

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT

ANNUAL INVESTMENT REPORT FOR FISCAL
YEAR ENDED MARCH 31, 2012

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**NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT
INVESTMENT GUIDELINES, AS AMENDED**

Introduction

On January 19, 1984, the New York State Urban Development Corporation adopted comprehensive corporate investment guidelines as required by Section 2925 of the New York Public Authorities Law. The following comprehensive corporate investment guidelines amend and restate the guidelines previously adopted in compliance with the requirement for periodic review and updating of investment guidelines set forth in Section 2925 and in the Investment Guidelines for Public Authorities adopted by the Comptroller of the State of New York in July 1987.

ARTICLE ONE

Definitions

As used herein the terms set forth below are defined as follows:

- 1.1 "Comptroller" means the State Comptroller.
- 1.2 "Corporation" means the New York State Urban Development Corporation d/b/a/ Empire State Development Corporation, as corporate governmental agency of the State of New York, constituting a public benefit corporation and a political subdivision, established pursuant to Chapter 174 of the Laws of 1968 of the State of New York.
- 1.3 "Investment Funds" means all monies and financial resources available for investment by the Corporation, other than proceeds of bonds issued by the Corporation.
- 1.4 "Repurchase Agreement" means a repurchase agreement satisfying the requirements set forth in Article Four herein.
- 1.5 "Securities" means any or all of the investment obligations of the categories described in Section 4.1 of Article Four herein.
- 1.6 "State" means the State of New York.

ARTICLE TWO

Scope

These guidelines shall govern the investment and reinvestment of Investment Funds and the sale and liquidation of investments, as well as the monitoring, maintenance, accounting, reporting and internal controls by and of the Corporation with respect to such investment, sale, reinvestment and liquidation.

ARTICLE THREE

Investment Objectives

The Corporation's investment activities shall have as their first and foremost objective the safeguarding of the principal amount of the Investment Funds. Additional considerations regarding the Corporation's investment activities shall be liquidity of investments, realization of a reasonable return on investments and diversification of investments.

ARTICLE FOUR

Permissible Investments

- 4.1 The Corporation may invest its Investment Funds in any and all of the following, if and to the extent permitted by statutes, regulations and bond resolutions applicable at the time of investment of such Investment Funds:
- 1) Any bonds and other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by the United States of America;
 - 2) Any bonds and other obligations which as to principal and interest constitute direct obligations of the State or the Corporation or which are unconditionally guaranteed by the State as to payment of principal and interest;
 - 3) Bonds and other obligations of governmental authorities, political subdivisions, Federal Agencies, Government Sponsored Enterprises (GSE's) or public authorities of the State or of the United States of America, which are securities in which the Corporation lawfully may invest pursuant to applicable statutes, regulations and bond resolutions including but not limited to Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home

Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC-“Freddie Mac”), and Student Loan Marketing Association (SLMA-“Sallie Mae”);

- 4) Prime Commercial Paper issued by domestic banks, corporations and financial companies rated "A-1" or "P-1" by Standard & Poor's Corporation or Moody's Investors Service, Inc.;
 - 5) Certificates of Deposit of banks or trust companies authorized to do business in this State, including commercial banks who participates in New York State Excelsior Linked Deposit programs and are authorized program depositories, which certificates of deposit are fully insured by the Federal Deposit Insurance Corporation or fully secured, as required by Section 4.3.1 below, by securities of the character described in clauses (1), (2) or (3) of this paragraph;
 - 6) Subject to the requirements of Section 4.2 below, any repurchase agreement with any bank or trust company authorized to do business in the State of New York or with any broker-dealers included in the Federal Reserve Bank of New York's list of primary government security dealers, which agreement is secured by securities of the character described in clauses (1), (2) or (3) of this paragraph;
 - 7) Real property;
 - 8) Units, shares or interest in a mutual fund or money market fund of regulated investment companies which seek to maintain a constant net asset value per share of \$1.00 and have been rated in one of the two highest categories by at least one nationally recognized ratings organization and invests in instruments described in clauses (1), (2) or (3) of this paragraph.
- 4.1.1 The Corporation may invest its Small Business Technology Investment Fund, or any successor entity, in all types of equity investments, including but not limited to stock, convertible debt and debts with warrants in addition to the other permitted investments referenced above.

