and other current liabilities.

2. DEPOSITS AND INVESTMENTS

Investments

In accordance with GASB Statement No. 72 ("GASB 72"), Fair Value Measurement and Application, NYCHA discloses its investments at fair value. The Authority invests in securities that fall under GASB's Level 1 fair value grouping (there are 3 levels in total), as there are comparable and observable traded securities that can be used to accurately value the Authority's portfolio of securities. As of December 31, 2025 and 2024, all of the Authority's long-term investment holdings were in U.S. Governmental agency securities and GASB 72 requires their fair value be based on similar bonds that are being traded.

Unrestricted Investments

The Authority's investment policies comply with HUD's guidelines. These policies restrict the Authority's investments to obligations of the U.S. Treasury, U.S. Government agencies, and their instrumentalities. All investments are held in a secured custody account in the name of the Authority. All investments are publicly traded, and the fair value was based on published quoted values. Accrued interest receivable on unrestricted investments was $343,000 and $345,000 as of December 31, 2025 and 2024.

Unrestricted investments stated at fair value, consisted of the following at December 31, 2025 and 2024 ($ in thousands):

Unrestricted	**2025**	**2024**
U.S. Government Agency Securities	$ 251,719	$ 322,889

Cash equivalents include investments in repurchase agreements. As of December 31, 2025, the Authority held no investments in repurchase agreements. As of December 31, 2024, the Authority held $163,000,000 in repurchase agreements.

The maturities of the Authority's unrestricted investments as of December 31, 2025 and 2024 are as follows ($ in thousands):

	As of December 31, 2025				As of December 31, 2024			
Security Type	Total	<1 year	1 - 5 years	>5 years	Total	<1 year	1 - 5 years	>5 years
U.S. Govt Agency Securities	$251,719	$73,360	$178,359	$0	$322,889	$109,743	$213,146	$0

2. DEPOSITS AND INVESTMENTS

As of December 31, 2025 and 2024, the Authority's weighted average term to maturity for unrestricted investments is 1.6 years and 2.0 years, respectively. The Authority determines maturity levels based upon current available interest rates, expectations for future rates and the appropriate amount of liquidity needed for operations. While HUD's policy limits the maturities of investments held by housing authorities to three years, the Authority has received a HUD waiver to invest long-term reserves up to seven years.

The U.S. Government Agency security balance is comprised of obligations issued by the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, Federal Farm Credit Bank and the Federal National Mortgage Association. As of December 31, 2025, and 2024, the fair value of the Authority's investments in Agency securities was $251,719,000 and $322,889,000, respectively, and these amounts are designated to fund the Authority's self-insurance programs.

Restricted Investments

As of December 31, 2025 and 2024, NYCHA's restricted investments had a fair value of $21,288,000, and $30,708,000, respectively. These funds were held in trust, supporting loans from NYC HDC from the Series 2022 A and Series 2013 A & B Capital Fund Financing Program Bonds. As of December 31, 2025, the restricted total was comprised of $18,885,000 in restricted investments, and $2,403,000 in restricted cash equivalents. On December 31, 2024, the restricted total was comprised of $29,048,000 in restricted investments and $1,660,000 in restricted cash equivalents.

The $18,885,000 in restricted investments held on December 31, 2025, represents debt service reserves for the 2022 A Capital Fund Financing Program Bonds.

Restricted investments stated at fair value, consisted of the following at December 31, 2025 and 2024 ($ in thousands):

Restricted	**2025**	**2024**
Forward Delivery Agreement (debt service reserves)	$ 18,885	$ 29,048
Repurchase Agreements, cash equivalents	2,403	1,660
Restricted investments, including cash equivalents	**$ 21,288**	**$ 30,708**

2. DEPOSITS AND INVESTMENTS

Restricted Investments (continued)

Included within NYCHA's restricted investments are tenant security deposits invested in U.S. Treasury Notes totaling $35,995,000 as of December 31, 2025.

Accrued interest receivable on restricted investments, including tenant certificates of deposit, totaled $647,000 in 2025 and $1,379,000 in 2024.

The maturities of the Authority's restricted investments as of December 31, 2025 and 2024 were as follows ($ in thousands):

	As of December 31, 2025				As of December 31, 2024			
Security Type	Total	<1 year	1 - 5 years	>5 years	Total	<1 year	1 - 5 years	>5 years
Forward Delivery Agreement, including cash equivalents	$ 21,288	2,403	-	$ 18,885	$ 30,708	1,660	-	$ 29,048
Treasury Notes	$ 35,996	35,996	-	-	$ -	-	-	-

As of December 31, 2025 and 2024, the Authority's weighted average term to maturity for restricted investments (Forward Delivery Agreement) was 7.5 years and 8.5 years, respectively. The Fiscal Agents determine maturity levels based upon current available interest rates, expectations for future rates and the appropriate amount of liquidity needed for NYCHA's operations.

2. DEPOSITS AND INVESTMENTS

Investment Policy and Risks

Policies governing investments: The Authority has adopted the HUD investment policy outlined in HUD Notice PIH-2002-13 (HA), as its formal investment policy. In accordance with its Annual Contributions Contract (the "ACC") with HUD, the Authority is required to comply with this HUD Notice. These guidelines require the Authority to deposit funds in accordance with the terms of a General Depository Agreement, which must be in a form approved by HUD and executed between the Authority and its depository institutions, and restricts the Authority's investments to HUD–authorized securities, such as those issued by the U.S. Treasury, U.S. Government agencies and their instrumentalities, and requires that all investments be held in a segregated custodial account in the name of the Authority. Similarly, the bond proceeds that remain in Trust supporting the loan from NYC HDC are invested in accordance with the investment policy of NYC HDC, which are very similar.

The Authority's investment strategy involves consideration of the basic risks of fixed-income investing, including interest rate risk, market risk, credit risk, and concentration risk. In managing these risks, the primary factors considered are safety of principal, yield, liquidity, maturity, and administrative costs.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the Authority's investment portfolio. In accordance with the Authority's investment policy, interest rate risk is mitigated by holding the securities in the Authority's portfolio until maturity, except when a reinvestment strategy may be appropriate. As an additional manner of minimizing interest rate risk, the securities of the Authority's fixed income portfolio have historically only had fixed coupon rates, and therefore the cash flow will not fluctuate with changes in interest rates.

2. DEPOSITS AND INVESTMENTS

Investment Policy and Risks (continued)

Credit Risk: It is the Authority's policy to limit its investments to HUD-authorized investments issued by the U.S. Government, by a U.S. Government agency, or by a Government-sponsored agency. The Authority's policy is to invest primarily in Governmental agency and U.S. Treasury securities which are AA+ and Aa1 rated by Standard and Poor's ("S&P") or Moody's, or to place balances in fully collateralized money market deposit accounts and interest-bearing bank accounts at banks rated A or better by Moody's or S&P. As of December 31, 2025, each of the agency securities that were in the NYCHA investment portfolio had bond ratings AA+ and Aa1 for Standard and Poor's ("S&P") and Moody's, respectively. Depository bank accounts maintaining federal funds are fully collateralized, in excess of FDIC insurance, with Treasury and/or Governmental agency securities.

Concentration Risk: The Authority strives to invest in only AA+ and Aa1 rated Governmental Agency and/or U.S. Treasury securities. Therefore, the Authority's policy does not place a limit on investments with any one issuer. The Authority's cash deposits are maintained in fully collateralized money market deposit accounts and fully collateralized interest-bearing and non-interest bearing (if required) bank accounts. Consequently, the Authority does not limit deposits to any one bank. Nonetheless, the Authority strives to diversify holdings in investments, cash and cash equivalents, whenever possible, to further minimize any potential concentration risk.

Custodial credit risk: The Authority maintains a perfected security interest in the collateral held on its behalf by its custodial agents. Custodial credit risk is the risk that the Authority will not be able to recover its collateral held by a third-party custodian, in the event that the custodian defaults. The Authority has no custodial credit risk due to the Authority's perfected security interest in its collateral in a segregated custodian account, which is registered in the Authority's name. The Authority's policy requires that all securities should be maintained in a third-party custodian account and the manner of collateralization shall provide the Authority with a continuing perfected security interest in the collateral for the full term of the deposit, in accordance with applicable laws and Federal regulations. Such collateral shall, at all times, have a market value at least equal to the number of deposits secured. The collateral includes U.S. Treasury notes and bonds and other U.S. governmental agency securities approved under HUD guidelines.

3. ACCOUNTS AND SUBSIDIES RECEIVABLE

Accounts Receivable

Accounts receivable at December 31, 2025 and 2024 are comprised of the following ($ in thousands):

	2025	2024
U.S. Department of Housing and Urban Development	$ 214,723	$ 288,436
Federal Emergency Management Agency	180,750	281,708
Due from The City of New York	853,992	643,479
Community Development Block Grant	2,564	8,724
Due from other government agencies	254,149	170,213
Tenants accounts receivable	471,390	455,546
Other	61,709	34,241
Total accounts receivable	2,039,276	1,882,347
Less allowance for uncollectable accounts	443,227	346,167
Accounts receivable, net	$ 1,596,049	$ 1,536,180

Accrued interest receivable on investments of $1,918,000 and $2,792,000 at December 31, 2025 and 2024, respectively, is included in Other.

The allowance for uncollectable accounts at December 31, 2025 and 2024 consists of the following ($ in thousands):

	2025	2024
Tenants accounts receivable	$ 419,663	$ 325,586
Other	23,564	20,581
Total allowance for uncollectable accounts	$ 443,227	$ 346,167

The provision for bad debts is $145,498,000 and $19,951,000 for 2025 and 2024, respectively, reflected as a reduction of tenant revenue, net within the Statements of Revenues, Expenses, and Changes in Net Position.

4. NOTES, LOANS AND LEASES RECEIVABLE

Notes, Loans, and Lease Receivable at December 31, 2025 and 2024 are comprised of the following ($ in thousands):

	2025	2024
Ocean Bay	$311,334	$285,759
Bay View	257,788	-
Eastchester Gardens	154,991	-
Manhattanville	115,787	110,646
Betances	110,445	106,124
Williamsburg	100,752	149,937
Metro North White	95,619	-
Jackie Robinson	77,579	-
Harlem River	73,131	71,298
Edenwald	65,923	63,607
Sack Wern	65,251	62,465
Linden	58,923	56,392
Manhattan Bundle	52,828	52,592
Bushwick	48,324	46,694
Boulevard	44,275	41,814
Twin Parks West	43,717	43,553
Randolph	41,984	41,815
Stuyvesant Gardens	40,007	-
CDBG - Hope Garden/Bushwick	37,958	22,329
Hope Gardens	36,972	35,725
Reid Park	36,905	35,511
Boston Secor	34,541	33,094
Ocean Hill Apartments	23,087	-
Lease Receivable (includes accrued interest)	15,179	19,264
Other (under $20,000)	128,808	126,448
Total Notes, Loans, and Lease Receivable	2,072,108	1,405,067
Less allowance for uncollectable accounts	1,928,695	1,258,653
Notes, Loans, and Lease Receivable, net	143,413	146,414
Less Current portion	2,409	2,481
Notes, Loans, and Lease Receivable - non-current portion	$141,004	$143,933

5. INVENTORIES

Inventories at December 31, 2025 and 2024 are summarized as follows ($ in thousands):

	2025	2024
Supplies inventory	$ 7,301	$ 5,925
Allowance for obsolete inventory	(4)	(445)
Supplies inventory (net)	7,297	5,480
Fuel oil inventory	4,190	2,261
Total inventories, net	$ 11,487	$ 7,741

6. CAPITAL ASSETS, NET

A summary of the changes in capital assets, net, which is comprised of land, structures and equipment, is as follows:

Summary of Changes in Capital Assets, Net ($ in thousands)

Description	January 1, 2025	Additions/ Transfers In	Deletions/ Transfers Out	December 31, 2025
Capital Assets not being depreciated:				
Land	$ 687,510	$ -	$ -	$ 687,510
Construction in progress	3,297,915	1,240,049	(1,463,001)	3,074,963
Total Capital Assets not being depreciated	**3,985,425**	**1,240,049**	**(1,463,001)**	**3,762,473**
Capital Assets being depreciated:				
Buildings	3,124,375	-	(5,107)	3,119,268
Building improvements	13,216,830	1,407,696	(69,512)	14,555,014
Facilities and other improvements	555,213	6,511	(464)	561,260
Furniture and equipment	1,139,613	46,410	(731)	1,185,292
Leasehold improvements	149,240	1,184	-	150,424
Total Capital Assets being depreciated:	**18,185,271**	**1,461,801**	**(75,814)**	**19,571,258**
Capital Assets being amortized:				
Right to use assets - Leased Buildings	852,412	-	-	852,412
Right to use assets - Leased Equipment	30,043	-	(2,976)	27,067
Right to use assets - SBITA*	11,329	1,200	-	12,529
Total Capital Assets being amortized:	**893,784**	**1,200**	**(2,976)**	**892,008**
Total Capital Assets being depreciated and amortized	**19,079,055**	**1,463,001**	**(78,790)**	**20,463,266**
Less Accumulated Depreciation:				
Buildings	3,023,590	15,178	(5,107)	3,033,661
Building improvements	7,005,076	356,741	(49,913)	7,311,904
Facilities and other improvements	500,922	10,159	(464)	510,617
Furniture and equipment	1,003,701	37,663	(731)	1,040,633
Leasehold improvements	120,021	3,154	-	123,175
Total Accumulated Depreciation:	**11,653,310**	**422,895**	**(56,215)**	**12,019,990**
Less Accumulated Amortization:				
Right to use assets - Leased Buildings	150,420	37,605	-	188,025
Right to use assets - Leased Equipment	26,793	(971)	-	25,822
Right to use assets - SBITA*	6,001	3,139	-	9,140
Total Accumulated Amortization:	**183,214**	**39,773**	**-**	**222,987**
Total Accumulated Depreciation and Amortization	**11,836,524**	**462,668**	**(56,215)**	**12,242,977**
Total Capital Assets being depreciated and amortized, Net	**7,242,531**	**1,000,333**	**(22,575)**	**8,220,289**
Capital Assets, Net	**$ 11,227,956**	**$ 2,240,382**	**$ (1,485,576)**	**$ 11,982,762**

* SBITA represents Subscription Based Information Technology Arrangements

Donated capital assets are recorded at acquisition value.

6. CAPITAL ASSETS, NET

Summary of Changes in Capital Assets, Net ($ in thousands)

Description	January 1, 2024	Additions/ Transfers In	Deletions/ Transfers Out	December 31, 2024
Capital Assets not being depreciated:				
Land	$ 687,510	$ -	$ -	$ 687,510
Construction in progress	2,860,082	1,288,120	(850,287)	3,297,915
Total Capital Assets not being depreciated	**3,547,592**	**1,288,120**	**(850,287)**	**3,985,425**
Capital Assets being depreciated:				
Buildings	3,125,775	-	(1,400)	3,124,375
Building improvements	12,555,916	789,978	(129,064)	13,216,830
Facilities and other improvements	543,452	14,312	(2,551)	555,213
Furniture and equipment	1,098,978	41,489	(854)	1,139,613
Leasehold improvements	148,084	1,156	-	149,240
Total Capital Assets being depreciated:	**17,472,205**	**846,935**	**(133,869)**	**18,185,271**
Capital Assets being amortized:				
Right to use assets - Leased Buildings	852,412	-	-	852,412
Right to use assets - Leased Equipment	28,216	1,827	-	30,043
Right to use assets - SBITA*	9,804	1,525	-	11,329
Total Capital Assets being amortized:	**890,432**	**3,352**	**-**	**893,784**
Total Capital Assets being depreciated and amortized	**18,362,637**	**850,287**	**(133,869)**	**19,079,055**
Less Accumulated Depreciation:				
Buildings	3,007,912	17,078	(1,400)	3,023,590
Building improvements	6,741,897	377,995	(114,816)	7,005,076
Facilities and other improvements	493,059	10,246	(2,383)	500,922
Furniture and equipment	960,796	43,481	(576)	1,003,701
Leasehold improvements	116,630	3,391	-	120,021
Total Accumulated Depreciation:	**11,320,294**	**452,191**	**(119,175)**	**11,653,310**
Less Accumulated Amortization:				
Right to use assets - Leased Buildings	112,815	37,605	-	150,420
Right to use assets - Leased Equipment	21,646	5,147	-	26,793
Right to use assets - SBITA*	3,362	2,639	-	6,001
Total Accumulated Amortization:	**137,823**	**45,391**	**-**	**183,214**
Total Accumulated Depreciation and Amortization	**11,458,117**	**497,582**	**(119,175)**	**11,836,524**
Total Capital Assets being depreciated and amortized, Net	**6,904,520**	**352,705**	**(14,694)**	**7,242,531**
Capital Assets, Net	**$ 10,452,112**	**$ 1,640,825**	**$ (864,981)**	**$ 11,227,956**

* SBITA represents Subscription Based Information Technology Arrangements

Donated capital assets are recorded at acquisition value.

7. POLLUTION REMEDIATION OBLIGATIONS

The Authority accounts for its pollution remediation obligations ("PRO") in accordance with GASB Statement No. 49 ("GASB 49") *Accounting and Financial Reporting for Pollution Remediation Obligations.* As a result, the Authority has recorded in the statements of net position a PRO liability in the amount of $3,860,281,000 and $4,930,190,000 as of December 31, 2025 and 2024, respectively, the high majority of which relates to lead paint abatement and remediation costs.

The Authority has separated its pollution remediation obligations into four groups: lead-based paint, oil spills, asbestos, and mold.

Lead Based Paint

Lead-based paint presents a threat to the health of residents and workers. Per HUD regulations (24CFR Part 35) an annual lead visual assessment is required of all target housing built prior to 1978, unless such housing is exempt pursuant to those regulations. New York City Local Law 1 (NYC Admin. Code section 27-2056) required landlords of buildings built before 1960 (or built between 1960 and 1978 if known to have lead-based paint) to take certain actions to prevent lead poisoning in children under 6 years old, including conducting annual inspections, remediating, or abating any chipped or peeling paint, and completely removing lead-based paint from certain building components upon vacancy of an apartment. Local Law 1 and current federal standard defines lead-based paint as having 1.0 milligrams (mg) of lead per square centimeter (cm) or more. Effective December 1, 2021, New York City implemented a new standard for defining the presence of lead in paint, in accordance with Local Law 66 of 2019. This new standard defines lead-based paint as having 0.5 mg of lead per square cm or more, which is stricter than both the prior New York City and the current federal standard. Under the new standard, the Authority is re-testing substantially all apartments, including approximately 33,000 apartments that were previously exempt from testing.

During 2024, the Authority began the retesting process at the 0.5 mg standard and estimated that 46% of the target units had positive lead findings and would be subject to further remediation and abatement workstreams. In 2025, the Authority continued the retesting process at the 0.5 mg standard and is now estimating that 45% of the target units have positive lead findings and will be subject to further remediation and abatement workstreams. However, as only 81% of the apartment units have been tested to date, the actual positivity rate may differ from the estimate which could cause a significant variation in the cost estimates.

7. POLLUTION REMEDIATION OBLIGATIONS

Lead Based Paint (continued)

In 2025, pollution remediation cost reductions of $841,289,000 related to lead-based paint and $124,033,000 in subsidies and grants were reported as Unusual or Infrequent Items in the Statements of Revenues, Expenses, and Changes in Net Position. The pollution remediation cost reductions reflects a decrease in the estimated future cost of lead-based paint remediation and abatement, primarily driven by lower projected tenant relocation costs, a decline in the estimated lead positivity rate from 46% of apartment units in 2024 to 45% in 2025, reduced estimated contractor abatement costs per unit, and a reduction in the number of apartment units subject to remediation as a result of PACT transactions (see Note 15) that closed during 2025.

In 2024, additional lead-based paint-related costs totaling $846,280,000 were reported as a Special Item in the Statements of Revenues, Expenses, and Changes in Net Position. These costs reflect an increase in estimated future pollution remediation cost related to lead-based paint, partially offset by $179,630,000 in related subsidies and grants. The 2024 Special item primarily includes increased costs of $266,736,000 relating to the adjustment in the positivity rate, net of changes in estimates for abatement and XRF testing unit costs, less reduction in apartment units from PACT transactions (Note 15) which closed in 2024. Since this item was classified as a special item prior to the adoption of GASB 103, it has been reclassified as an Unusual or Infrequent item following the adoption.