4.2 Specific Requirements Governing Repurchase Agreements

- 4.2.1 Eligible Sellers. The Corporation shall enter into Repurchase Agreements only with banks or trust companies authorized to do business in the State or from broker-dealers on the Federal Reserve Bank of New York's list of primary government securities dealers and only after the Corporation's Chief Financial Officer or Treasurer has reviewed such firm's capitalization and the Corporation's Chief Financial Officer and Chief Executive Officer have set a limit on the amount of monies that the Corporation may invest with such firm at any one time. The

placement of Repurchase Agreements shall be distributed among several authorized firms to reduce the level of risk. The investment limit set for each such firm shall not be exceeded unless the Chief Financial Officer, the Chief Executive Officer or the Controller of the Corporation makes a written finding that sufficient Securities are not available from other eligible firms. Not less frequently than once each year, the Corporation's Chief Financial Officer or Treasurer shall review and, if appropriate, recommend adjustment of the investment limit for each eligible seller in light of such firm's current capitalization. All investment limit adjustments shall require the approval of the Chief Financial Officer and Chief Executive Officer.

- 4.2.2 Eligible Custodian Banks. To be eligible to hold the Securities which are the subject of a Repurchase Agreement, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of Securities to the credit of the Corporation. Transfer of Securities, whether by book entry or physical delivery, should be confirmed in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities. The Corporation's Directors must affirmatively find that a proposed custodial bank is financially sound before such bank may be eligible to perform custodial services for the Corporation.
- 4.2.3 Maximum Maturity of Repurchase Agreements. There shall be no "open repurchase" agreements. Repurchase Agreements shall be limited to a maturity not to exceed ten (10) working days. Collateral shall have maturities not exceeding thirty (30) years.
- 4.2.4 Standard Terms for Repurchase Agreements. The Corporation shall execute a master Repurchase Agreement with each broker-dealer which outlines the basic rights of both buyer and seller including:
- (a) The events of default which would permit the Corporation to liquidate or purchase the underlying Securities;
 - (b) The relationship between parties to the agreement, which should ordinarily be purchaser and seller;
 - (c) A requirement that there be a written contract with the custodial bank outlining the responsibilities of the bank and the parties to the agreement. Such an agreement must provide, among other things, that the custodial bank will not make payment for the Securities until the bank actually receives them and that the custodial bank takes possession of the Securities exclusively for the Corporation and that any claims of the custodial bank are subordinate to those of the Corporation;

- (d) Procedures which ensure that the Corporation obtains a perfected security interest in the underlying Securities. The Corporation or its custodian must take possession of the Securities being purchased by physical delivery or book entry. Furthermore, the written agreement shall contain a provision that, in the event a court of final jurisdiction construes the specific Repurchase Agreement to be a loan, the seller shall be deemed to have granted the Corporation a perfected security interest in the purchased Securities;
- (e) The market value of the Securities purchased under a repurchase transaction must be at least equal to the purchase price. The value of the Securities must be monitored and marked to market on a daily basis. Additional Securities shall be required if market fluctuations cause the market value of the purchased Securities to become less than the purchase price. The Corporation's Chief Financial Officer or Treasurer shall establish the method of computing margin maintenance requirements and providing for timely correction of margin deficiencies or excesses, taking into consideration:
 - (i) the size and terms of the transaction;
 - (ii) the type of underlying Security;
 - (iii) the maturity of the underlying Security;
 - (iv) the capitalization, financial status and type of purchaser and/or seller; and
 - (v) the method by which additional margin will be maintained; and
- (f) Circumstances, if any, under which substitution of Securities subject to the agreement shall be permitted.