For the years ended December 31, 2024 and 2025, the current year costs consisted of inflows of $113,840,000 and $841,289,000 and outflows of $960,120,000 and $0, respectively.

NYCHA has classified the lead-based paint costs as an Unusual or Infrequent Item as it meets the criteria of being infrequent, although not unusual for a housing authority, and is within management's control to abate. The infrequent criteria have been triggered as this is the first time in close to ninety years since NYCHA's inception, where a comprehensive plan to lead abatement has been implemented. The Authority's pollution remediation obligations ("PRO") is measured based on the expected costs of future activities.

As per Paragraph 11 of GASB Statement No. 49, an obligating event is one that triggers the potential recognition of a pollution remediation liability. Such obligating events may occur when the government is compelled to act because of imminent danger to public health, when the government commences remediation efforts or when the government is named by a regulator as a potentially responsible party. All three of these obligating events have been triggered. On January 31, 2019, NYCHA entered into an agreement with HUD, the United States Attorney's Office for the Southern District of New York ("SDNY"), and The City of New York (the "Agreement"). Among many requirements within, NYCHA agreed to perform lead-based paint interim controls ("remediation"), follow lead-safe work practices mandated by HUD and the United States Environmental Protection Agency (EPA), and perform specified lead-based paint abatement activities. Per the Agreement, among other things, NYCHA is required to perform annual visual assessments, control lead-based paint hazards identified by the visual assessments (until abatement is performed), abate lead in all apartments and interior common areas that contain lead-based paint in the same building as those units within 20 years, and abate lead in exterior common areas at a timeline to be determined. NYCHA must also provide a certification every six months describing its compliance with certain EPA and HUD regulations.

Under Local Law 66, NYCHA has presumed the presence of lead-based paint in target housing built prior to 1978 unless the unit is exempt due to negative lead findings of an inspection. Of the total 173,000 units in the NYCHA portfolio as of December 31, 2019, the target housing consisted of approximately 167,000 units and associated common areas. The total units decreased by 4,000 and 7,000 units respectively in 2024 and 2025 as a result of PACT transactions, causing a relative decrease in the target housing for testing. As a result, the target housing as of December 31, 2025 and December 31, 2024 was approximately 141,000 units and 148,000 units, respectively.

7. POLLUTION REMEDIATION OBLIGATIONS

Lead Based Paint (continued)

The estimation of costs is consistent with the timelines set in the Agreement in which 50% of all units and interior common areas in the same building as those units are abated within 10 years of the effective date, 75% are abated within 15 years of the effective date, and 100% are abated within 20 years of the effective date. All the above milestones are subject to Force Majeure circumstances that may arise. Total costs are subject to variations in actual results of XRF tests versus estimates, timing of when remediation and abatement can be executed, inflation and differences in contractor costs, and other microeconomic and macroeconomic factors.

The $3,790,189,000 and $4,859,467,000 liabilities, as of December 31, 2025 and 2024, respectively, includes management's estimates to remediate and abate lead in target apartment units, interior common space of buildings, community centers and playgrounds. The estimate of the liability does not include cost components that are not reasonably estimable as per GASB Statement No. 49 (paragraph 26). Such components not deemed estimable include exterior building surfaces, fences, and soil where the Authority does not have reliable information to reasonably estimate lead findings and related costs at this time.

For the years ended December 31, 2025 and December 31, 2024, the Authority made payments and adjustments relating to lead-based paint remediation and abatement activities of $227,990,000 and $324,077,000, respectively.

As part of the Agreement entered into with HUD referenced in above paragraph, The City of New York is required to provide $2,200,000,000 of financial support to NYCHA over a ten-year period in order to assist the Authority in meeting its obligations under the Agreement. Such commitments are supported by an Action Plan approved on May 8, 2021, by the Federal Monitor which identifies projects and related spending plans including $1,109,000,000 dedicated to the HUD agreement pillars from 2022 to 2025. The City of New York continues to commit funding for the Agreement on an annual basis and the total amount is now $3,621,000,000 through 2035. Such funding will be treated as a voluntary nonexchange transaction, and revenues will be recognized on a cost reimbursement basis. Subsidy and grant revenue provided by the City of New York totaled $124,033,000 and $179,630,000 for the years ended December 31, 2025 and 2024, respectively.

7. POLLUTION REMEDIATION OBLIGATIONS

Oil Spills

To comply with NYS Department of Environmental Conservation ("DEC") rules and regulations, the Authority is continuing a program started in 1992 to remediate contaminated soil related to fuel storage tanks on the Authority property as required.

As of December 31, 2025 and 2024, the number of open active fuel oil spills on record with DEC was 17 and 21, respectively. The spills are categorized by the Authority as either Class A spills which are pending closure, Class B spills which require further investigation or Class C spills which have been investigated and have a remedial plan in place. The number of open active fuel oil spills is:

Description of Oil Spills	2025	2024
Pending closure	2	2
Require further investigation	2	6
Have been investigated and have a remedial plan in place	13	13
Total number of spills on record with the DEC	**17**	**21**

In connection with petroleum bulk storage remediation, the Authority's liability was $3,269,000 and $3,343,000 as of December 31, 2025 and 2024, respectively, as shown below, which represents the remaining estimated cost to close the Class A spills, investigate the Class B spills, and remediate and re- investigate the Class C spills.

Liability to Remediate Oil Spills ($ in thousands)

Description of Oil Spills	2025	2024
Pending closure	$ 172	$ 48
Require further investigation	424	406
Have been investigated and have a remedial plan in place	2,673	2,889
Total Liability to Remediate Oil Spills	$ 3,269	$ 3,343

The Authority has estimated the remaining cost of outlays and time to remediate the Class C spills based on an evaluation of each oil spill. Using that data, the liability was measured using the expected cash flow technique. The Authority has not recognized any clean-up remediation activity liabilities for Class B spills since those costs are not reasonably estimable. The Authority does not expect any recoveries related to fuel oil spills.

Asbestos Remediation

During the course of building rehabilitation and modernization, the exposure of lead-based paint or asbestos presents a threat to the health of residents and workers. Upon commencement of the rehabilitation and modernization projects these hazards are identified and remediated, and the remediation costs are expensed. As of December 31, 2025 and 2024, commitments related to the remediation of asbestos portions of active contracts were $38,461,000 and $38,811,000, respectively.

A portion of building rehabilitation and modernization outlays are reimbursable from HUD through its Capital Fund Program.

7. POLLUTION REMEDIATION OBLIGATIONS

Mold Remediation

Based on a 2018 settlement agreement, the Authority is required to complete mold repairs in no more than fifteen (15) days after a mold or excessive moisture condition is detected or reported. There were approximately 11,000 and 13,000 open work orders for mold as of December 31, 2025 and 2024. The estimated cost to remediate these mold conditions was $28,362,000 and $28,569,000, respectively.

Summary

The Authority's total pollution remediation obligations for 2025 and 2024 are summarized as follows ($ in thousands):

Description	TOTAL	Lead Based Paint	Oil Spills	Asbestos	Mold
Liability at January 1, 2024	**$4,392,861**	**$4,337,264**	**$3,237**	**$25,323**	**$27,037**
Current year costs	913,719	846,280	2,015	44,441	20,983
Payments made during the year	(376,391)	(324,077)	(1,909)	(30,953)	(19,452)
Liability at December 31, 2024	**$4,930,190**	**$4,859,467**	**$3,343**	**$38,811**	**$28,569**
Current year costs	(769,046)	(841,289)	1,363	44,078	26,802
Payments made/adjustments during the year	(300,863)	(227,989)	(1,437)	(44,428)	(27,009)
Liability at December 31, 2025	**$3,860,281**	**$3,790,189**	**$3,269**	**$38,461**	**$28,362**

The above liability is subject to change due to price increases or reductions, changes in technology, or changes in applicable laws or regulations.

8. ASSET RETIREMENT OBLIGATIONS

The Department of Environmental Protection ("DEP") regulations require certain activities to be followed in connection with the retirement of fuel oil tanks. As of December 31, 2025, and 2024, the Authority had 200 and 218 fuel oil tanks, respectively, that are expected to be retired within the next five years. The estimated cost to retire these tanks is $56,072,000 and $59,540,000 at December 31, 2025 and 2024, respectively. This expense is being recognized over the useful life of the assets. The remaining useful lives of the fuel oil tanks range from 1 to 12 years.

Amounts reported as Deferred Outflows of Resources of $1,165,000 as of December 31, 2025 will be recognized in Repair and Maintenance expense as follows ($ in thousands):

Year	Total
2026	$ 372
2027	311
2028	226
2029	108
2030-2034	122
2035-2038	25
Total	**$ 1,165**

9. CLAIMS PAYABLE

General Liability - The Authority maintains a self-insurance program to provide for all claims arising from injuries to persons other than employees. The Authority has insurance covering all liabilities in excess of self-insured retention. From January 1, 2024, through December 31, 2025, the Authority's insurance coverage was $100,000,000 per occurrence and $100,000,000 in the aggregate, with a self-insured retention of $5,000,000 per occurrence. For the period of January 1, 2024, through December 31, 2025, the Authority also retains $10,000,000 or 50% of the $20,000,000 layer in excess of its $5,000,000 self-insured retention. The self-insured retention for Employee Benefits Liability limit (a component of the General Liability program) was $5,000,000 per occurrence for the period of January 1, 2024, through December 31, 2025. In addition, contractors performing work for the Authority are required to carry liability insurance that protects both the contractor and the Authority.

The general liability program is primarily funded based on an amount that is actuarially determined and charged to individual developments. In addition, a liability is established based upon an estimate of all probable losses, including an estimate of losses incurred but not yet reported. On December 31, 2025, and 2024 the total undiscounted liability for such claims was $685,056,000 and $614,283,000, respectively.

At December 31, 2025, and 2024, the liability for these claims was reported at discounted amounts of $636,180,000 and $580,231,000 using a discount rate of 2.00 percent and 1.50 percent, respectively. Payments made for claims amounted to $95,543,000 and $80,475,000 for the years ended December 31, 2025 and 2024, respectively.

Workers' Compensation – The Authority maintains a self-insurance program for workers' compensation claims. The workers' compensation program is primarily funded based upon an amount which is actuarially determined and charged to individual developments. On December 31, 2025 and 2024, the total undiscounted liability for such claims was $382,004,000 and $381,669,000, respectively.

On December 31, 2025 and 2024, these amounts were reported at discounted amounts of $307,253,000 using a discount rate of 2.75 percent and $319,888,000 using a discount rate of 2.25 percent, respectively. Payments made for claims amounted to $52,637,000 and $55,383,000 for the years ended December 31, 2025 and 2024, respectively.

9. CLAIMS PAYABLE

The Authority’s total claims payable for 2025 and 2024 are summarized as follows ($ in thousands):

Summary of Claims Payable ($ in thousands)

Description	TOTAL	General Liability	Workers' Comp.
Claim Reserve at January 1, 2024	**$ 774,724**	**$ 480,604**	**$ 294,120**
Losses incurred during the year	261,253	180,102	81,151
Losses paid during the year	(135,858)	(80,475)	(55,383)
Claim Reserve at December 31, 2024	**900,119**	**580,231**	**319,888**
Losses incurred during the year	191,494	151,492	40,002
Losses paid during the year	(148,180)	(95,543)	(52,637)
Claim Reserve at December 31, 2025	**$ 943,433**	**$ 636,180**	**$ 307,253**

The claim reserves are reported by management at the 75 percent confidence level for 2025 and 2024. The Authority classifies the estimated claims that will be paid out in the next year as a current liability and the balance as a non-current liability, as shown below as of December 31, 2025 and 2024 ($ in thousands):

	Total		**General Liability**		**Workers' Comp.**	
Description	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Current	$ 156,280	$ 143,571	$ 104,810	$ 91,800	$ 51,470	$ 51,771
Non-current	787,153	756,548	531,370	488,431	255,783	268,117
Total	**$ 943,433**	**$ 900,119**	**$ 636,180**	**$ 580,231**	**$ 307,253**	**$ 319,888**

10. LONG-TERM DEBT

<u>HDC Loans</u>

On April 12, 2022, New York City Housing Development Corporation (“NYCHDC”) issued Series 2022 A Capital Fund Financing Program (“CFFP”) bonds, for a principal amount of $398,265,000, as federally taxable obligations, to provide a portion of the funds to advance refund and defease the tax-exempt Series 2013 A & B bonds. The proceeds of the Series 2022 A bonds were loaned by NYCHDC to the Authority, as were the proceeds of the Series 2013 A & B bonds. The 2022 A bond proceeds were used to fund an escrow account for the refunding of the Series 2013 A & B bonds that have remaining maturities between 2025 and 2033.

The total debt service of the Series 2022 A bonds will range between a high of $59 million to a low of $38 million annually. The Series 2022 A Bonds were issued as serial bonds with varying maturities and have a maximum term to maturity of 11 years, which is the same as the prior Series 2013 A & B Bonds. The interest rates of the Series 2022 A bonds range between 2.32% to 4.10%, with a true interest cost of 3.81% for the bonds, versus the prior issue’s true interest cost of 4.22%.

HDC Loans (continued)

While this bond refinancing did not generate new funds for capital improvements, the Series 2022 A bonds were issued with the primary goals of lowering the borrowing costs, and to refinance the bonds as taxable debt so that the Authority could eliminate the IRS private-activity limitations that existed with the tax-exempt Series 2013 Bonds. This refinancing facilitates the Authority's plans to complete the necessary conversions of apartments from public housing funding to Section 8 project-based vouchers.

Prior to the loan agreement with the Series 2022 A bond proceeds, the Authority had a similar Series 2013 A & B Loan Agreement with NYCHDC for $701 million proceeds that were loaned to the Authority under the Capital Fund Grant Revenue Bond Program since September 10, 2013. These bonds were issued at a weighted average interest rate of 4.8% and the interest rates of the bonds ranged from 3.0% to 5.25% per annum.

The Series 2013 A bonds proceeds were issued at a weighted average rate of 4.4% and were used together with other available funds from the prior Series 2005 A bond issuance as an advance refund of the remaining balance of the pre-existing Series 2005 A bonds and to defease the existing debt. The bond proceeds of the new Series 2013 A bonds were deposited into trust accounts with an escrow agent to provide for all remaining debt service payments on the Series 2005 A bonds, which were fully paid in July 2005. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $10,388,000. This difference, a deferred amount on refunding, is being amortized through the year 2025 using the effective-interest method. The Authority completed the advance refunding to reduce total debt service payments over 11 years by $7.0 million and to obtain an economic gain of $2.9 million.

The Series 2013 B bond proceeds were issued with a weighted average rate of 5.0% to fund acquisition, construction or rehabilitation, and to make capital improvement at 34 Authority developments. Capital improvements primarily include "building envelope" work on roofs, brickwork, and windows. The proceeds of these bonds that have been loaned to the Authority by HDC were placed in escrow accounts with the Trustee banks. The capital improvements for this program were completed and on June 7, 2017, the Authority made its final draw of the loan proceeds.

Pursuant to GASB 91, HDC is considered the issuer of the debt. The Authority is considered the third-party obligor and has made all of the disclosures required.

10. LONG-TERM DEBT (continued)

Mortgage Loans

As part of the Authority's March 16, 2010, mixed-finance transaction (see Note 16), HDC issued bonds totaling \$477,455,000. The bonds issued by HDC were comprised of seven different series as follows: \$23,590,000 2009 Series L-1, \$68,000,000 2009 Series L-2, \$150,000,000 2010 Series B (Bridge Bonds), \$140,000,000 2011 Series A (Bridge Bonds), \$25,325,000 2010 Series A-1, \$3,000,000 2010 Series A-2 (Fixed-Rate Taxable Bonds), and \$67,540,000 2012 Series A (Index Floating Rate).

The bond proceeds were used to provide financing in the form of seven series of mortgage loans to LLC I and LLC II. The loan agreements that were issued from the bond proceeds from 2009 Series L-2, 2010 Series B, 2011 Series A, 2012 Series A, 2010 Series A-1, and 2010 Series A-2 were all paid in full as of December 31, 2021. One series of loan agreements issued from the bond proceeds from the 2009 Series L-1 was still outstanding as of December 31, 2023 as it relates to LLC I. This remaining loan, with original issuance amount of \$23,590,000 and a December 31, 2023 principal balance \$19,772,000, bears interest of 6.30% per annum, pays principal and interest monthly and is secured by the net operating income of the respective development's Section 8 rental revenue. In 2024, a full prepayment of the \$19,772,000 remaining principal was made on the 2009 Series L-1 Bonds.

2013 Equipment Lease/Purchase Agreement

In January 2013, the Authority entered into a 13-year Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp ("BAPCC") in the amount of \$18,046,000 to finance an Energy Performance Contract ("EPC") bearing interest of 1.98% per annum. This financing agreement and EPC have enabled the Authority to upgrade boilers, instantaneous water heaters, apartment temperature sensors, and upgrade computerized heating automated systems at (6) developments, and upgrade apartment convectors at one of these six developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in 2026. Since one development, Hope Gardens, was removed from this EPC in July 2019 due to a RAD/PACT conversion, the current EPC plan provides HUD-sponsored EPC funding for projects at 5 developments, which were previously earmarked to be funded with Federal Capital subsidies, thereby enabling the Authority to use its Federal Capital funds for other critical capital improvements pursuant to the Authority's Five-Year Capital Plan.

10. LONG-TERM DEBT (continued)

2016 Equipment Lease/Purchase Agreement for Ameresco A

In December 2016, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $51,548,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.27% per annum. This financing agreement and EPC will enable the Authority to upgrade common area and apartment lighting at sixteen (16) developments and to replace a boiler plant and upgrade a comprehensive heating system at one development. The Equipment Lease/Purchase Agreement with BAPCC will mature in June 2036. The Eastchester development was removed from the EPC in March 2025 due to a RAD/PACT conversion and the current EPC plan provides HUD-sponsored EPC funding for 16 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2017 Equipment Lease/Purchase Agreement for Sandy-A

In December 2017, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $43,000,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.6178% per annum. This financing agreement and EPC will enable the Authority to upgrade common area and apartment lighting at eighteen (18) developments and heating controls at 17 developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in December 2037. This EPC plan provides HUD-sponsored EPC funding for these 18 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2017 Equipment Lease/Purchase Agreement for Brooklyn Queens Demand Management ("BQDM")

In December 2017, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $60,133,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.6178% per annum. This financing agreement and EPC was approved by HUD to upgrade common area and apartment lighting, and apartment heating controls at twenty-three (23) developments. On December 28, 2021 two (2) developments (Fiorentino Plaza and Williamsburg) were removed from the EPC due to RAD/PACT conversions. The Equipment Lease/Purchase Agreement with BAPCC will mature in December 2037. This EPC plan provides HUD-sponsored EPC funding for the remaining 21 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2018 Equipment Lease/Purchase Agreement for Ameresco B (EPC007)

In August 2018, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $79,462,000 to finance an Energy Performance Contract ("EPC") bearing interest of 4.75% per annum. This financing agreement and EPC have enabled the Authority to fund energy conservation work to upgrade common area and apartment lighting, and apartment heating controls at fifteen (15) developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in July 2038. The Corsi/Jackie Robinson Houses development was removed from the EPC in December 2025 and the current EPC plan provides HUD-sponsored EPC funding for 12 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2020 Equipment Lease/Purchase Agreement for Ameresco A-2 (EPC008)

In November 2020, the Authority entered into an 18-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $23,299,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.404% per annum, which was the extension of the Ameresco A EPC entered in 2016. This financing agreement and EPC will include the installation of apartment temperature sensors at seven (7) developments and upgrade common area and apartment lighting at one (1) development. The Equipment Lease/Purchase Agreement with BAPCC will mature in June 2038. This EPC plan provides HUD-sponsored EPC funding at these seven (7) developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2023 Equipment Lease/Purchase Agreement for Equipment Schedule No. 6 (JCI)

In January 2023, the Authority entered into a 19-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $50,473,000 to finance an Energy Performance Contract ("EPC") bearing interest of 4.584% per annum. This financing agreement and EPC will include the installation of apartment temperature sensors, common area LED lighting and low flow plumbing fixtures at three (3) developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in July 2042. This EPC plan provides HUD-sponsored EPC funding at these three (3) developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

10. LONG - TERM DEBT (continued)

The tables that follow provide information about the change in long term debt over the past two years for the Authority and its blended component units ($ in thousands):

Description of Long Term Debt	Jan, 1,2025	Proceeds	Payments & Amortization	Dec. 31, 2025	Due Within One Year
Loans Funded by:					
HDC Capital Fund Program Revenue Bonds, Series 2022 A ($398,265,000) Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through Jan 2033.	$ 307,060	$ -	$ (47,600)	$ 259,460	$ 28,430
Loan Payable - 2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	1,463	-	(728)	735	735
Loan Payable - 2016 Equipment Lease/Purchase Agreement (Ameresco A); with BAPCC for Energy Performance Contract ($51,548,356) at an interest rate of 3.27% per annum, maturing June 28, 2036.	36,716		(3,232)	33,484	2,364
Loan Payable - 2017 Equipment Lease/Purchase Agreement (BQDM); with BAPCC for Energy Performance Contract ($60,132,978) at an interest rate of 3.62% per annum, maturing December 15, 2037.	48,206		(2,450)	45,756	2,628
Loan Payable - 2017 Equipment Lease/Purchase Agreement (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.62% per annum, maturing December 22, 2037.	38,521		(1,946)	36,575	2,088
Loan Payable - 2018 Equipment Lease/Purchase Agreement (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,776) at an interest rate of 4.75% per annum, maturing July 1, 2038.	75,573		(2,314) (1)	73,259	3,334
Loan Payable - 2020 Equipment Lease/Purchase Agreement (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752) at an interest rate of 3.40% per annum, maturing June 28, 2038.	21,823	-	(3,623)	18,200	502
Loan Payable - 2023 Equipment Lease/Purchase Agreement (SCH. # 6 JCI) with BAPCC for Energy Performance Contract ($50,473,178) at an interest rate of 4.58% per annum, maturing July 21, 2042.	50,598	-	(636) (2)	49,962	1,422
TOTAL LONG TERM DEBT	**$ 579,960**	**$ -**	**$ (62,529)**	**$ 517,431**	**$ 41,503**

(1) Excludes a principal payment of $1,519,257 that was made in 2024 for the 2018 Equipment Lease Purchase Agreement (Ameresco B).

(2) Excludes a principal payment of $621,802 that was made in 2024 for the 2018 Equipment Lease Purchase Agreement (JCI).

10. LONG - TERM DEBT (continued)

The tables that follow provide information about the change in long term debt over the past two years for the Authority and its blended component units ($ in thousands):

Description of Long Term Debt	Jan, 1,2024	Proceeds	Payments & Amortization	Dec. 31, 2024	Due Within One Year
Loans Funded by:					
HDC Capital Fund Program Revenue Bonds, Series 2022 A ($398,265,000) Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through Jan 2033.	$ 353,250	$ -	$ (46,190)	$ 307,060	$ 47,600
Loan Payable - 2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	3,081	-	(1,618)	1,463	728
Loan Payable - 2016 Equipment Lease/Purchase Agreement (Ameresco A); with BAPCC for Energy Performance Contract ($51,548,356) at an interest rate of 3.27% per annum, maturing June 28, 2036.	38,647		(1,931) (1)	36,716	2,281
Loan Payable - 2017 Equipment Lease/Purchase Agreement (BQDM); with BAPCC for Energy Performance Contract ($60,132,978) at an interest rate of 3.62% per annum, maturing December 15, 2037.	50,483		(2,278)	48,206	2,450
Loan Payable - 2017 Equipment Lease/Purchase Agreement (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.62% per annum, maturing December 22, 2037.	40,329		(1,808)	38,521	1,946
Loan Payable - 2018 Equipment Lease/Purchase Agreement (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,776) at an interest rate of 4.75% per annum, maturing July 1, 2038.	78,508		(2,935)	75,573	1,555
Loan Payable - 2020 Equipment Lease/Purchase Agreement (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752) at an interest rate of 3.40% per annum, maturing June 28, 2038.	22,359	-	(536)	21,823	582
Loan Payable - 2023 Equipment Lease/Purchase Agreement (SCH. # 6 JCI) with BAPCC for Energy Performance Contract ($50,473,178) at an interest rate of 4.58% per annum, maturing July 21, 2042.	51,598	-	(1,000)	50,598	636
HDC 2009 Series L-1 Bonds ($23,590,000); Permanent Mortgage Loan at an interest rate of 6.3% per annum, maturing November 2043; secured by mortgage.	19,772	-	(19,772)	-	-
TOTAL LONG TERM DEBT	**$ 658,027**	**$ -**	**$ (78,068)**	**$ 579,960**	**$ 57,778**

(1) Excludes a principal payment of $206,986 that was made in 2023 for the 2016 Equipment Lease Purchase Agreement (Ameresco A).

Pledged Revenue

CFFP Series 2022 A Loan Agreement and Series 2013A & B Loan Agreements – As security for the Series 2022 A Loan Agreement with HDC, as well as the Series 2013 A & B Loan Agreements that it replaced on April 12, 2022, the Authority pledged future HUD Capital Fund Program grant revenue to service the Authority's loans payable to HDC. With HUD's approval, the Authority pledged as sole security for the debt, a portion of its annual appropriation from HUD. The debt is payable with pledged revenue through 2033. The Authority has committed to appropriate Capital Contributions of the Capital Fund Program in amounts sufficient to cover the scheduled principal and interest requirements of the debt. For the Series 2013 A & B Loan Agreement, total principal and interest paid in 2021 was $59,585,000 and the loan was paid off in full on April 12, 2022, bringing the outstanding balance of principal and interest as of December 31, 2022 to zero. For the Series 2022 A Loan Agreement, the total principal and interest paid in 2025 by the Authority was $58,097,000 and paid in 2024 was $58,078,000. As of December 31, 2025, total principal and interest remaining on the Series 2022 A Loan Agreement are $259,460,000 and $42,461,000, respectively, with annual debt service ranging from $37,710,000 in 2026 to $37,769,000 in the final year 2033. The Authority was in compliance with HUD's minimum debt service requirements in connection with the Series 2022 A bonds.

2013 Equipment Lease/Purchase Agreement - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2026. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024, by the Authority was $743,000 and $1,671,000, respectively. As of December 31, 2025, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $735,000 and $7,000 due in the final year 2026.

10. LONG TERM DEBT (continued)

2016 Equipment Lease/Purchase Agreement for Ameresco A - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2036. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024, by the Authority was $4,391,000 and $3,183,000, respectively. As of December 31, 2025, the total principal and interest remaining on the Equipment Lease/Purchase Agreement are $33,484,000 and $6,602,000, with annual debt service payments ranging from $3,440,000 in the coming year 2026 to $2,110,000 in the final year 2036.

2017 Equipment Lease/Purchase Agreement for Sandy A - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2037. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024 by the Authority was $3,322,000 and $3,253,000 respectively. As of December 31, 2025, the total principal and interest remaining on the Equipment Lease/Purchase Agreement are $36,575,000 and $9,244,000, with annual debt service payments ranging from $3,393,000 in the coming year 2026 to $4,271,000 in the final year 2037.

2017 Equipment Lease/Purchase Agreement for BQDM - As security for the Equipment Lease/ Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2037. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024, by the Authority was $4,171,000 and $4,084,000, respectively. As of December 31, 2025, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $45,756,000 and $11,514,000, with annual debt service payments ranging from $4,260,000 in the coming year 2026 to $5,067,000 in the final year 2037.

2018 Equipment Lease/Purchase Agreement for Ameresco B (EPC007) - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2038. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024 by the Authority was $8,750,000 and $6,630,000, respectively.

As of December 31, 2025, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $73,259,000 and $27,166,000, with annual debt service payments ranging from $6,775,000 in the coming year 2026 to $8,750,000 in the final year 2038.

2020 Equipment Lease/Purchase Agreement for Ameresco A-2 (EPC008) - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2038. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024 by the Authority was $1,293,000 and $1,293,000, respectively. As of December 31, 2025, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $18,200,000 and $5,837,000, with annual debt service payments ranging from $1,117,000 in the coming year 2026 to $2,803,000 in the final year 2038. During the construction period and prior to beginning debt service payments, interest was added to the principal of the loan.

2023 Equipment Lease/Purchase Agreement for Equipment Schedule No. 6 (JCI) - As security for the Equipment Lease/Purchase Agreement with Bank of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2042. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2025 and 2024 by the Authority was $1,796,000 and $3,536,000, respectively. For 2023, interest of $1,125,000 was added to principal prior to debt service commencement in 2024. As of December 31, 2025, the total principal and interest remaining on the Equipment Lease/Purchase Agreement are $49,962,000 and $23,032,000, with annual debt service payments ranging from $3,696,000 in the coming year 2026 to $363,000 in the final year 2042.

Pledged Assets

As of December 31, 2025, the Authority had seven (7) Equipment Lease/Purchase Agreements with Bank of America Public Capital Corp. supporting energy performance contracts. The Authority was in compliance with these agreements. Of the seven Equipment Lease/Purchase Agreements, restricted bank balances remained in four (4) escrow accounts. These balances totaled $58,464,000 and were pledged as collateral for the 5 leases together with all the related equipment which totaled $251,800,000 for these EPCs. In addition, the Authority has two (2) loan agreements outstanding with HDC. As of December 31, 2025, the restricted cash and investment balances that were held in debt service reserve accounts and serving as collateral for the two loans totaled $18,885,000.

Combined Debt of the Authority

During 2025, the Authority made principal payments on its outstanding long-term debt totaling $62,529,000. In 2024, the Authority made principal payments on its outstanding long-term debt totaling $78,068,000, which included the payoff of the 2009 Series L-1 Bonds to HDC. Interest rates on outstanding debt range from 1.98 percent to 4.75 percent.

10 LONG TERM DEBT (continued)

Future principal and interest payments of all the Authority's outstanding long-term debt (excluding amortized bond premium) on December 31, 2025 are payable as follows ($ in thousands):

	Years	Principal	Interest	Total
Current portion	2026	$ 41,503	$ 19,630	$ 61,133
Long-term portion:				
	2027	42,752	18,153	60,905
	2028	44,873	16,562	61,435
	2029	47,140	14,838	61,978
	2030	49,554	12,989	62,543
	2031-2035	209,819	35,821	245,640
	2036-2040	76,120	7,659	83,779
	2041-2042	5,670	212	5,882
Total long-term portion		475,928	106,234	582,162
Total payments		$ 517,431	$ 125,864	$ 643,295

11. COMPENSATED ABSENCES

NYCHA's compensated absences consist primarily of paid time off (PTO), which includes vacation and sick leave. Since there are no restrictions on carrying over unused leave, and certain unused leave balances may be paid upon termination of employment, NYCHA recognizes a liability for compensated absences when it is more likely than not that the leave will be used for paid time off or otherwise paid or settled.

In addition, pursuant to Human Resources policy, certain employees may be eligible for a bonus leave payment upon retirement, which is calculated based on a prescribed formula. Employees become eligible for the benefit upon meeting applicable retirement eligibility requirements and completing at least ten years of service. Based on management's estimate, potential bonus leave payments for employees currently eligible to retire, as well as employees who have completed at least ten years of service and are within ten years of retirement eligibility, are considered more likely than not to be paid and are therefore included in the compensated absences liability.

NYCHA has no unlimited leave provisions. Parental leave, military leave, jury duty leave and other compensated absences that depend upon the occurrence of a sporadic event are recognized when the leave begins. Holiday leave that employees are required to take on a specific date is recognized when they occur.

Accumulated unpaid leave time is accrued at estimated amounts of future benefits attributable to services already rendered. The liability for compensated absences is calculated for all active employees and is based upon the leave time policy of the Authority, of which two of the major policy factors are retirement eligibility requirements and the number of unused leave days eligible for payment.

Accumulated unpaid leave time is accrued based on earned leave balances and management's estimate of the amount expected to be used for paid time off or otherwise paid or settled. The liability for compensated absences is calculated for all active employees and is based upon the Authority's leave policies and management's assumptions regarding future utilization of leave, retirement eligibility, historical retirement patterns, and expected settlement of leave balances upon retirement or other separation from service. For employees who are retirement eligible and have reached an age consistent with NYCHA's historical retirement experience for managerial and non-managerial employee groups, the estimate incorporates applicable leave payout limitations in determining the amount expected to be paid upon separation.

The liability is comprised of three components: (1) liability for unused leave time (days and hours), (2) liability for bonus retirement leave for employees currently eligible to retire, and (3) liability for bonus retirement leave for employees who have completed at least ten years of service and are within ten years of their estimated retirement year.

11 COMPENSATED ABSENCES (continued)

The net change in accrued compensated absences for the years ending December 31, 2025 and 2024 are as follows:

Description of Liability	Jan. 1, 2024	Net Increase (Decrease)	Dec. 31, 2024	Net Increase (Decrease)	Dec. 31, 2025
Unused leave time	$ 128,183	$ 30,373	$ 158,556	$ (4,850)	$ 153,706
Bonus:					
Retirement eligible	19,192	(1,503)	17,689	2,498	20,187
Not retirement eligible	39,971	2,278	42,249	(132)	42,117
Total Bonus	59,163	775	59,938	2,366	62,304
Subtotal	187,346	31,148	218,494	(2,484)	216,010
Employer FICA	14,335	2,385	16,720	(196)	16,524
Leave Time Liability	**$ 201,681**	**$ 33,533**	**$ 235,214**	**$ (2,680)**	**$ 232,534**

The current and long-term portions of leave time liability as of December 31, 2025 and 2024 are as follows ($ in thousands):

Description of Liability	2025	2024
Current portion	$ 103,100	$ 115,565
Long-term portion	129,434	119,649
Total accrued leave time	**$ 232,534**	**$ 235,214**

12. EMPLOYEE BENEFITS

Deferred Compensation Plan

The Authority does not have its own Deferred Compensation Plan. The Authority's employees participate in The City of New York Deferred Compensation Plan, which offers a 457 Plan, a 401(k) Plan, and a Roth 401(k) Plan, through payroll deductions. Employees may choose to make pre-tax contributions and/or Roth (after-tax) contributions in the 457 Plan. The plan allows employees to save regularly, in certain cases, with before-tax dollars while deferring federal, state and local income taxes. The pre-tax contributions will remain tax deferred until withdrawn through plan benefit payments.

Voluntary Defined Contribution Program

On October 1, 2020, The City of New York began to offer a Voluntary Defined Contribution program which is a retirement plan alternative to the City's existing pension systems. All unrepresented employees hired into or appointed to a permanent full-time and/or part-time position on or after July 1, 2013, with an estimated annualized full-time salary of at least $75,000 are eligible to join. The number of NYCHA employees joining this plan in 2024 and 2025 was immaterial.

Pension Plan

The Authority follows the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27.* This Statement establishes financial reporting standards for state and local governments for pensions (see Note 1).

Plan Description. Authority employees are members of the New York City Employees' Retirement System, a multiple employer, cost-sharing, and public employee retirement system. NYCERS provides retirement, as well as death and disability benefits. The NYCERS plan combines the features of a defined benefit pension plan with those of a defined contribution pension plan but is considered a defined benefit plan for financial reporting purposes. NYCERS administers the New York City Employees Retirement System qualified pension plan.

NYCERS issues a stand-alone financial report, which is included in The City of New York Annual Comprehensive Financial Report as a pension trust fund. This financial report may be obtained from the New York City Employees' Retirement System, 335 Adams Street, Suite 2300, Brooklyn, N.Y. 11201-3724, or from the website of NYCERS at http://nycers.org.

All persons holding permanent civil service positions in the competitive or labor class are required to become members of the system six months after their date of appointment but may voluntarily elect to join the system prior to their mandated membership date. All other eligible employees have the option of joining the system upon appointment or anytime thereafter.

Tier 1 - All members who joined prior to July 1, 1973.

Tier 2 - All members who joined on or after July 1, 1973 and before July 27, 1976.

Tier 3 - Only certain members who joined on or after July 27, 1976 and prior to April 1, 2012.

12. EMPLOYEE BENEFITS (continued)

Pension Plan (continued)

Tier 4 - All members (with certain member exceptions) who joined on or after July 27, 1976 but prior to April 1, 2012. Members who joined on or after July 27, 1976 but prior to September 1, 1983 retain all rights and benefits of Tier 3 membership.

Tier 6 – Members who joined on or after April 1, 2012 as amended by legislation passed on April 9, 2022.

The 63/5 Retirement Plan ("Tier 6 Basic Plan") formally known as the 63/10 retirement plan changed the vesting period from ten years of credited service to five years of credited service.

NYCERS provides three main types of retirement benefits: Service Retirements, Ordinary Disability Retirements, which are non-job-related disabilities, and Accident Disability Retirements, which are job-related disabilities, to participants generally based on salary, length of service, member Tiers. The Service Retirement benefits provided to Tier 1 participants fall into four categories according to the level of benefits provided and the years of service required. Three of the four categories provide annual benefits of 50% to 55% of final salary after 20 or 25 years of service, with additional benefits equal to a specified percentage per year of service, currently 1.2% to 1.7%, of final salary. The fourth category has no minimum service requirement and instead provides an annual benefit for each year of service equal to a specified percentage, currently 0.7% to 1.53%, of final salary.

Funding Policy. Benefit and contribution provisions, which are contingent upon the time at which the employee last entered qualifying service, salary, and length of credited service, are established by State law and may be amended only by the State Legislature. The plan has contributory and non-contributory requirements, with retirement age of 55 or older depending upon when an employee last entered qualifying service, except for employees in physically taxing titles and those who can retire at age 50 with proper service.

Employees entering qualifying service on or before June 30, 1976 are enrolled in a non-contributory plan. Employees entering qualifying service after June 30, 1976, but before June 29, 1995, are enrolled in a plan which required a 3 percent contribution of their salary. This 3 percent required contribution was eliminated for employees who reached 10 years of service, effective October 1, 2000. Employees entering qualifying service after June 28, 1995 are enrolled in a plan which requires a 4.85 percent contribution of their salary, or a 6.83 percent contribution for physically taxing positions.

Under the Tier 6 Basic Plan, employees who joined NYCERS between April 1, 2012 and March 31, 2013 are required to contribute 3 percent of gross wages. On April 1, 2013 a new contribution structure took effect which ranges from 3 percent to 6 percent dependent upon annual wages earned during the "plan year". The Authority's contributions for the years ending December 31, 2025 and 2024 were $200,827,249 and $176,315,851 respectively. The Authority's contractually required contributions for the years ended December 31, 2025 and 2024 as the percentage of covered payroll were 17.82% and 18.17%, respectively

Pension Plan (continued)

Net Pension Liability. As of December 31, 2025, and 2024, the Authority reported a liability of $652,925,000 and $750,853,000, respectively, for its proportionate share of NYCERS's net pension liability, as calculated by the New York City Office of the Actuary. The net pension liability was measured as of June 30, 2025 and June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2024 and June 30, 2023, respectively. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025 and 2024 the Authority's proportion of net pension liability was 4.915% and 4.565%, respectively. For the years ended December 31, 2025 and 2024, the Authority recognized pension expense of $122,289,000 and $152,597,000, respectively. At December 31, 2025 and 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources ($ in thousands):

Deferred Outflows of Resources - 2025			Deferred Inflows of Resources - 2025		
Change of assumptions	$	-	Change in assumptions	$	3,282
Difference between expected and actual experience		101,813	Difference between expected and actual experience		1,287
Net difference between projected and actual earnings on pension plan investments		-	Net difference between projected and actual earnings on pension plan investments		56,523
Changes in proportion and differences between contributions subsequent to the measurement date		58,770	Changes in proportion and differences between contributions subsequent to the measurement date		-
Total contributions subsequent to the measurement date		102,401	Total contributions subsequent to the measurement date		-
Total	**$**	**262,984**		**$**	**61,092**

Deferred Outflows of Resources - 2024			Deferred Inflows of Resources - 2024		
Change of assumptions	$	-	Change in assumptions	$	6,674
Difference between expected and actual experience		105,840	Difference between expected and actual experience		2,345
Net difference between projected and actual earnings on pension plan investments		9,792	Net difference between projected and actual earnings on pension plan investments		-
Changes in proportion and differences between contributions subsequent to the measurement date		18,783	Changes in proportion and differences between contributions subsequent to the measurement date		-
Total contributions subsequent to the measurement date		95,886	Total contributions subsequent to the measurement date		-
Total	**$**	**230,301**		**$**	**9,019**

Pension Plan (continued)

Deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date of $102,401,000 will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows ($ in thousands):

Year	Total
2026	$ 114,364
2027	(7,954)
2028	(11,013)
2029	(3,908)
2030	8,002
Total	**$ 99,491**

Actuarial Methods and Assumptions. The total pension liability in June 30, 2024 and June 30, 2023 actuarial valuations used, respectively, by the Authority in 2025 and in 2024 were both determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	7% per annum, net of investment expenses
Salary Increases	3.0% per annum general, merit and promotion increases plus assumed general wage increases
Cost of Living Adjustments	1.5% per annum for certain tiers

Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially funded New York City Employee Retirement Systems ("NYCERS") are conducted every two years.

Pension Plan (continued)

In June 2019, Bolton, Inc. issued their actuarial experience study report for the four-year and ten-year periods ended June 30, 2017. Based, in part, on this report, the Actuary proposed and the Boards of Trustees of the NYCERS adopted changes in actuarial assumptions including a change to Mortality Improvement Scale MP-2018 beginning in Fiscal Year 2019.

Expected Rate of Return on Investments. The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rates of Return
Public Markets:		
U.S. Public Market Equities	23.5%	6.7%
Developed Public Market Equities	11.6%	7.1%
Emerging Public Market Equities	4.9%	8.3%
Fixed Income	31.0%	3.0%
Private Markets (Alternative Investments):		
Private Equity	10.0%	11.2%
Private Real Estate	8.0%	7.0%
Infrastructure	4.5%	6.3%
Opportunistic Fixed Income	6.5%	8.3%
Total	100.0%	

The City has determined its long-term expected rate of return on investments to be 7.00%. This is based upon an expected real rate of return of 7.0% and a long-term Consumer Price Inflation assumption of 2.5% per year, which is reduced by investment-related expenses.

Discount Rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025 and June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made based on rates determined by the Actuary. Based on those assumptions, the NYCERS fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active NYCERS members. Therefore, the long-term expected rate of return on NYCERS investments was applied to all periods of projected payments to determine the total pension liability.

Pension Plan (continued)

The following presents the Authority's proportionate share of the net pension liability as of December 31, 2025 and 2024, calculated using the discount rate of 7%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (6%) or one-percentage point higher (8%) than the current rate ($ in thousands):

NYCHA's proportionate share of the net pension liability	1% decrease (6%)	Discount rate (7%)	1% increase (8%)
2025	$ 1,236,727	$ 652,925	$ 160,737
2024	$ 1,274,992	$ 750,853	$ 308,105

The fiduciary net position and additions to and deductions from the fiduciary net position have been determined on the same basis as reported by NYCERS. For this purpose, benefits and refunds are recognized when due and payable in accordance with the terms of the Plan; investments are reported at fair value.

Other Postemployment Benefits

The Authority follows the provisions of GASB Statement No. 75 ("GASB 75"), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* which was implemented in 2017. GASB 75 replaces the requirements of Statement No. 45*, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employee Plans.*

Plan Description. The Authority is a component unit of The City and a member of the New York City Health Benefits Program. The New York City Health Benefits Program (the "Plan"), administered by The City of New York, is a single-employer defined benefit healthcare plan which provides OPEB to eligible retirees and beneficiaries. Retirees are eligible to participate if they have at least 10 years of credited service as a member of the NYCERS (5 years of credited service if employed on or before December 31, 2001) and receives a pension check from NYCERS. OPEB includes health insurance, Medicare Part B reimbursements, and welfare fund contributions.

Funding Policy. The Administrative Code of The City of New York ("ACNY") defines OPEB to include Health Insurance and Medicare Part B reimbursements; Welfare Benefits stem from the Authority's many collective bargaining agreements. The Authority is not required by law or contractual agreement to provide funding for OPEB other than the pay-as-you go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. For the calendar years ended December 31, 2025 and 2024, the Authority paid $105.0 million and $97.0 million, respectively, to the Plan. Based on current practice, (the Substantive Plan which is derived from ACNY), the Authority pays the full cost of basic coverage for non-Medicare-eligible/Medicare-eligible retiree participants. The costs of these benchmark plans are reflected in the annual June 30th actuarial valuations by using age-adjusted premium amounts. Plan retiree participants who opt for other basic or enhanced coverage must contribute 100% of the incremental costs above the premiums for the benchmark plans.

Other post-employment benefits (continued)

The Authority also reimburses employees covering 100% of the Medicare Part B premium rate applicable to a given year. The Authority pays per capita contributions to the welfare funds the amounts of which are based on negotiated contract provisions. There is no retiree contribution to the welfare funds.

Census Data. The following table presents the NYCHA census data used in June 30, 2024 and June 30, 2023 OPEB valuations which were used to measure the Total OPEB Liability at December 31, 2025 and December 31, 2024, respectively.

	Number of Participants	
Status	June 30, 2024	June 30, 2023
Active	9,571	8,953
Deferred Vested	1,574	1,551
Retired	9,885	9,677
Total	**21,030**	**20,181**

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Total OPEB Liability. The Entry Age Actuarial Cost Method used in the current OPEB actuarial valuation is unchanged from the prior actuarial valuation.

Under this method, the Actuarial Present Value ("APV") of Benefits ("APVB") of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The employer portion of this APVB allocated to a valuation year is the Employer Normal Cost. The portion of this APVB not provided for at a valuation date by the APV of Future Employer Normal Costs is the Total OPEB Liability.

Increases (decreases) in liabilities due to benefit changes, actuarial assumption changes and /or actuarial method changes are also explicitly identified and amortized in the annual expense.

Other Postemployment Benefits (continued)

Changes in Total OPEB Liability. Changes in the Authority's Total OPEB Liability for the years ending December 31, 2025 and December 31, 2024 are as follows ($ in thousands).

Description	Total OPEB Liability 2025	Total OPEB Liability 2024
Total OPEB Liability at the Beginning of the Year	**$ 2,797,544**	**$ 2,809,269**
Changes for the Year:		
Service Cost	104,650	95,298
Interest	121,595	113,914
Differences between Expected and Actual Experience	31,515	(49,751)
Change in Assumptions	(104,132)	(56,569)
Contributions - Employer	(123,566)	(114,617)
Net Changes	**30,063**	**(11,725)**
Total OPEB Liability at the End of the Year	**$ 2,827,607**	**$ 2,797,544**

The OPEB liability includes a current portion of $109,900,000 and a non-current portion of $2,717,707,000 as of December 31, 2025. As of December 31, 2024, the current portion was $101,448,000 and the non-current portion was $2,690,503,000.

Sensitivity Analysis. The following presents the Total OPEB Liability of the Authority, as well as what the Authority's Total OPEB liability would be if it were calculated using a discount rate that is 1- percentage-point lower or 1-percentage point higher than the discount rates of 4.83% and 4.28% used to measure the Total OPEB Liability at December 31, 2025 and December 31, 2024, respectively ($ in thousands):

1% decrease (3.83%)	Discount rate (4.83%) 2025	1% increase (5.83%)
$ 3,162,154	$ 2,827,607	$ 2,545,076
1% decrease (3.28%)	Discount rate (4.28%) 2024	1% increase (5.28%)
$ 3,136,876	$ 2,797,544	$ 2,511,584

Other Postemployment Benefits (continued)

The following presents the total OPEB Liability of the Authority, as well as what the Authority's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1-percentage- point lower or 1-percentage-point higher than the current healthcare cost trend rates ($ in thousands):

1% decrease	Current healthcare cost trend rates	1% increase
2025	2025	2025
$ 2,458,268	$ 2,827,607	$ 3,286,293
2024	2024	2024
$ 2,420,499	$ 2,791,951	$ 3,268,572

OPEB Expense. The OPEB expense recognized by the Authority for the years ended December 31, 2025 and 2024 are $39,945,000 and $119,634,000, respectively. This OPEB change was primarily due to the recognition of change in discount rate assumption from 4.28% in 2024 to 4.83% in 2025. The total gain related to this change was $104,132,000 which will be amortized to OPEB expense over a 5.5-year period.

Deferred Outflows of Resources and Deferred Inflows of Resources. Deferred outflows of resources and deferred inflows of resources by source reported by the Authority at December 31, 2025 and December 31, 2024, respectively, are as follows ($ in thousands):

Deferred Outflows of Resources - 2025		Deferred Inflows of Resources - 2025	
Difference between expected and actual experience	$ 31,118	Difference between expected and actual experience	$ 50,840
Changes in assumptions	68,282	Changes in assumptions	327,651
Total	**$ 99,401**		**$ 378,491**

Deferred Outflows of Resources - 2024		Deferred Inflows of Resources - 2024	
Difference between expected and actual experience	$ 8,598	Difference between expected and actual experience	$ 82,065
Changes in assumptions	137,953	Changes in assumptions	443,853
Total	**$ 146,551**		**$ 525,918**

12. EMPLOYEE BENEFITS (continued)

Other Postemployment Benefits (continued)

Amounts reported as Deferred Outflows of Resources of $99,401,000 and Deferred Inflows of Resources of $378,491,000 related to OPEB as of December 31, 2025 will be recognized in OPEB Expense as follows ($ in thousands):

Year		Total
2026	$	(156,413)
2027		(67,752)
2028		(23,864)
2029		(21,808)
2030		(9,251)
Total	**$**	**(279,090)**

Funding Status and Funding Progress. As of December 31, 2025, the most recent roll-forward actuarial valuation date, the Plan was not funded. The total discounted OPEB liability for benefits was $2,827,607,333, all of which is unfunded. There were no assets accumulated in a trust. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The determined actuarial valuations of OPEB incorporated the use of demographic and salary increase assumptions among others as reflected below. Amounts determined regarding the funded status and the annual expense of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the net OPEB liability and related ratios shown in the RSI section immediately following the notes to financial statements presents GASB Statement No. 75 results of OPEB valuations for Fiscal Years 2025 and 2024.

Actuarial Methods and Assumptions. The actuarial assumptions used in 2025 and the 2024 OPEB valuations are a combination of those used in the NYCERS pension actuarial valuations and those specific to the OPEB valuations.

These assumptions are generally unchanged from the previous valuation except as noted below.

The OPEB-specific actuarial assumptions primarily used in the Fiscal Year 2025 and Fiscal Year 2024 OPEB actuarial valuations of the Plan are as follows:

Valuation Date	June 30, 2024 and June 30, 2023
Measurement Date	December 31, 2025 and December 31, 2024
Discount Rate	4.83% [(1)] per annum for the December 31, 2025 measurement date 4.28% [(1)] per annum for the December 31, 2024 measurement date
Actuarial Cost Method	Entry Age Normal cost method, level percent of pay calculated on an individual basis.

12. EMPLOYEE BENEFITS (continued)

Other Postemployment Benefits (continued)

Per-Capita Claims Costs

EBCBS and GHI plans are insured via a Minimum Premium arrangement while the HIP and many of the other HMOs are community rated. Costs reflect age-adjusted premiums for all plans.

(1) The valuation discount rate is updated to 4.83% for results of the December 31, 2025 Measurement Date. Results as of December 31, 2024 Measurement Date are presented at 4.28%. These discount rates represent the S&P Municipal Bond 20-year High Grade Index as of each of those dates.

Initial monthly premium rates used in the valuation are as follows:

Plan	Monthly Rates FY 2025		Monthly Rates FY 2024	
HIP HMO				
Non-Medicare				
Single	$ 998.55		$ 927.13	
Family	2,446.47		2,271.46	
Medicare	198.50		209.40	
GHI/EBCBS:				
Non-Medicare				
Single	$ 1,072.33		$ 998.60	
Family	2,818.16		2,620.46	
Medicare	218.74		208.60	
Others:				
Non-Medicare Single	$ 1,490.59	(A)	$ 1,403.21	(A)
Non-Medicare Family	3,984.35	(A)	3,804.02	(A)
Medicare Single	288.76	(A)	328.69	(A)
Medicare Family	565.57	(A)	657.70	(A)

(A) Other HMO premiums represent the total premium for medical (not prescription drug) coverage including retiree contributions.

Additionally, the individual monthly rates at age 65 used in the valuations are shown below:

Plan	Monthly Rates @ Age 65 FY 2025	Monthly Rates @ Age 65 FY 2024
HIP HMO		
Non-Medicare	$ 2,113.14	$ 1,961.99
Medicare	198.50	209.40
GHI/EBCBS		
Non-Medicare	$ 2,302.65	$ 2,142.97
Medicare	208.60	198.54
Other HMOs	Varies by system	Varies by system

Other Postemployment Benefits (continued)

Welfare Funds

The Welfare Fund Contribution reported as of the valuation date, June 30, 2024 and June 30, 2023, respectively, (including any reported retroactive amounts) was used as the per capita cost for valuation purposes.

Reported annual contribution amounts for the last two years are shown in the Fiscal Year 2024 GASB 74/75 report in Section VII, Tables VII-b to VII-f. Welfare Fund Rates are based on the actual reported Union Welfare Fund code for current retirees. Weighted average annual contribution rates used for future retirees, based on Welfare Fund enrollment of recent retirees, are shown in the following table.

	Annual Rate	
	2025	**2024**
NYCERS	$ 1,736	$ 1,729
BERS	1,790	1,786

Medicare Part B Premiums

Calendar Year	**Monthly Premium**
2020	$ 143.21
2021	146.97
2022	167.82
2023	164.90
2024	174.70
2025	185.00 *

* Reflected only in the FY 2025 valuation

Medicare Part B Premium reimbursement amounts have been updated to reflect actual premium rates announced for calendar years through 2025. Due to limited cost-of living adjustment in Social Security benefits for Calendar Years 2024 and 2025, some Medicare Part B participants will not be charged the Medicare Part B premium originally projected or ultimately announced for those years. Thus, the valuation uses a blended estimate as a better representation of future Part B premium costs.

12. EMPLOYEE BENEFITS (continued)

Other Postemployment Benefits (continued)

Medicare Part B Premiums(continued)

For the 2025 OPEB actuarial valuation the annual premium used was $2,158.20, which is equal to 12 times the average of the Calendar Year 2024 and 2025 monthly premiums shown.

For Calendar Year 2025, the monthly premium of $185.00 was determined as follows:

- No participants were assumed to be protected by the hold harmless provision and the monthly premium of $185.00 was set equal to the CY 2025 announced amount.

For the 2024 OPEB actuarial valuation the annual premium used was $2,037.60, which is equal to 12 times the average of the Calendar Year 2023 and 2024 monthly premiums shown.

For the Calendar Year 2023, the monthly premium of $174.70 was determined as follows:

- No participants were assumed to be protected by the hold harmless provision and the monthly premium of $174.70 was set equal to the CY 2024 announced amount.

Medicare Part B Reimbursement Assumption

90% of Medicare participants are assumed to claim reimbursement; based on historical data (unchanged from last year).

Other Postemployment Benefits (continued)

Health Care Cost Trend Rate (HCCTR)

No changes were made to the Medicare Part B premium, Welfare Fund contributions, or medical trends for the Fiscal Year 2025 valuation.

HCCTR ASSUMPTIONS - 2025

Fiscal Year Ending	Pre-Medicare Plans	Medicare Plans	Medicare Part B Premium	Welfare Fund Contributions
2025	8.50%	5.00%	8.00 % (1)	3.50%
2026	8.25%	4.90%	7.75%	3.50%
2027	8.00%	4.90%	7.50%	3.50%
2028	7.75%	4.80%	7.25%	3.50%
2029	7.50%	4.80%	7.00%	3.50%
2030	7.00%	4.70%	6.75%	3.50%
2031	6.50%	4.70%	6.50%	3.50%
2032	6.00%	4.60%	6.25%	3.50%
2033	5.50%	4.60%	6.00%	3.50%
2034	5.00%	4.50%	5.50%	3.50%
2035	4.50%	4.50%	5.00%	3.50%
2036 and Later	4.50%	4.50%	4.50%	3.50%

(1) Medicare Part B Premium reflects actual calendar year premium for the first 6 months of FY25 (July 2025 to December 2025) and 7.3% trend for the remaining 6 months.

Health Care Cost Trend Rate (HCCTR)

The pre-Medicare and Medicare plan trends were developed for FY2025 using health trend information from various sources, including City premium trend experience for HIP HMO and GHI/EBCBS, public sector benchmark survey for other large plan sponsors, the Medicare Trustees' Report, and the Society of Actuaries Getzen model.

The Part B trend rates reflect the projections in the Medicare Trustees Report. The 2025 Medicare trustees project the Part B premium increases to average 7.3% annually from 2026-2034 compared to 6.2% in the 2024 report. The increases can be attributable to factors such as the increasing prices of health care services, high cost of new technologies, and increasing utilization. The updated Part B trend assumption reflects the higher expected increases in the short term, then grades down to an ultimate of 4.50% in FY2036 and after, a pattern consistent with the Medicare trustees' projections.

Historically negotiated increase rates for the larger Welfare Funds have averaged below 2% in recent years, which is lower than the anticipated trend on the underlying costs of benefits provided by these funds. However, the Authority periodically makes one-time lump sum

Other Postemployment Benefits (continued)

Health Care Cost Trend Rate (HCCTR) contributions to the Welfare Funds. For these reasons the Welfare Fund contribution trend was assumed to be 3.5%.

Participation Rates Based on recent experience.

Actual elections are used for current retirees. Some current retirees not eligible for Medicare are assumed to change elections upon attaining age 65 based on patterns of elections of Medicare-eligible retirees.

For current retirees who appear to be eligible for health coverage but have not made an election (non-filers), the valuation reflects single GHI/EBCBS coverage and Part B premium benefits only, to approximate the obligation if these individuals were to file for coverage. For future retirees, the portion assumed not to file for future benefits, and therefore valued similarly, are as follows:

	2025	**2024**
NYCERS (NYCHA)	13%	13%
BERS	15%	15%

This non-filer group also includes some participants who do not qualify for coverage because they were working less than 20 hours a week at termination.

Participation Rates

Detailed assumptions for future Program retirees are presented below:

Plan Participation Assumptions - 2025 and 2024

Benefits:	**NYCERS-NYCHA**	**BERS**
Pre-Medicare		
GHI/EBCBS	70%	70%
HIP HMO	24%	16%
Other HMO	2%	2%
Waiver	4%	12%
Medicare		
GHI	75%	80%
HIP HMO	16%	13%
Other HMO	5%	2%
Waiver	4%	5%
Post-Medicare Migration		
Other HMO to GHI	0%	0%
HIP HMO to GHI	33%	20%
Pre-Med. Waiver		
** to GHI @ 65	0%	60%
** to HIP @ 65	0%	0%

Other Postemployment Benefits (continued)

Demographic Assumptions	The actuarial assumptions used in the 2025 and the 2024 OPEB valuations are a combination of those used in the NYCERS pension actuarial valuations and those specific to the OPEB valuations.
AOP (Actives Off Payroll) Liabilities	Active members off payroll is no longer treated as a separate status as of June 30, 2020. Those on a known short-term leave of absence are treated as active, and the remaining members are included as inactive members entitled to but not yet receiving benefits if they have met the OPEB vesting requirement. Otherwise, they are not included in the evaluation.

Comprehensive Benefits Plan (CBP) Announcement

On August 28, 2025 the Mayor and the New York City Office of Labor Relations (OLR) announced a joint proposal between Emblem Health and United Healthcare to self-insure the Comprehensive Benefits Plan (CBP) for active employees and Pre-Medicare retirees. The proposal was ratified by the Municipal Labor Committee (MLC) on October 1, 2025, and became effective January 1, 2026, following completion of the City's contracting process. As the change was not effective as of December 31, 2025 measurement date and detailed information regarding its anticipated financial impact was not available at the time of the valuation, no effect of the new plan has been reflected in the actuarial valuation.

Per GASB 75 Implementation Guidance, the projection of benefit payments should include all types and levels of postemployment benefits provided under the substantive plan. The substantive plan includes the benefits as they are understood by the employer and employees.

13. OPERATING REVENUES

Operating Revenues include tenant revenue, net and other income and are comprised of the following for the years ended December 31, 2025 and 2024 are ($ in thousands):

The provision for bad debts related to tenant revenue was $145,498,000 and $19,951,000 for 2025 and 2024, respectively, reflected as a reduction to tenant revenue, net on the Statements of Revenues, Expenses, and Changes in Net Position.

DESCRIPTION	2025	2024
Tenant revenue, net:		
Rental revenue, net	$ 889,521	$ 1,017,277
Other	22,791	23,755
Total tenant revenue, net	912,312	1,041,032
Other income:		
Developer fees	51,773	7,965
Insurance and benefits reimbursements	8,303	1,377
Commercial and community center revenue	11,604	11,401
Sub-let income	1,239	1,662
Energy rebates	592	1,368
Bad debt recovery	1,241	5,492
Section 8 income	1,039	863
Other	28,856	13,468
Total other income	104,647	43,596
Total operating revenues	$ 1,016,959	$ 1,084,628

14. SUBSIDIES AND GRANTS

Non-capital subsidies are provided to support the Authority's operating programs and service interest on outstanding debt. Subsidies to fund operations are received periodically and recorded when due. Grants are awarded by the federal, state or city governments to provide funding for administration and program operations. Subsidies and grants for the years ended December 31, 2025 and 2024 are as follows ($ in thousands):

DESCRIPTION	2025	2024
Section 8 Housing Assistance Programs	$ 2,339,981	$ 2,028,498
Public Housing Subsidy	1,370,580	1,537,734
City of New York Subsidies	405,704	383,225
Federal Capital Funds used for operating purposes	445,406	349,805
FEMA	805	6,060
Other	6,049	8,826
Total subsidies and grants	$ 4,568,525	$ 4,314,148

The Authority participates in a number of programs, funding for which is provided by Federal, State and City agencies. These grant programs are subject to financial and compliance audits by the grantors or their representatives.

15. REAL ESTATE TRANSACTIONS

The Authority has been actively forming public-private partnerships to reinvest in and rehabilitate NYCHA's developments. Among the largest programs is the Permanent Affordability Commitment Together (PACT) initiative, which centers on the conversion of apartments from public housing funding to Section 8 project-based vouchers. Such conversion will allow NYCHA and its development partners to finance necessary building repairs and operational improvements while preserving long term affordability, maintaining strong resident rights, and stabilizing developments by placing them on a more solid financial footing. Significant transactions are disclosed below.

During 2025, the Authority entered into the following six real estate transactions structured as 99-year leases as follows:

- Eastchester
- Northwest Bronx
- Ocean Hill / Stuyvesant
- Metro North
- Jackie Robinson
- Bayview

Actual payments received on these transactions, excluding amounts received in escrow for rehabilitation costs, included the following:

	Eastchester	Ocean Hill / Stuyvesant	Northwest Bronx	Metro North	Jackie Robinson	Bayview
Initial lease payment Incl. debt repayment (amortizable)	$6,173,998	$4,916,494	$2,850,938	$735,888	$2,123,860	$10,467,310
Developer fees paid at closing	3,538,000	2,574,937	3,897,828	3,003,776	5,200,000	8,217,500

Developer fees paid at closing will be amortized over the estimated Rehabilitation period.

15. REAL ESTATE TRANSACTIONS (continued)

The following Purchase Money Notes ("Notes") were issued to the Authority:

- Eastchester - in the amount of $149,867,997 with a forty-year maturity. The Note bears interest compounded at 4.44% per annum and is payable from available Developer cash flow.

- Ocean Hill / Stuyvesant - in the amount of $62,314,869 with a forty-year maturity. The Note bears interest compounded at 4.72% per annum and is payable from available Developer cash flow.

- Metro North - in the amount of $91,664,112 with a thirty-year maturity. The Note bears interest compounded to 4.71% per annum and is payable from available Developer cash flow.

- Jackie Robinson - in the amount of $77,000,000 with a thirty-year maturity. The Note bears interest compounded at 4.64% per annum and is payable from available Developer cash flow.

- Bayview – in the amount of $257,532,690 with a forty-year maturity. The Note bears interest compounded at 4.46% per annum and is payable from available Developer cash flow.

For Northwest Bronx, the Authority entered into a 99-year leasehold agreement. Rent payments are due on May 1, 2026 and each May 1 thereafter. Total rent payments are approximately $387,000,000 with variable payments-based cash flow "(as defined)".

As per the Authority's policy, initial rent/lease payments and other cash received at closing will be recognized using the operating lease method, based on the shorter of the lease term, the Purchase Option or Right of First Refusal exercise date, the Note term, or the tax compliance period where applicable.

The transactions were excluded from GASB 87 (Leases) since the payments on the leases are contingent upon cash flow and are not considered an "Exchange Transaction".

The transactions were excluded from GASB 94 (Public Private Partnerships "PPP") since NYCHA is receiving little to no value as Lessor. The majority of the consideration NYCHA receives for the Purchase Price is in the form of a Seller's Note with uncertain cash flow and little to no expectations of collecting. In addition, the building improvements made by the developer after closing will have little to no value at the end of the 99-year lease agreement.

15. REAL ESTATE TRANSACTIONS (continued)

During 2024, the Authority entered into the following five real estate transactions structured as 99-year leases as follows:

- Frederick Samuels
- Manhattanville
- Boston Secor (BBM)
- Sack Wern
- West Brighton

Actual payments received on these transactions, excluding amounts received in escrow for rehabilitation costs, included the following:

	FREDERICK SAMUELS	MANHATTANVILLE	BOSTON SECOR(BBM)	SACKWERN	WEST BRIGHTON
Initial lease payment Incl. debt repayment (amortizable)	$3,260,763	$2,489,406	$1,269,860	$6,148,957	$5,151,040
Developer fees paid at closing	-	4,257,264	5,338,094	2,001,934	1,337,231

Developer fees paid at closing for:

- Manhattanville will be amortized over a three-year period through the estimated Rehabilitation period.

- Boston Secor (BBM) will be amortized over a two-year period through the estimated Rehabilitation period.

- Sack Wern will be amortized over a three-year period through the estimated Rehabilitation period.

- West Brighton will be amortized over a two-and-a-half-year period through the estimated Rehabilitation period.

15. REAL ESTATE TRANSACTIONS (continued)

The following Purchase Money Notes ("Notes") were issued to the Authority:

- Frederick Samuels - in the amount of $13,835,623 with a forty-year maturity. The Note bears interest compounded at 4.28% per annum and is payable from available Developer cash flow.
- Manhattanville - in the amount of $82,620,602 with a forty-year maturity. The Note bears interest compounded at 4.44% per annum and is payable from available Developer cash flow.
- Boston Secor (BBM) - in the amount of $32,726,622 with a forty-year maturity. The Note bears interest compounded at 4.28% per annum and is payable from available Developer cash flow.
- Sack Wern - in the amount of $61,072,661 with a forty-year maturity. The Note bears interest compounded to 4.46% per annum and is payable from available Developer cash flow.
- West Brighton - in the amount of $17,120,510 with a forty-year maturity. The Note bears interest compounded at 4.68% per annum and is payable from available Developer cash flow.

For Frederick Samuels and Manhattanville, $3,021,765 and $709,060 of the initial rent payments, were placed in escrow. The escrow represents rehabilitation costs which will be released upon NYCHA's approval. These amounts have been recorded as a liability although the legal documents refer to them as initial rent payments.

In addition, NYCHA provided a Subordinate Loan to the PACT partner on the Manhattanville transaction in the amount of $27,758,697.79 bearing an interest rate of 5% per annum compounding monthly for a term of 20 years. This loan was funded by the proceeds NYCHA received in 2022 for the sale of air rights at the Manhattanville development.

Initial lease payments, other cash received at closing in the form of debt repayments and any future cash received against the Notes will be recognized using the straight-line method over a 40-year period based on the maturity dates of the notes. As per the Authority's policy, initial rent/lease payments and other cash received at closing will be recognized using the operating lease method, based on the shorter of the lease term, the Purchase Option or Right of First Refusal exercise date, the Note term, or the tax compliance period where applicable.

Due to significant uncertainty of the collection of Seller's Notes on all the transactions, as well as the Subordinate Loan on the Manhattanville transaction, 100% allowance for doubtful accounts was recorded.

The transactions were excluded from GASB 87 (Leases) since the payments on the leases are contingent upon cash flow and are not considered an "Exchange Transaction".

16. RELATED PARTY TRANSACTIONS

Mixed-Finance Transactions

On March 16, 2010, the Authority closed two mixed-finance transactions in which 21 NYCHA developments, comprising 20,139 housing units, were sold to two newly created, limited liability companies. Thirteen developments, containing 14,465 dwelling units, were sold to NYCHA Public Housing Preservation I, LLC. (LLC I is a Low-Income Housing Tax Credit LLC.) Until September 23, 2024, NYCHA I Housing Development Fund Corporation ("HDFC I"), a component unit of NYCHA, was the sole managing member and had a 0.01% membership interest in LLC I. On September 23, 2024, HDFC I purchased the remaining interest in LLC I from Wells Fargo Community Investment Holdings, LLC for $625,540. Relating to this transaction, LLC I prepaid the HDC 2009 Series I Bonds (Mortgage Loan) which totaled $19,772,000 including normal debt service.

Eight developments, containing 5,674 dwelling units, were sold to NYCHA Public Housing Preservation II, LLC in which NYCHA II Housing Development Fund Corporation, a component unit of NYCHA, is the sole managing member and has a 100% membership interest in LLC II as of December 31, 2025 and 2024 respectively. LLC II was inactive during 2025 and 2024 and the Authority is in the process of dissolving LLC II in the near term.

The LLCs were created in connection with the mixed-finance transactions and are considered blended component units for financial reporting purposes (See Note 1B). The Authority serves as the property manager for LLC I.

The total acquisition price for the developments sold to LLC I was $590,250,000. The total acquisition price for the developments sold to LLC II was $3,000,000. The two mixed-finance transactions were structured and closed in a manner which allowed the Authority to utilize financing opportunities available under the provisions of the American Recovery and Reinvestment Act of 2009 ("ARRA") in order to qualify for certain federal funding. The Authority provided additional loans to the LLC's in terms of a Seller's Note and various series of Loans to enable them to carry out rehabilitation work at the developments and to provide a source of funding to redeem the Bridge Bonds which were issued at closing. The aggregate value of the NYCHA loans are reflected as Notes Payable within the Condensed Combining Statement of Net Position (see Note 20).

At the time of the closing, NYCHA qualified to receive an annual allocation of HUD federal operating and capital funding for a portion of the dwelling units. Additional HUD federal operating subsidies for 2025 and 2024 were $92,445,000 and $110,605,000, respectively.

In September 2013, NYCHA converted the remaining construction-period financing for both LLC I and LLC II from construction loans to permanent loans due to HDC.

16. RELATED PARTY TRANSACTIONS (continued)

Mixed-Finance Transactions (continued)

Responsibilities and Obligations – NYCHA has certain responsibilities and obligations under separate agreements with the LLCs including (i) continuing to manage the operations of the developments; (ii) served as developer for the rehabilitation work at the developments; (iii) providing operating and capital subsidies to the LLCs; and (iv) providing operating deficit and completion guarantees. The operating deficit guarantee will terminate if specified operating income conditions are met.

NYCHA has retained the right to reacquire the developments of LLC I in the future. The right of first refusal terminates fifteen (15) years after the first day following the expiration of the final year of the tax credit period with respect to each development. In 2025, the Authority terminated the ground leases with LLC I relating to the Bayview development as part of the PACT transactions (see Note 15) while the outstanding NYCHA loans were cancelled. Current-year-related party transactions include the transfer of assets with a carrying value of $65,504,000 back to NYCHA as part of the Bayview development. Additionally, the Bayview development activity included the forgiveness of outstanding debt obligations totaling $71,970,000 and $151,890,000 for years 2025 and 2024, respectively.

The Authority terminated the ground leases with LLC II relating to two developments during 2021, four developments during 2020 and two developments during 2018. As a result, the ownership of the properties and the permanent loans with HDC were transferred to the Authority as part of the PACT transactions (see Note 15) while the outstanding NYCHA loans were cancelled.

The New York City Public Housing Preservation Trust (the "Trust")

As indicated in Note 1B, the Trust is a component unit of NYCHA. The Trust, authorized by the New York State legislature in June 2022. is a New York State-created public benefit corporation, formed to enable NYCHA to comprehensively modernize a large segment of its portfolio – 25,000 apartments initially. The Trust will improve residents' homes through billions of dollars of capital investments while protecting residents' rights (including affordable rent), keeping the properties public, and preserving the NYCHA workforce. The Trust will transform residents' homes by expediting massive levels of rehabilitation through improved procurement processes, and the properties will receive more funding through a switch to the more reliable and valuable project-based Section 8 subsidy. Residents' feedback, ideas, and recommendations were incorporated in the updated State legislation authorizing the Trust, and residents will continue to be engaged as partners in the creation of the Trust. Properties become eligible to transfer into the Trust upon a resident vote. NYCHA conducts a voting process for developments to choose whether to opt into the Trust's renovation and financing program. As of December 31, 2025, the Trust had four properties in its pipeline: Nostrand Houses, Bronx River Addition, Unity Towers and Hylan Houses, representing an aggregate of 1,776 units. The Trust is diligently working on the pre-development of the four properties which include resident participation and visioning, underwriting and financing, and design and construction among other aspects of pre-development.

16. RELATED PARTY TRANSACTIONS (continued)

The New York City Public Housing Preservation Trust (the "Trust") (continued)

NYCHA has entered into a Shared Services Agreement with the Trust to provide staffing and other services to the Trust to manage and support its operations.

On December 17, 2025, NYCHA and the Trust entered into a Participation Agreement. NYCHA has granted $7,465,000 pursuant to this agreement and will grant further funds to the Trust based upon an estimated budget for 2026 provided by the Trust. In 2026, the Trust repaid NYCHA $7,465,000 of its debt, using funds granted by NYCHA.

The Authority's amounts due from the Trust as of 2025 and 2024 are summarized below ($ in thousands):

DESCRIPTION		
Opening Balance at January 1, 2024	$	1,148
Advance to Trust		1,584
Salary and Fringe paid on behalf of Trust		1,595
Shared Service Cost charged to Trust		185
Other expenses paid on behalf of Trust		151
Ending Balance at December 31, 2024		4,663
Opening Balance at January 1, 2025		4,663
Grant accrual to Trust		(7,465)
Salary and Fringe paid on behalf of Trust		2,238
Shared Service Cost charged to Trust		978
Other expenses paid on behalf of Trust		2,510
Ending Balance at December 31, 2025	$	2,924

In addition to the above, during 2025 NYCHA granted the Trust $4,000,000 in cash and contributed fixed assets of $4,065,000 to the Trust.

16. RELATED PARTY TRANSACTIONS (continued)

The City of New York

As described in Note 1B, the Authority is a component unit of The City of New York. As of December 31, 2025, and 2024, the Authority had receivables due from The City in the amount of $853,992,000 and $643,479,000. During 2025 and 2024, The City provided operating subsidies and grants to the Authority of $529,737,000 and $562,855,000, respectively. In addition, during 2025 and 2024, The City provided $486,514,000 and $426,711,000, respectively, in Capital Contributions to NYCHA to fund modernization costs.

The City also provides certain services to the Authority. The total cost for these services, most of which is for the cost of water, was $198,435,000 and $192,743,000, respectively, for 2025 and 2024. At December 31, 2025 and 2024, the Authority had amounts due to The City for services of $1,476,000 and $1,962,000, respectively. Pursuant to a Cooperation Agreement dated July 1, 2015, The City has waived acceptance of payments in lieu of taxes from the Authority beginning January 1, 2015 through June 30, 2035. Such agreement automatically renews for additional ten-year periods in perpetuity unless The City gives the Authority written notice of termination of the waiver at least 180 days prior to the end of the ten-year period. The City has not given written notice of termination to the Authority.

17. LEASES

The Authority's qualifying leases from a lessee perspective primarily involve the rental of building office space in addition to certain leases of equipment. The Authority recognizes a lease liability measured at the present value of payments expected to be made over the remaining lease term using the interest rate implicit in the lease agreement when available. In cases where interest rates are not implicit in the lease agreement, the Authority uses its incremental borrowing rate for similar classes of leases as its discount rate. The lease expiration dates for building office space range from 2026 to 2050. The incremental borrowing rate used to discount the remaining lease payments ranged from 2.23% to 6.42% depending on the lease tenor.

The Authority's qualifying leases from a lessor perspective primarily consist of renting storefront space to commercial tenants. The Authority recognizes a lease receivable measured at the present value of payments to be made over the remaining lease term. The present value is determined by using a discount rate commensurate with the Authority's incremental borrowing rate for similar classes of leases. The lease expiration dates from a lessor perspective range from 2027 to 2039. The incremental borrowing rate was used to discount the remaining lease payment range from 2.61% to 5.79%.

Public Housing leases to residential tenants are considered short term and are not subject to GASB 87.

In both 2025 and 2024, the Authority as both a lessee and a lessor had no variable payment clauses. The Authority did not incur expenses related to its leasing activities, including costs associated with residual value guarantees, penalties for lease termination, or losses from impairment. Additionally, there were no agreements that included sale-leaseback and lease-leaseback transactions.

17. LEASES (continued)

As of December 31, 2025, the Authority had minimum principal and interest payment requirements for its leasing liability activities as follows:

	Liability Beginning Balance	Total Principal	Total Interest (in thousands)	Total Payment	Liability Ending Balance
Calendar year ending Balance December 31:					
2026	$ 765,042	$ 22,441	$ 25,504	$ 47,945	$ 742,601
Current Lease Liability		22,441	25,504	47,945	
2027	742,601	22,015	24,768	46,783	720,586
2028	720,586	23,286	24,028	47,314	697,301
2029	697,301	25,202	23,242	48,445	672,098
2030	672,098	23,491	22,415	45,906	648,607
2031-2035	648,607	137,343	99,301	236,644	511,265
2036-2040	511,265	183,461	71,839	255,300	327,804
2041-2045	327,804	181,582	39,647	221,229	146,222
2046-2050	146,222	146,222	12,417	158,639	-
Lease liability Non-Current		742,601	317,659	1,060,260	
Lease Liability		**$ 765,042**	**$ 343,162**	**$ 1,108,205**	

As of December 31, 2025, the Authority had minimum principal and interest lease receivable payments for its Lessor activities as follows:

	Receivable Beginning Balance	Total Principal	Total Interest (in thousands)	Total Payment	Receivable Ending Balance
Calendar year ending December 31:					
2026	$ 15,179	$ 2,028	$ 496	$ 2,524	$ 13,151
Current Lease Receivable		2,028	496	2,524	
2027	13,151	2,009	431	2,440	11,142
2028	11,142	1,592	371	1,963	9,550
2029	9,550	1,474	319	1,793	8,076
2030	8,076	1,536	267	1,803	6,540
2031-2035	6,540	5,392	667	6,059	1,148
2036-2039	1,148	1,148	48	1,196	-
Lease Receivable Non-Current		13,151	2,103	15,254	
Lease Receivable:		**$ 15,179**	**$ 2,599**	**$ 17,778**	

As the Lessor, the total amount of lease revenue, interest revenue, and other lease related revenues recognized in the current and prior reporting period from leases are $3,054,371 and $3,814,976, respectively.

18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS ("SBITA)"

The Authority's subscription-based information technology arrangement (SBITAs) primarily provide access to software services, including cloud-based software solutions and software licenses. These arrangements are generally non-cancelable and have terms ranging from one to five years.

The Authority recognizes a SBITA liability measured at the present value of payments expected to be made over the remaining contract term using the interest rate implicit in the contract when available. In cases where interest rate is not implicit in the agreement, the Authority uses its incremental borrowing rate for similar classes of debt agreements as its discount rate. The incremental borrowing rate used to discount SBITA payments ranged from 3.73% to 6.13% depending on the term of the agreement. The SBITA expiration dates range from 2026 to 2030.

In both 2025 and 2024, the Authority excluded contracts with terms less than one year and contracts which contained variable payments based on usage, such as number of User seats or Licensees.

Additional information regarding SBITA assets is included in Note 6 Capital Assets, Net.

As of December 31, 2025, the Authority had minimum principal and interest payment requirements for its SBITA liability activities as follows:

	Liability Beginning Balance	Total Principal	Total Interest	Total Payment	Liability Ending Balance
			(in thousands)		
Calendar year ending December 31:					
2026	$ 4,103	$ 2,397	$ 121	$ 2,518	$ 1,706
Current SBITA		$ 2,397	$ 121	$ 2,518	
2027	1,706	1,615	17	1,632	91
2028	91	45	4	49	46
2029	46	46	1	47	-
SBITA-NON-Current		1,706	22	1,728	
SBITA Liability:		**$ 4,103**	**$ 143**	**$ 4,246**	

19. COMMITMENTS AND CONTINGENCIES

Pending Litigation - The Authority is a defendant in a number of lawsuits arising from claims for personal injury, property damage, breach of contract, civil rights, and personnel matters. Management believes that the ultimate resolution of these matters will not have a material adverse impact on the financial position of the Authority.

Obligations under Purchase Commitments – The Authority is involved in modernization and other contracted programs. At December 31, 2025, outstanding obligations under purchase commitments were approximately $2,082,437,000 compared to $2,271,780,000, at December 31, 2024.

20. CONDENSED COMBINING INFORMATION

The following are Condensed Combining Statements of Net Position as of December 31, 2025 and 2024, Condensed Combining Statements of Revenues, Expenses and Changes in Net Position for the Years Ended December 31, 2025 and 2024, and Condensed Combining Statements of Cash Flows for the Years Ended December 31, 2025 and 2024, for the Authority and its blended component units, the LLC I, LLC II, HDFC II, HDFC III and The Trust.

New York City Housing Authority
Condensed Combining Statement of Net Position
December 31, 2025
($ in Thousands)

	NYCHA	LLC I	LLC II	HDFC II	HDFC III	The Trust	Eliminations	Total
ASSETS								
Current assets	$ 2,085,305	$ 67,873	$ 546	$ 11,526	$ 130	$ 1,982	$ 16,635	$ 2,183,997
Capital assets, net	11,712,165	290,610	-	-	-	4,065	(24,078)	11,982,762
Restricted assets	424,809	-	-	24,933	-	-	(24,933)	424,809
Notes, loans and leases receivable	768,057	-	-	-	-	-	(627,053)	141,004
Other assets	178,359	-	-	-	-	-	-	178,359
TOTAL ASSETS	**15,168,695**	**358,483**	**546**	**36,459**	**130**	**6,047**	**(659,429)**	**14,910,931**
DEFERRED OUTFLOWS OF RESOURCES	**368,947**	-	-	-	-	**114**	-	**369,061**
LIABILITIES								
Current liabilities	1,865,620	25,923	-	-	-	4,382	16,635	1,912,560
Long-term debt	475,928	-	-	-	-	-	-	475,928
Notes payable	-	627,054	-	-	-	-	(627,054)	-
Pension liability	652,925	-	-	-	-	-	-	652,925
OPEB liability	2,717,337	-	-	-	-	370	-	2,717,707
Pollution remediation obligations - LT	3,297,878	266,533	-	-	-	-	-	3,564,411
Lease liability	742,601	-	-	-	-	-	-	742,601
Other liabilities	1,370,203	-	-	-	-	179	-	1,370,382
TOTAL LIABILITIES	**11,122,492**	**919,510**	-	-	-	**4,931**	**(610,419)**	**11,436,514**
DEFERRED INFLOWS OF RESOURCES	**452,670**	-	-	-	-	**48**	-	**452,718**
Net investment in capital assets	9,855,002	(104,317)	-	-	-	4,065	418,376	10,173,126
Unrestricted (deficit)/Surplus	(5,892,522)	(456,710)	546	36,459	130	(2,883)	(467,386)	(6,782,366)
TOTAL NET POSITION	**$ 3,962,480**	**$ (561,027)**	**$ 546**	**$ 36,459**	**$ 130**	**$ 1,182**	**$ (49,010)**	**$ 3,390,760**

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2025
($ in Thousands)

	NYCHA	LLC I	LLC II	HDFC II	HDFC III	The Trust	Eliminations	Total
Operating Revenues	$ 942,785	$74,174	$ -	$ -	$ -	$ -	$ -	$ 1,016,959
Operating Expenses	5,814,383	206,703	-	-	-	10,131	(101,736)	5,929,481
Operating Loss	**(4,871,598)**	**(132,529)**	**-**	**-**	**-**	**(10,131)**	**101,736**	**(4,912,522)**
Noncapital Subsidies	4,421,669	135,391	-	-	-	11,465	-	4,568,525
Operating Loss and Noncapital Subsidies	**(449,929)**	**2,862**	**-**	**-**	**-**	**1,334**	**101,736**	(343,997)
Other Nonoperating Revenues and Expenses	1,352,974	46,019	375	26	45,250	4,117	(100,093)	1,348,668
Income Before Unusual or Infrequent Items and Transfers	**903,045**	**48,881**	**375**	**26**	**45,250**	**5,451**	**1,643**	**1,004,671**
Transfers	53,578	-	(19,828)	11,500	(45,250)	-	-	-
Unusual or Infrequent Items (a)	845,427	119,895	-	-	-	-	-	965,322
Change in Net Position	**1,802,050**	**168,776**	**(19,453)**	**11,526**	**-**	**5,451**	**1,643**	**1,969,993**
Net Position - Beginning	2,160,430	(729,803)	19,999	24,933	130	(4,269)	(50,653)	1,420,767
Net Position - Ending	**$ 3,962,480**	**$ (561,027)**	**$ 546**	**$ 36,459**	**$ 130**	**$ 1,182**	**$ (49,010)**	**$ 3,390,760**

(a) Pollution remediation costs and Subsidies - lead based paint

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Cash Flows
For the Year Ended December 31, 2025
($ in Thousands)

	NYCHA	LLC I	LLC II	HDFC II	HDFC III	The Trust	Eliminations	Total
Net cash provided (used) by								
Operating activities	$ (4,660,489)	$ (125,344)	$ (11,500)	$ 11,500	$ -	$ (3,426)	$ 101,736	$ (4,687,523)
Non-capital financing activities	4,521,005	135,391	-	-	-	4,000	(96,045)	4,564,351
Capital and related financing activities	106,232	(629)	-	-	-	-	(5,691)	99,912
Investing activities	115,562	1,013	375	26	-	52	-	117,028
Net increase (decrease)	**82,310**	**10,431**	**(11,125)**	**11,526**	**-**	**626**	**-**	**93,768**
Beginning cash and cash equivalents	610,678	29,787	11,671	-	-	1,356	-	653,492
Ending cash and cash equivalents	**$ 692,988**	**$ 40,218**	**$ 546**	**$ 11,526**	**$ -**	**$ 1,982**	**$ -**	**$ 747,260**

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Net Position
December 31, 2024
($ in Thousands)

	NYCHA	LLC I	LLC II	Trust	Eliminations	Total
ASSETS						
Current assets	$ 1,965,566	$ 50,284	$ 20,036	$ 1,356	$ 1,699	$ 2,038,941
Capital assets, net	10,925,864	327,812	-	-	(25,720)	11,227,956
Restricted assets	424,682	-	-	-	-	423,241
Notes, loans and leases receivable	832,238	-	-	-	(688,305)	143,933
Other assets	213,146	-	-	-	-	213,146
TOTAL ASSETS	**14,361,496**	**378,096**	**20,036**	**1,356**	**(712,326)**	**14,047,217**
DEFERRED OUTFLOWS OF RESOURCES	**384,792**	-	-	147	-	**384,939**
LIABILITIES						
Current liabilities	1,714,394	22,975	37	610	1,699	1,739,715
Long-term debt	522,182	-	-	-	-	522,182
Notes payable	-	688,305	-	-	(688,305)	-
Pension liability	750,853	-	-	-	-	750,853
OPEB liability	2,690,503	-	-	-	-	2,690,503
Pollution remediation obligations - LT	4,292,606	396,619	-	-	-	4,689,225
Lease liability	765,042	-	-	-	-	765,042
Other liabilities	1,297,692	-	-	5,152	-	1,302,844
TOTAL LIABILITIES	**12,033,272**	**1,107,899**	**37**	**5,762**	**(686,606)**	**12,460,364**
DEFERRED INFLOWS OF RESOURCES	**551,015**	-	-	10	-	**551,025**
Net investment in capital assets	9,111,328	(117,478)	-	-	418,376	9,412,226
Unrestricted (deficit)/Surplus	(6,950,768)	(612,325)	19,999	(4,269)	(444,096)	(7,991,459)
TOTAL NET POSITION	**$ 2,160,560**	**$ (729,803)**	**$ 19,999**	**$ (4,269)**	**$ (25,720)**	**$ 1,420,767**

New York City Housing Authority
Condensed Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2024
($ in Thousands)

	NYCHA	LLC I	LLC II	The Trust	Eliminations	Total
Operating Revenues	$ 989,723	$94,878	$ 27	$ -	$ -	$ 1,084,628
Operating Expenses	5,485,929	215,717	-	3,618	(122,861)	5,582,403
Operating Loss	**(4,496,206)**	**(120,839)**	**27**	**(3,618)**	**122,861**	**(4,497,775)**
Noncapital Subsidies	4,152,138	162,010	-	-	-	4,314,148
Operating Loss and Noncapital Subsidies	(344,068)	**41,171**	**27**	**(3,618)**	**122,861**	**(183,627)**
Other nonoperating Revenues and Expenses	1,327,473	128,439	474	35	(120,774)	1,335,647
Income Before Unusual or Infrequent Items	983,405	**169,610**	**501**	**(3,583)**	**2,087**	**1,152,020**
Unusual or Infrequent Items (a)	(639,624)	(27,026)	-	-	-	(666,650)
Change in Net Position	343,781	**142,584**	501	(3,583)	2,087	485,370
Net Position - Beginning	1,816,779	(872,387)	19,498	(686)	(27,807)	935,397
Net Position - Ending	**$ 2,160,560**	**$ (729,803)**	**$ 19,999**	**$ (4,269)**	**$ (25,720)**	**$ 1,420,767**

(a) Pollution remediation costs and Subsidies - lead based paint

New York City Housing Authority
Condensed Combining Statement of Cash Flows
For the Year Ended December 31, 2024
($ in Thousands)

	NYCHA	LLC I	LLC II	Trust	Eliminations	Total
Net cash provided (used) by						
Operating activities	$ (4,155,378)	$ (161,464)	$ 461	$ (1,060)	$ 122,861	$ (4,194,580)
Non-capital financing activities	4,283,892	162,010	-	1,584	(116,146)	4,331,340
Capital and related financing activities	(337,453)	(6,187)	-	-	(6,715)	(350,355)
Investing activities	130,728	1,484	-	35	-	132,247
Net increase (decrease)	**(78,211)**	**(4,157)**	**461**	**559**	**-**	**(81,348)**
Beginning cash and cash equivalents	688,889	33,944	11,210	797	-	734,840
Ending cash and cash equivalents	**$ 610,678**	**$ 29,787**	**$ 11,671**	**$ 1,356**	**$ -**	**$ 653,492**

21. HUD AGREEMENT

The Secretary of the U.S. Department of Housing and Urban Development ("HUD") found NYCHA in "substantial default" of the U.S. Housing Act on January 31, 2019 following a federal lawsuit. HUD found that NYCHA failed to follow laws and regulations concerning lead paint; failed to provide decent, safe and sanitary conditions; and engaged in deceptive practices to hide the condition of NYCHA properties.

NYCHA signed an agreement with HUD, the United States Attorney's Office for the Southern District of New York ("SDNY"), and The City of New York effective January 31, 2019 (the "Agreement") to remedy the physical deficiencies at NYCHA properties, ensure the Authority's compliance with federal law, and reform NYCHA's management structure. The obligations of this agreement apply to apartment units, common areas, residential buildings, and building sites consisting of public housing owned or operated by NYCHA and receiving funding through Section 9 of the Housing Act. The Agreement appointed a federal Monitor to oversee the Authority's compliance. The Agreement also requires NYCHA to prepare Action Plans, to be approved by the Monitor, setting forth policies and practices to be adopted and specific actions to be taken by NYCHA to achieve all the requirements of the Agreement for the six pillar areas: lead, mold, heat, elevators, Public Housing Assessment System ("PHAS") and annual apartment inspections, and pests and waste management. (PHAS is the system that HUD uses to assess a Public Housing Authority's performance in managing its low-rent public housing programs.) No federal fines were assessed on NYCHA as it relates to this agreement. NYCHA is not yet in full compliance with the requirements of the Agreement and lead-based paint regulations but continues to work with the Monitor to improve its compliance.

22. SUBSEQUENT EVENTS

The Authority's management has evaluated subsequent events through July 24, 2026, the date the financial statements were available to be issued and determined that there are no subsequent events requiring adjustment or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios as of December 31,

($ in thousands)

(UNAUDITED)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability										
Service Cost	$ 104,650	$ 95,298	$ 85,000	$ 137,029	$ 142,952	$ 101,429	$ 97,836	$ 116,663	$ 99,842	$ 129,183
Interest	121,595	113,914	113,344	73,421	68,783	93,563	94,828	85,032	86,759	84,197
Differences between Expected and Actual Experience	31,515	(49,751)	(35,046)	19,083	(74,417)	(20,992)	417,892	48,400	(68,103)	
Change in Assumptions	(104,132)	(56,569)	154,716	(706,657)	(328,822)	578,488	(221,694)	(176,030)	42,001	(186,804)
Contributions - Employer	(104,566)	(96,617)	(89,951)	(87,980)	(86,720)	(80,330)	(94,814)	(61,714)	(68,963)	(74,740)
Implicit Rate Subsidy	(19,000)	(18,000)	(16,000)	(15,000)	(17,000)	(16,000)	(16,000)	(13,000)	(13,000)	(13,000)
Other Changes (see Note A)	-	-	-	-	-	-	(23,902)	-	-	-
Net Changes in total OPEB Liability	30,063	(11,725)	212,063	(580,104)	(295,224)	656,158	254,146	(649)	78,536	(61,164)
Total OPEB Liability - Beginning of Year	2,797,544	2,809,269	2,597,206	3,177,310	3,472,534	2,816,376	2,562,230	2,562,879	2,484,343	2,545,507
Total OPEB Liability - End of the Year	$ 2,827,607	$ 2,797,544	$ 2,809,269	$ 2,597,206	$ 3,177,310	$ 3,472,534	$ 2,816,376	$ 2,562,230	$ 2,562,879	$ 2,484,343
Covered-Employee Payroll (see Note B)	$ 792,063	$ 726,746	$ 681,323	$ 663,113	$ 637,288	$ 617,109	$ 627,221	$ 635,505	$ 655,005	$ 645,980
Total OPEB Liability as a percentage of covered-employee payroll	357.0%	384.9%	412.3%	391.7%	498.6%	562.7%	449.0%	403.2%	391.3%	384.6%
Discount Rate used to measure Total OPEB Liability	4.83%	4.28%	4.00%	4.31%	2.25%	1.93%	3.26%	3.64%	3.16%	3.71%

Note A: Repeal of Cadillac tax

Note B: Measure of payroll: "Covered-employee payroll", since NYCHA's contributions are not based on a measure of pay.

Note C: There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
TO THE NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM (NYCERS)
($ in thousands)

(UNAUDITED)

	For the Years Ended December 31,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Contractually Required Contribution	$200,827	$176,316	$157,395	$156,998	$165,405	$164,262	$163,186	$164,165	$165,240	$174,207
Contributions in relation to the contractually required contribution	$200,827	$176,316	$157,395	$156,998	$165,405	$164,262	$163,186	$164,165	$165,240	$174,207
Contribution Deficiency	-	-	-	-	-	-	-	-	-	-
Authority covered payroll (Note A)	$1,127,229	$970,574	$904,889	$970,574	$941,534	$925,039	$815,689	$767,872	$751,506	$762,086
Contributions as percentage of covered payroll	17.82%	18.17%	17.39%	16.18%	17.57%	17.76%	20.01%	21.38%	21.99%	22.86%

Note A: NYCHA's covered payroll for the twelve (12) months ending December 31st. "Covered Payroll" is being used since NYCHA is following the guidelines for employers who provide pensions through pension plans that are administered through trusts or equivalent arrangement.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF NYCERS ($ in thousands)

(UNAUDITED)

	For the Years Ended June 30,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
NYCHA's proportion of the net pension liability	4.92%	4.57%	4.47%	4.34%	4.25%	4.33%	4.44%	4.89%	4.97%	5.00%
NYCHA's proportionate share of the net pension liability	$652,925	$750,853	$797,391	$786,625	$272,514	$913,451	$822,109	$894,818	$1,032,725	$1,214,112
NYCHA's covered payroll (Note A)	$1,127,229	$1,007,169	$1,001,712	$977,279	$902,326	$861,731	$773,136	$769,239	$762,853	$807,349
NYCHA's proportionate share of the net pension liability as a percentage of its covered-employee payroll	57.92%	74.55%	79.60%	80.49%	30.20%	106.00%	106.33%	116.33%	135.38%	150.38%
Plan fiduciary net position as a percentage of the total pension liability	87.66%	84.25%	82.22%	81.28%	93.14%	76.93%	78.84%	78.80%	74.80%	69.57%

Note A: NYCHA's covered payroll for the twelve (12) months ending June 30th

STATISTICAL SECTION

(UNAUDITED)

Vandalia Avenue, Brooklyn

Baruch Houses, Manhattan

New York City Housing Authority

STATISTICAL SECTION (UNAUDITED)

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health. The following are the categories of the schedules that are included in this Section:

Financial Trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

This schedule contains information to help the reader assess the Authority's most significant revenue source.

Debt Capacity

This schedule presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

SCHEDULES OF FINANCIAL TRENDS

NEW YORK CITY HOUSING AUTHORITY
COMPARATIVE OPERATING AND NON-OPERATING REVENUES AND EXPENSES
($ in thousands)

	*2025	*2024	*2023 (Restated)	*2022 (Restated)	*2021 (Restated)	2020	2019	2018	2017	2016	2015
OPERATING REVENUE:											
Tenant revenue, net	$ 912,312	$ 1,041,032	$ 932,444	$ 989,273	$ 921,655	$ 967,456	$ 1,058,488	$ 1,070,022	$ 1,051,628	$ 1,041,574	$ 990,524
Other income	104,647	43,596	43,356	72,708	65,844	69,690	75,762	36,751	56,766	45,744	45,749
Total operating revenue	**$ 1,016,959**	**$ 1,084,628**	**$ 975,800**	**$ 1,061,981**	**$ 987,499**	**$ 1,037,146**	**$ 1,134,250**	**$ 1,106,773**	**$ 1,108,394**	**$ 1,087,318**	**$ 1,036,273**
OPERATING EXPENSES:											
Rent for leased dwellings	$ 2,152,758	$ 1,839,134	$ 1,550,190	$ 1,338,836	$ 1,205,650	$ 1,139,219	$ 1,061,638	$ 1,006,991	$ 987,017	$ 940,722	$ 946,968
Maintenance and operations	1,263,443	1,094,103	1,123,233	1,083,181	1,014,124	924,486	875,510	875,431	673,678	707,929	619,594
General and administrative	1,245,616	1,329,767	1,199,720	1,031,548	820,829	967,123	949,768	890,679	838,400	847,573	810,374
Utilities	701,509	622,741	591,811	629,754	580,958	547,483	541,747	582,405	554,542	534,797	575,017
Depreciation and amortization	462,668	497,582	500,839	466,957	462,981	401,588	371,713	366,632	370,938	357,611	344,377
OPEB Expense	39,945	114,041	126,290	104,716	203,728	257,391	127,536	129,110	136,767	168,061	(97,357)
Protective services	21,248	45,431	55,899	42,853	39,610	37,799	24,635	29,833	22,353	24,640	22,904
Tenant services	42,294	39,604	40,127	36,263	35,677	27,678	19,219	17,389	18,164	19,307	22,618
Total operating expenses	**$ 5,929,481**	**$ 5,582,403**	**$ 5,188,109**	**$ 4,734,108**	**$ 4,363,557**	**$ 4,302,767**	**$ 3,971,766**	**$ 3,898,470**	**$ 3,601,859**	**$ 3,600,640**	**$ 3,244,495**
OPERATING LOSS	(4,912,522)	(4,497,775)	(4,212,309)	(3,672,127)	(3,376,058)	(3,265,621)	(2,837,516)	(2,791,697)	(2,493,465)	(2,513,322)	(2,208,222)
NONCAPITAL SUBSIDIES											
Subsidies and grants	$ 4,568,525	$ 4,314,148	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total noncapital subsidies	**$ 4,568,525**	**$ 4,314,148**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
OPERATING LOSS AND NONCAPITAL SUBSIDIES	(343,997)	(183,627)									
NON-OPERATING REVENUES (EXPENSES):											
Subsidies and grants	$ -	$ -	$ 3,630,442	$ 3,251,824	$ 3,122,095	$ 2,722,702	$ 2,517,894	$ 2,387,205	$ 2,154,174	$ 2,124,415	$ 2,213,763
Capital contributions	1,241,481	$ 1,352,345									
Investment income	58,639	23,226	31,577	15,999	26,467	15,401	36,165	25,811	16,080	25,231	10,249
Gain (Loss) on real estate transactions	61,972	715	(17,414)	21,442	39,192	56,960	(146,483)	14,898	22,397	28,730	12,579
Change in fair value of investments	12,879	11,155	18,789	(42,134)	(13,320)	1,200	13,318	(3,304)	(745)	(3,131)	(3,700)
Interest expense	(44,302)	(52,260)	(52,494)	(55,660)	(61,327)	(35,955)	(34,777)	(32,794)	(30,184)	(29,354)	(30,264)
Insurance recoveries	17,999	-	-	-	-	-	-	131,972	809	6,701	45,027
Other	-	466	247	454	393	-	-	-	-	-	-
Total non-operating revenues, net	**$ 1,348,668**	**$ 1,335,647**	**$ 3,611,147**	**$ 3,191,925**	**$ 3,113,500**	**$ 2,760,308**	**$ 2,386,117**	**$ 2,523,788**	**$ 2,162,531**	**$ 2,152,592**	**$ 2,247,654**
INCOME BEFORE UNUSUAL OR INFREQUENT ITEMS	1,004,671	1,152,020									
LOSS BEFORE SPECIAL ITEM AND CAPITAL CONTRIBUTIONS	-	-	(601,162)	(480,202)	(262,558)	(505,313)	(451,399)	(267,909)	(330,934)	(360,730)	39,432
UNUSUAL OR INFREQUENT ITEMS											
SPECIAL ITEM-Pollution Remediation (costs) gain - lead-based paint	$ 841,289	$ (846,280)	$ (753,841)	$ (721,235)	$ (648,590)	$ 200,881	$ (2,751,291)	$ -	$ -	$ -	$ -
Subsidies and grants - lead based paint	124,033	179,630	-	-	-	-	-	-	-	-	-
Total unusual or infrequent items	**$ 965,322**	**$ (666,650)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
LOSS BEFORE CAPITAL CONTRIBUTIONS	-	-	(1,355,003)	(1,201,437)	(911,148)	(304,432)	(3,202,690)				
CAPITAL CONTRIBUTIONS	**$ -**	**$ -**	**$ 1,092,741**	**$ 806,150**	**$ 757,882**	**$ 949,982**	**$ 878,901**	**$ 820,368**	**$ 686,619**	**$ 640,887**	**$ 433,505**
CHANGE IN NET POSITION	**$ 1,969,993**	**$ 485,370**	**$ (262,262)**	**$ (395,287)**	**$ (153,266)**	**$ 645,550**	**$ (2,323,789)**	**$ 552,459**	**$ 355,685**	**$ 280,157**	**$ 472,937**

* 2024 and 2025 - GASB 103 Formatted Presentation
* 2023 (Restated) - GASB 101 Compensated Absences
* 2022 (Restated) - GASB 96 SBITA Accounting
* 2021 (Restated) - GASB 87 Lease Accounting

Source: Annual Financial Statements
*GASB 103 changed the presentation and classification of certain financial statement amounts. Accordingly, certain prior year amounts have been reclassified to confirm to the current year presentation.

NEW YORK CITY HOUSING AUTHORITY
NET POSITION BY CATEGORY
($ in thousands)

CATEGORY	2025	2024	*2023 (Restated)	*2022 (Restated)	*2021 (Restated)	2020	2019	2018	2017	2016
Net investment in capital assets	$ 10,173,126	$ 9,412,226	$ 8,813,307	$ 8,075,652	$ 7,918,922	$ 7,504,162	$ 6,897,324	$ 6,450,404	$ 5,995,349	$ 5,692,787
Restricted	-	-	-	11,914	40,102	-	-	-	-	-
Unrestricted (Deficit)	(6,782,366)	(7,991,459)	(7,877,910)	(6,882,685)	(6,359,747)	(5,751,619)	(5,790,331)	(3,019,622)	(3,117,026)	(3,117,424)
TOTAL NET POSITION	**$ 3,390,760**	**$ 1,420,767**	**$ 935,397**	**$ 1,204,881**	**$ 1,599,277**	**$ 1,752,543**	**$ 1,106,993**	**$ 3,430,782**	**$ 2,878,323**	**$ 2,575,363**

* 2023 (Restated)- GASB 101 Compensated Absences
* 2022 (Restated) - GASB 96 SBITA Accounting
* 2021 (Restated) - GASB 87 Lease Accounting

SOURCE: Annual Financial Statements

NEW YORK CITY HOUSING AUTHORITY
CAPITAL ASSETS BY CATEGORY
($ in thousands)

CATEGORY	2025	2024	2023	*2022 Restated	*2021 Restated	2020	2019	2018	2017	2016
Land	$ 687,510	$ 687,510	$ 687,510	$ 687,510	$ 687,961	$ 687,961	$ 687,958	$ 687,507	$ 689,847	$ 689,847
Buildings	3,119,268	3,124,374	3,125,774	3,131,977	3,139,754	3,144,927	3,144,991	3,146,646	3,173,419	3,178,668
Building improvements	17,474,171	16,386,883	15,331,185	14,269,254	13,523,845	12,787,740	11,803,789	11,035,969	10,288,303	9,694,139
Facilities and other improvements	607,014	584,609	562,645	552,386	554,757	550,785	534,203	515,617	501,133	494,724
Furniture and equipment	1,295,298	1,237,923	1,163,700	1,110,691	1,069,788	1,040,833	1,008,675	965,607	936,064	893,387
Leasehold improvements	150,470	149,397	148,983	145,099	139,894	134,135	116,638	114,081	113,153	113,153
Right-to-use-assets-Buildings	852,412	852,412	852,412	852,412	852,412	-	-	-	-	-
Right-to-use-assets-Equipments	27,067	30,043	28,216	14,328	14,328	-	-	-	-	-
Right-to-use-assets - SBITA*	12,529	11,329	9,804	2,801	-	-	-	-	-	-
Total Capital Assets	**24,225,739**	**23,064,480**	**21,910,229**	**20,766,458**	**19,982,739**	**18,346,381**	**17,296,254**	**16,465,427**	**15,701,919**	**15,063,918**
Less Accumulated Depreciation & Amortization:										
Buildings	3,033,661	3,023,590	3,007,912	2,995,565	2,983,568	2,968,139	2,946,966	2,926,183	2,930,106	2,911,809
Building improvements	7,311,904	7,005,076	6,741,897	6,412,621	6,088,595	5,787,175	5,478,199	5,184,028	4,914,618	4,625,164
Facilities and other improvements	510,617	500,922	493,059	484,040	477,920	471,189	462,861	455,043	448,081	441,235
Furniture and equipment	1,040,632	1,003,701	960,796	916,304	875,174	822,549	782,753	756,904	728,275	703,388
Leasehold improvements	123,176	120,021	116,630	113,134	109,855	106,198	104,791	102,487	99,094	95,748
Right-to-use-assets	188,025	150,420	112,815	75,210	37,605	-	-	-	-	-
Right-to-use-assets-Equipments	25,822	26,793	21,646	9,610	4,805	-	-	-	-	-
Right-to-use-assets - SBITA*	9,140	6,001	3,362	811	-	-	-	-	-	-
Total Accumulated Depreciation & Amortization	**12,242,977**	**11,836,524**	**11,458,117**	**11,007,295**	**10,577,522**	**10,155,250**	**9,775,570**	**9,424,645**	**9,120,174**	**8,777,344**
Net Capital Assets	**11,982,762**	**11,227,956**	**10,452,112**	**9,759,163**	**9,405,217**	**8,191,131**	**7,520,684**	**7,040,782**	**6,581,745**	**6,286,574**
Related Debt	1,809,636	1,815,730	1,638,805	1,683,511	1,486,295	686,969	623,360	590,378	586,396	593,787
Net Investment in Capital Assets	**$ 10,173,126**	**$ 9,412,226**	**$ 8,813,307**	**$ 8,075,652**	**$ 7,918,922**	**$ 7,504,162**	**$ 6,897,324**	**$ 6,450,404**	**$ 5,995,349**	**$ 5,692,787**

* SBITA represents Subscription-Based Information Technology Arrangements
* 2022 Restated - GASB 96 SBITA Accounting
* 2021 Restated - GASB 87 Lease Accounting

Capital assets are not classified as *being depreciated* and *not being depreciated* since construction in progress is not shown as a separate category, but rather classified over the categories to which it belongs.

Source: Annual Financial Statements

SCHEDULE OF REVENUE CAPACITY

NEW YORK CITY HOUSING AUTHORITY
REVENUES ON A GROSS BASIS
($ in thousands)

DESCRIPTION	*2025	2024	2023	2022	*2021 (Restated)	2020	2019	2018	2017	2016
Revenues (Gross):										
Subsidies and Grants	$ 4,692,558	$ 4,493,778	$ 3,630,442	$ 3,251,824	$ 3,122,095	$ 2,722,702	$ 2,517,894	$ 2,387,205	$ 2,154,174	$ 2,124,415
Operating Revenues	1,016,959	1,084,628	975,800	1,061,981	987,499	1,037,146	1,134,250	1,106,773	1,108,394	1,087,318
Investment Income	58,639	23,226	31,577	15,999	26,467	15,401	36,165	25,811	16,080	25,231
Gain on sales of capital assets and real estate transactions	61,972	715	-	21,442	39,192	56,960	-	14,898	22,397	28,730
Insurance recoveries	17,999	-	-	-	-	-	-	131,972	809	6,701
Change in fair value of investments	12,879	11,155	18,789	-	-	1,200	13,318	-	-	-
Other	-	466	247	454	393	-	-	-	-	-
Total Revenues	**$ 5,861,006**	**$ 5,613,968**	**$ 4,656,855**	**$ 4,351,700**	**$ 4,175,646**	**$ 3,833,409**	**$ 3,701,627**	**$ 3,666,659**	**$ 3,301,854**	**$ 3,272,395**

* 2021 (Restated) - GASB 87 Lease Accounting
Negative change in fair value of investments is not reported as revenues--only when positive
Source: Annual Financial Statements

* 2025 - GASB 103 Implementation
For consistency of trend information, capital contributions are excluded from the Revenues (Gross) schedule. Beginning in 2025, GASB Statement No. 103 requires capital contributions to be reported within other nonoperating revenues and expenses in the basic financial statements.

SCHEDULE OF DEBT CAPACITY

NEW YORK CITY HOUSING AUTHORITY
LONG-TERM DEBT
($ in thousands, except per capita)

Description of Long-Term Debt	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Bonds:										
State Guaranteed Certificates of Indebtedness Outstanding (State Program) three issues remaining bearing interest from 3.5% to 3.75%, per annum maturing annually through July 2024.	$-	$-	$-	$-	$2,717	$4,178	$5,640	$7,102	$8,564	$10,789
State Guaranteed Certificates of Indebtedness Outstanding (incorporated into the Federal Housing Program), three issues remaining bearing interest from 3.5% to 4.75% per annum, maturing annually through July 2024.	-	-	-	-	424	668	911	1,155	1,399	1,642
Loans Funded by:										
HDC Capital Fund Program Revenue Bonds, Series 2013 A ($185,785,000); Loan Agreement with an interest rate of 3.0% to 5.0% per annum, defeased April 2022.	-	-	-	-	74,845	91,465	107,305	122,400	136,815	150,555
HDC Capital Fund Program Revenue Bonds, Series 2013 B-1 ($348,130,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	-	-	-	-	218,220	238,460	257,725	276,070	293,535	310,160
HDC Capital Fund Program Revenue Bonds, Series 2013 B-2 ($122,170,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	-	-	-	-	122,170	122,170	122,170	122,170	122,170	122,170
HDC Capital Fund Program Revenue Bonds, Series 2022 A ($398,265,000); Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through January 2033.	259,460	307,060	353,250	398,265	-	-	-	-	-	-
2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	735	1,463	3,081	5,375	6,826	8,215	9,542	12,420	13,812	15,140
2016 Equipment Lease/Purchase Agreement; (Ameresco A) with BAPCC for Energy Performance Contract ($51,548,356) at a rate of 3.27% per annum, maturing June 28, 2036.	33,484	36,716	38,647	45,914	48,009	49,962	51,779	53,389	53,247	51,548
2016 Multi-draw term loan facility; with NY Green Bank ($11,000,000) at a rate of 3.5% per annum on the used portion and at 0.50% per annum on the unused portion, paid off on December 18, 2017.	-		-	-	-	-	-	-	-	94
2017 Equipment Lease/Purchase Agreement; (BQDM);										

NEW YORK CITY HOUSING AUTHORITY
LONG-TERM DEBT
($ in thousands, except per capita)

Description of Long-Term Debt	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
with BAPCC for Energy Performance Contract ($60,132,977.75) at an interest rate of 3.6178% per annum, maturing December 15, 2037.	45,756	48,206	50,483	52,598	54,556	62,747	64,603	62,328	60,133	-
2017 Equipment Lease/Purchase Agreement; (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.6178% per annum, maturing December 22, 2037.	36,575	38,521	40,329	42,010	43,566	45,003	46,197	44,570	43,000	-
2018 Equipment Lease/Purchase Agreement; (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,775.81) at an interest rate of 4.75% per annum, maturing July 1, 2038.	73,259	75,573	78,508	81,172	83,582	85,751	82,647	79,462	-	-
Loans Funded by: (continued)										
2020 Equipment Lease/Purchase Agreement; (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752.13) at an interest rate of 3.404% per annum, maturing June 28, 2038.	18,200	21,823	22,359	23,491	23,773	23,407	-	-	-	-
2023 Equipment Lease/Purchase Agreement (SCH. # 6 JCI) with BAPCC for Energy Performance Contract ($50,473,178) at an interest rate of 4.58% per annum, maturing July 21, 2042.	49,962	50,598	51,598	-	-	-	-	-	-	-
HDC 2009 Series L-1 Bonds ($23,590,000); Permanent Mortgage Loan at an interest rate of 6.3% per annum, maturing November 2043; secured by mortgage.	-	-	19,772	20,262	20,722	21,154	21,559	21,940	22,298	22,634
HDC 2010 Series A-1 Bonds ($25,325,000); Permanent Mortgage Loan at an interest rate of 5.1% per annum, maturing November 2041; secured by mortgage.	-	-	-	-	-	10,545	19,606	20,086	23,389	23,883
HDC 2010 Series A-2 Bonds ($3,000,000); Permanent Mortgage Loan at an interest rate of 5.1% per annum, maturing May 2041; secured by mortgage.	-	-	-	-	-	1,366	2,308	2,365	2,770	2,829
Long-Term Debt (before Premium)	**$517,431**	**$579,960**	**$658,027**	**$669,087**	**$699,410**	**$765,091**	**$791,992**	**$825,457**	**$781,132**	**$711,444**
Add Premium on HDC Revenue Bond Loan Agreements	-	-	-	-	6,662	8,873	11,611	14,972	19,035	23,898
LEASE LIABILITY	**$765,042**	**$788,616**	**$809,815**	**$824,138**						
SBITA LIABILITY	**$4,103**	**$5,574**	**$5,724**							

NEW YORK CITY HOUSING AUTHORITY
LONG-TERM DEBT
($ in thousands, except per capita)

Description of Long-Term Debt	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TOTAL LONG-TERM DEBT	**$1,286,576**	**$1,374,150**	**$1,473,566**	**$1,493,225**	**$706,072**	**$773,964**	**$803,603**	**$840,429**	**$800,167**	**$735,342**
Less current portion	66,341	83,658	80,617	77,163	50,577	47,193	43,975	39,130	36,647	35,145
LONG-TERM DEBT, NET	**$1,220,235**	**$1,290,492**	**$1,392,949**	**$1,416,062**	**$655,495**	**$726,771**	**$759,628**	**$801,299**	**$763,520**	**$700,197**
Percentage of Personal Income	**35.30%**	**36.78%**	**39.80%**	**37.82%**	**18.35%**	**19.20%**	**18.86%**	**19.68%**	**18.83%**	**17.34%**
Per Capita	**$4,597**	**$4,608**	**$4,717**	**$4,523**	**$2,077**	**$2,158**	**$2,197**	**$2,205**	**$2,040**	**$1,854**

Note A
See Note 10, on Long-Term Debt for more details
See Note 17, on Lease for more details
See Note 18, on SBITA for more details

Note B
Percentage of Personal Income and Per Capita calculations are based on total long-term debt using demographic information for NYCHA's residents (see NYCHA's Demographic and Economic Statistics-Ten Year Trend).
Source: Annual Comprehensive Financial Report

NEW YORK CITY HOUSING AUTHORITY
PLEDGED REVENUE COVERAGE
($ in thousands)

Description: Equipment Purchase/Lease Agreement with Bank of America for Energy Performance Contract

Year	Source of Revenue	Net Available Revenues	Principal and Interest Requirements	Coverage Ratio
2016	HUD Operating Subsidy	$ 1,586	$ 1,586	1.0
2017	HUD Operating Subsidy	$ 1,622	$ 1,622	1.0
2018	HUD Operating Subsidy	$ 3,273	$ 3,273	1.0
2019	HUD Operating Subsidy	$ 6,460	$ 6,460	1.0
2020	HUD Operating Subsidy	$ 14,963	$ 14,963	1.0
2021	HUD Operating Subsidy	$ 24,837	$ 24,837	1.0
2022	HUD Operating Subsidy	$ 19,702	$ 19,702	1.0
2023	HUD Operating Subsidy	$ 26,485	$ 26,485	1.0
2024	HUD Operating Subsidy	$ 24,652	$ 24,652	1.0
2025	HUD Operating Subsidy	$ 22,831	$ 22,831	1.0

Notes:

1. Net Available Revenues represent the annual debt service for the current year. The Authority has committed to appropriate HUD Operating revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt.
2. Details regarding the Authority's outstanding debt can be found in the notes to the financial statements.

NEW YORK CITY HOUSING AUTHORITY
PLEDGED REVENUE COVERAGE
($ in thousands)

Description of Loan Financed by: NYC Housing Development Corporation (HDC)
Capital Fund Program Revenue Bonds, Series 2022 A

Year	Source of Revenue	Net Available Revenues	Principal and Interest Requirements	Coverage Ratio
2016	Capital Fund 2016	$ 106,244	$ 59,517	1.8
2017	Capital Fund 2017	$ 115,442	$ 59,529	1.9
2018	Capital Fund 2018	$ 176,082	$ 59,544	3.0
2019	Capital Fund 2019	$ 183,917	$ 59,559	3.1
2020	Capital Fund 2020	$ 195,004	$ 59,565	3.3
2021	Capital Fund 2021	$ 201,335	$ 59,585	3.4
2022	Capital Fund 2022	$ 237,097	$ 53,072	4.5
2023	Capital Fund 2023	$ 251,414	$ 58,067	4.3
2024	Capital Fund 2024	$ 244,108	$ 58,079	4.2
2025	Capital Fund 2025	$ 245,646	$ 58,097	4.2

Notes:

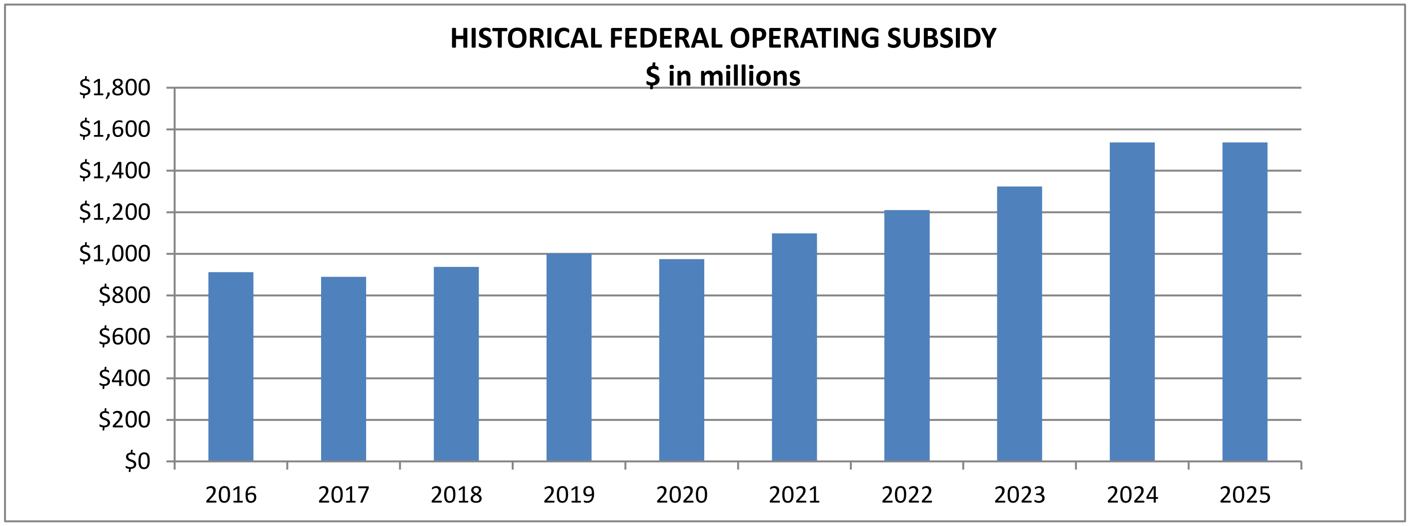
1. Net Available Revenues represent 33 1/3 percent of the Capital Fund grant, which is the maximum amount av and interest requirements.
2. Details regarding the Authority’s outstanding debt can be found in the notes to the financial statements.
3. The 2013 Series A bond proceeds were used in part to defease the remaining debt on the 2005 A bonds in Sep
4. The 2022 A Series bond proceeds were used to defease the remaining debt on the 2013 Series A & B in April

NEW YORK CITY HOUSING AUTHORITY

HISTORICAL FEDERAL OPERATING SUBSIDY

($ in millions)

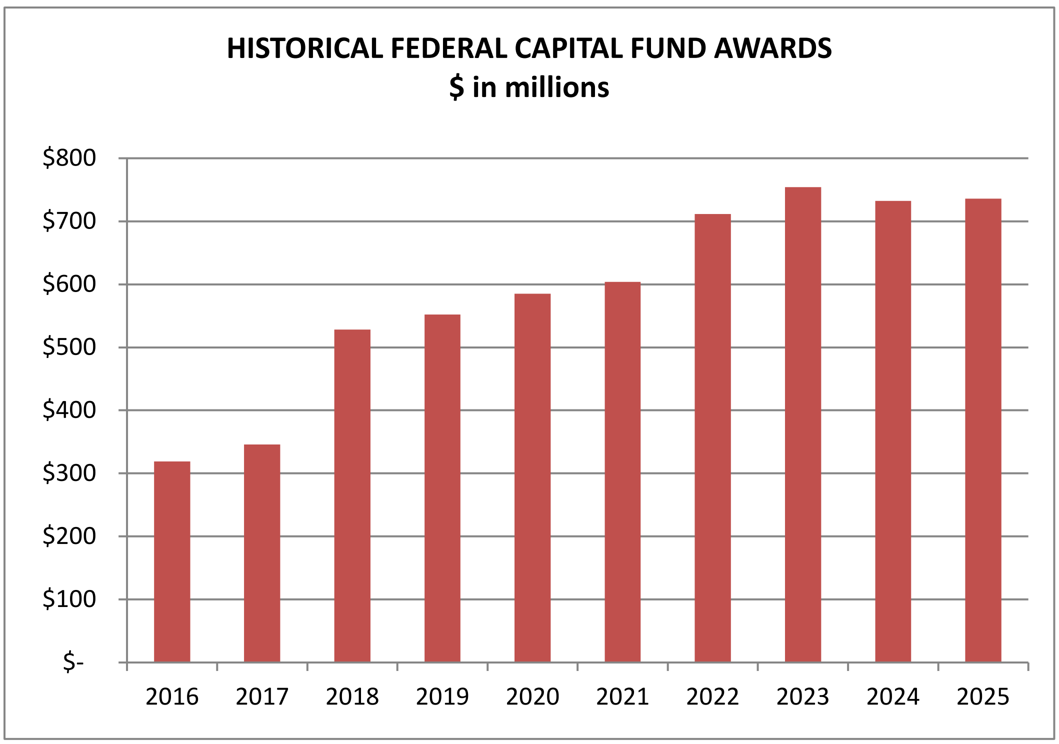
Year	Congressional Appropriation	NYCHA Funding
2016	$ 4,500	$ 912
2017	$ 4,400	$ 890
2018	$ 4,550	$ 937
2019	$ 4,653	$ 1,001
2020	$ 4,549	$ 974
2021	$ 4,839	$ 1,098
2022	$ 5,038	$ 1,211
2023	$ 5,109	$ 1,323
2024	$ 5,476	$ 1,537
2025	$ 5,476	$ 1,537



Source: New York City Housing Authority, Financial Planning and Analysis Department

NEW YORK CITY HOUSING AUTHORITY
HISTORICAL FEDERAL CAPITAL FUND AWARDS
($ in millions)

Capital Fund Grant Year	Congressional Appropriation	NYCHA Funding
2016	$ 1,900	$ 319
2017	$ 1,942	$ 346
2018	$ 2,750	$ 528
2019	$ 2,775	$ 552
2020	$ 2,869	$ 585
2021	$ 2,765	$ 604
2022	$ 3,200	$ 711
2023	$ 3,200	$ 754
2024	$ 3,200	$ 732
2025	$ 3,200	$ 736



Source: New York City Housing Authority, Financial Planning and Analysis Department

SCHEDULES OF DEMOGRAPHIC AND ECONOMIC INFORMATION

NEW YORK CITY HOUSING AUTHORITY
RESIDENT DEMOGRAPHICS - OPERATING PROGRAMS

ALL PROGRAMS	DECEMBER 31, 2025 TOTAL	
NUMBER OF FAMILIES	135,570	
POPULATION*	279,864	
AVERAGE FAMILY SIZE	2.1	
AVERAGE TENURE IN PUBLIC HOUSING	28	
AVERAGE FAMILY ANNUAL INCOME	$ 26,887	
AVERAGE MONTHLY RENT	$ 648	
		Percentage of Population
NUMBER OF SENIOR RESIDENTS (AGE 62 OR MORE):	73,412	26.2%
NUMBER OF SINGLE SENIOR RESIDENTS (AGE 62 OR MORE):	36,619	13.1%
NUMBER OF MINORS UNDER 18:	62,885	22.5%
		Percentage of Households
NUMBER OF WORKING FAMILIES:	51,965	38.3%
NUMBER OF FAMILIES RECEIVING PUBLIC ASSISTANCE:	21,835	16.1%
NUMBER OF SINGLE PARENT FAMILIES WITH MINORS UNDER 18:	26,958	19.9%
NUMBER OF SENIOR (AGE 62 OR MORE) HEAD OF HOUSEHOLDS:	61,991	45.7%
HOUSEHOLDS BELOW POVERTY LEVEL	74,339	56.0%

Source: The Performance Tracking and Analytics Department

RESIDENT DEMOGRAPHICS - HOUSING CHOICE VOUCHER PROGRAM

As of December 31, 2025

BOROUGH

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
NUMBER OF HOUSEHOLDS	46,262	36,074	15,427	9,947	2,594	110,304
NUMBER OF HOUSEHOLDS PERCENTAGE	41.94%	32.70%	13.99%	9.02%	2.35%	100%

RACE AND ETHNICITY

	Unknown	American Indian/ Native Alaskan	Asian/ Native Hawaiian/ Other Pacific Islander	Black	Hispanic	White	Total
NUMBER OF HOUSEHOLDS	9	619	3,056	36,251	56,632	13,737	110,304
NUMBER OF HOUSEHOLDS PERCENTAGE	0.01%	0.56%	2.77%	32.86%	51.34%	12.45%	100%

APARTMENT SIZE (NUMBER OF BEDROOMS)

	Unknown	0	1	2	3	4	5 or more	Total
NUMBER OF HOUSEHOLDS	0	7,475	33,763	40,747	23,314	3,948	1,057	110,304
NUMBER OF HOUSEHOLDS PERCENTAGE	0.00%	6.78%	30.61%	36.94%	21.14%	3.58%	0.96%	100.00%

Source: Performance Tracking and Analytics Department

Population -- Ten Year Trend

2015-2024

Year	United States	Percentage Change from Prior Period	City of New York	Percentage Change from Prior Period
2015	321,829,327	0.80	8,736,487	0.95
2016	324,367,742	0.79	8,795,413	0.67
2017	326,623,063	0.70	8,815,992	0.23
2018	328,542,157	0.59	8,826,227	0.12
2019	330,233,102	0.51	8,822,926	(0.04)
2020	331,526,933	0.39	8,740,647	(0.93)
2021	332,048,977	0.16	8,459,001	(3.22)
2022	333,271,411	0.37	8,335,897	(1.46)
2023	334,914,895	0.49	8,258,035	(0.93)
2024	340,110,988	1.55	8,478,072	2.66

POPULATION OF NEW YORK CITY BY BOROUGH

	2024*	2023	2020	2010	2000	1990	1980
Bronx	1,384,724	1,356,476	1,461,125	1,388,515	1,334,319	1,207,053	1,168,403
Brooklyn	2,617,631	2,561,225	2,719,044	2,514,416	2,467,006	2,303,679	2,233,786
Manhattan	1,660,664	1,597,451	1,677,306	1,590,875	1,540,547	1,487,073	1,428,371
Queens	2,316,841	2,252,196	2,388,586	2,238,654	2,230,501	1,957,281	1,894,296
Staten Island	498,212	490,687	494,586	470,099	445,235	380,564	353,021
Total	8,478,072	8,258,035	8,740,647	8,202,559	8,017,608	7,335,650	7,077,877
Percentage Increase (Decrease) from Prior Decade	(3.0%)	(5.5%)	6.6%	2.3%	9.3%	3.6%	(10.4%)

Source: Comptroller's Report for Fiscal 2025, Bureau of Economic Analysis and U.S. Census Bureau, prior years data have been updated.
* Figures as of July 1, 2024

Personal Income -- Ten Year Trend

2015-2024

	Personal Income (in thousands)			Per Capita Personal Income		
Year	United States	City of New York	New York City as a Percentage of United States	United States	City of New York	New York City as a Percentage of United States
2015	15,467,113,000	522,427,562	3	48,062	59,802	124
2016	15,884,741,000	547,280,011	3	48,974	62,226	127
2017	16,658,962,000	593,152,562	4	51,006	67,281	132
2018	17,514,402,000	614,288,176	4	53,311	69,600	131
2019	18,349,584,000	627,066,233	3	55,567	71,072	128
2020	19,600,945,000	650,034,036	3	59,114	72,719	126
2021	21,403,979,000	696,440,050	3	64,450	82,036	128
2022	22,077,232,000	704,094,853	3	66,096	79,718	128
2023	23,380,269,000	744,453,492	3	69,418	90,149	130
2024	24,632,679,600	N/A	N/A	72,425	N/A	N/A

Source: Comptroller's Report for Fiscal 2025, Bureau of Economic Analysis, prior years data have been updated.
N/A: Not Available.

New York City Housing Authority

Demographic and Economic Statistics - Ten Year Trend

POPULATION - TEN YEAR TREND
2016 - 2025

Year	NYCHA	Change from Prior Period
2016............................	396,581	(0.97) %
2017............................	392,259	(1.09) %
2018............................	381,159	(2.83) %
2019............................	365,806	(4.03) %
2020............................	358,675	(1.95) %
2021............................	339,900	(5.23) %
2022............................	330,118	(2.88) %
2023............................	312,422	(5.36) %
2024............................	298,206	(4.55) %
2025............................	279,864	(6.15) %

New York City Housing Authority

Demographic and Economic Statistics - Ten Year Trend

2016 - 2025

Year	Personal Income (in thousands) NYCHA
2016	4,241,327
2017	4,248,457
2018	4,269,695
2019	4,259,891
2020	4,030,964
2021............................	3,847,446
2022............................	3,948,342
2023............................	3,702,873
2024............................	3,735,768
2025............................	3,645,071

Source: New York City Housing Authority, Resident Demographics - Operating Programs

City of New York - Persons Receiving Public Assistance - Ten Year Trend

2016-2025
Average Annual Recipients

Year		Public Assistance	SSI (a)
		(in thousands)	
2016	....	370	394,680
2017	....	364	388,629
2018	....	356	381,373
2019	....	332	374,695
2020	....	378	359,226
2021	....	371	347,907
2022	....	425	341,410
2023	....	481	334,996
2024	....	558	331,746
2025	....	601	N/A

(a) The Social Security Income ("SSI") data is for December of each year.
N/A: Not Available

Sources: Comptroller's Report for Fiscal 2025, The City of New York, Human Resources Administration and the U.S. Social Security Administration.

New York City Housing Authority

Persons Receiving Public Assistance - Ten Year Trend

2016-2025
Number of Public Assistance Families

Year		Public Assistance
2016	....	22,710
2017	....	23,077
2018	....	22,146
2019	....	20,856
2020	....	21,037
2021	....	20,554
2022	....	22,625
2023	....	21,404
2024	....	22,007
2025	....	21,835

Source: New York City Housing Authority, Performance Tracking and Analytics Department

Nonagricultural Wage and Salary Employment - Ten Year Trend

2016-2025

(Average Annual Employment in thousands)

	2025 (b)	2024	2023	2022	2021	2020	2019	2018	2017	2016
Private Employment:										
Services (a)..........................	2,950	2,901	2,805	2,709	2,462	2,367	2,712	2,626	2,548	2,471
Wholesale Trade..................	131	132	131	131	123	122	140	141	143	144
Retail Trade.........................	292	299	306	307	293	287	349	351	352	351
Manufacturing.....................	55	55	57	58	55	53	68	71	74	77
Financial Activities..............	504	508	502	488	466	471	485	477	469	466
Transportation, Warehousing and Utilities.....................	155	151	149	147	135	128	147	143	139	135
Construction......................	137	143	144	143	141	139	161	159	153	147
Total Private Employment........	4,224	4,189	4,094	3,983	3,675	3,567	4,062	3,968	3,878	3,791
Government...........................	600	599	590	584	583	596	587	585	585	584
Total...............................	4,824	4,788	4,684	4,567	4,258	4,163	4,649	4,553	4,463	4,375
Percentage Increase (Decrease) from Prior Year	0.8%	2.2%	2.6%	7.3%	2.3%	(10.6%)	2.1%	2.0%	2.0%	2.1%

(a) Includes rounding adjustment.

(b) Six months average.

Notes: This schedule is provided in lieu of a schedule of principal employees because it provides more meaningful information. Other than the City of New York, no single employer employs more than 2 percent of total nonagricultural employees.
Data are not seasonally adjusted.

Source: Comptroller's Report for Fiscal Year 2025, New York State Department of Labor, Division of Research and Statistics.
Prior years data have been updated

Employment Status of the Resident Population - Ten Year Trend

2015-2024

	Civilian Labor Force (in thousands)		**Unemployment Rate**	
Year	New York City Employed	New York City Unemployed(a)	New York City	United States
2015 ……………………….	3,984	228	5.6	5.3
2016 ……………………….	4,022	210	5.1	4.9
2017 ……………………….	4,101	194	4.5	4.4
2018 ……………………….	4,094	176	4.1	3.9
2019 ……………………….	4,108	168	3.9	3.7
2020 ……………………….	3,581	498	12.2	8.1
2021 ……………………….	3,685	411	10.0	5.4
2022 ……………………….	3,890	232	5.7	3.6
2023 ……………………….	3,998	216	5.2	3.6
2024 ……………………….	4,710	227	5.3	4

(a) Unemployed persons are all civilians who had no employment during the survey week, were available for work, except for temporary illness, and had made efforts to find employment some time during the prior four weeks. This includes persons who were waiting to be recalled to a job from which they were laid off or were waiting to report to a new job within 30 days.

Note: Employment and unemployment information is not seasonally adjusted.
Sources: Comptroller's Report for Fiscal 2025, U.S. Department of Labor, Bureau of Labor Statistics, and Office of the Comptroller, Fiscal and Budget Studies. Prior Years data have been updated.

SCHEDULES OF OPERATING INFORMATION

NEW YORK CITY HOUSING AUTHORITY
SUMMARY OF PUBLIC HOUSING DEVELOPMENTS

DEVELOPMENT DATA	DEVELOPMENTS IN FULL OPERATION			
	PROGRAM			
	FEDERAL	LLC I	PACT/RAD	TOTAL**
NUMBER OF DEVELOPMENTS	209	10	116	335
NUMBER OF CURRENT APARTMENTS ***	134,522	10,880		145,402
NUMBER OF SECTION 8 TRANSITION APARTMENTS	-	2,061		2,061
TOTAL NUMBER OF APARTMENTS ****	135,325	10,930	31,310	177,565
RESIDENTIAL BUILDINGS	1,722	86	602	2,410
NON-RESIDENTIAL BUILDINGS	96	4	28	128
POPULATION* PUBLIC HOUSING	258,456	17,513		275,969
POPULATION* SECTION 8 TRANSITION	-	3,895		3,895
TOTAL POPULATION*	258,456	21,408	55,005	334,869

* Population as of January 2026
** Does not include Lavanburg Houses and PSS Grandparent Family Apartments
*** Current Apartments are units which are occupied as well as vacant available
**** Total Number of Apartments includes units which are occupied, vacant available, as well as units that are off the rent rolls or vacant unavailable

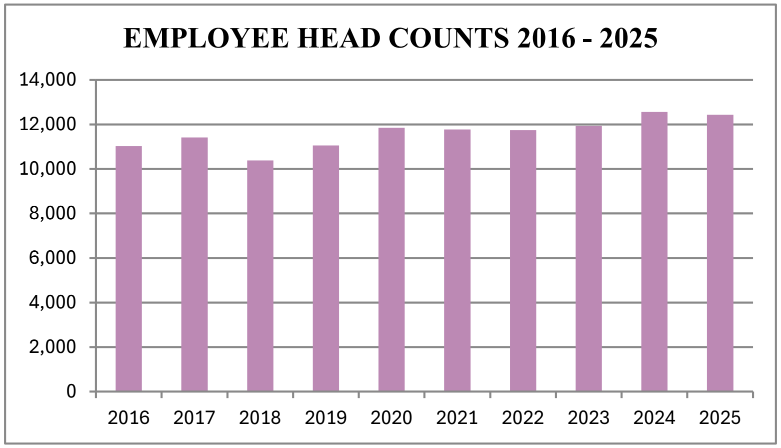
Source: New York City Housing Authority, Performance Tracking and Analytics Department

NEW YORK CITY HOUSING AUTHORITY
LEASE COMMITMENTS
($ in thousands)

LESSOR	YEAR OF EXPIRATION	ANNUAL RENTAL 2025	FUTURE MINIMUM ANNUAL RENTS	FACILITY
IPG LIC 49th Ave Lower Floor Unit's Property Owner LLC (formerly LIC 73 Owner, LLC)	2050	$ 18,292	$ 651,016	Office Building
90 Church Street Limited Partnership	2044	15,160	330,865	Office Building
250 Broadway Associates	2039	6,636	100,981	Office Building
Fordham Renaissance Associates	2030	3,010	12,541	Office Building
Atara Vanderbilt LLC	2030	2,619	11,123	Office Building
Hutch Metro Center I LLC	2026	1,952	325	Office Building
Other	2026	2,196	1,354	Equipment
TOTAL		**$ 49,865**	**$ 1,108,205**	

NEW YORK CITY HOUSING AUTHORITY
EMPLOYEE HEADCOUNT 2016 - 2025

Year	Full Time	Part Time	Total
2016	10,624	403	11,027
2017	10,976	444	11,420
2018	10,287	97	10,384
2019	10,973	86	11,059
2020	11,797	60	11,857
2021	11,684	89	11,773
2022	11,706	38	11,744
2023	11,905	34	11,939
2024	12,395	164	12,559
2025	12,250	194	12,444



Note: Includes only employees who are active and receiving bi-weekly pay.

Source: New York City Housing Authority
Department of Human Resources