4.3 Specific Requirements Regarding Certificates of Deposit.

- 4.3.1 Collateral Requirements. To the extent that the Corporation's investment in a certificate of deposit is less than fully insured by the Federal Deposit Insurance Corporation, the uninsured portion shall be fully collateralized by Securities (other than Repurchase Agreements). Collateral for a certificate of deposit must be reviewed at least weekly to determine if the market value of the Securities equals or exceeds the principal amount of the uninsured portion of the certificate of deposit plus accrued interest. If the market value of the Securities is insufficient, the issuer of the certificate of deposit must exchange or add to the

amount of collateral to bring its market value to equal or exceed the uninsured portion of the principal amount of the certificate of deposit plus accrued interest.

4.3.2 Standard Terms for Certificate of Deposit Collateral Agreement. The Corporation shall negotiate and enter into a written agreement with each bank (and custodian) from which it has obtained a certificate of deposit. Such written agreement shall, at a minimum, address the following concerns:

- (a) The frequency of the valuation of the collateral to market, as set forth above (such valuation shall be done by the Corporation at least weekly);
- (b) The right and ability of the bank to substitute like Securities as collateral;
- (c) Description of events of default which would permit the Corporation or its custodian to liquidate or purchase the underlying Securities;
- (d) Description of the party who is to have title to the underlying Securities during the term of the agreement;
- (e) With respect to the custodial bank, the agreement shall also provide that the custodial bank takes possession of the Securities as agent of the Corporation and that the claims of the custodial bank are subordinate to those of the Corporation.

ARTICLE FIVE

Operating Procedures

5.1 Authorized Officers and Employees. Only the following persons shall be authorized to make investment decisions on behalf of the Corporation: the Chairman of the Corporation's Directors; the President and Chief Executive Officer; the Chief Financial Officer; the Treasurer; the Controller, and the Executive Vice President-Legal. The implementation of such investment decisions by placement of purchase or sale orders or otherwise shall be effected only by the foregoing officers and employees and by such employees as may from time to time be designated in writing by the Chief Financial Officer and Treasurer.

5.2 Standards for the Qualification of Brokers, Dealers and Agents. Any bank or trust company organized under the laws of any state of the United States of America or any national banking association or government bond dealer which is authorized to do business in the State may become qualified by the Corporation to transact purchases and sales of Securities (other than Repurchase

Agreements) with the Corporation. Factors to be considered in determining the qualification of such firms shall include the firm's capitalization, quality, size and reliability, the Corporation's prior experience with the firm, the firm's level of expertise and prior experience with respect to the contemplated transaction. The determination of qualification shall be made by the Chief Financial Officer and the Treasurer, who shall maintain a list of all such qualified firms.

5.3 Standards for the Qualification of Investment Advisors. For the purpose of rendering investment advice to the Corporation, the Corporation may qualify any bank or trust company organized under the laws of any state of the United States of America, any national banking association, and any partnership, corporation, or person which is:

- (a) Authorized to do business in the State;
- (b) Registered with the Securities & Exchange Commission under the Investment Advisor Act of 1940;
- (c) Registered with the New York State Secretary of State as an Investment Advisor; and
- (d) A member in good standing of the Investment Counsel Association of America.

The Corporation also shall consider the additional criteria (other than capitalization) enumerated in the preceding paragraph.

5.4 Standards for the Qualification of Custodial Banks. To be eligible to hold Securities as collateral for an investment made by the Corporation, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of Securities to the credit of the Corporation. Transfer of Securities, whether by book entry or physical delivery, should be confirmed to in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities. To be eligible to perform custodial services, the Corporation's Directors must affirmatively find that the proposed custodial bank is financially sound.

5.5 Competitive Bids; Negotiated Prices. In connection with the purchase and sale of Securities, for each transaction in excess of two and one-half million dollars (\$2,500,000.00) (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation shall utilize competitive quotations. For each transaction which is equal to or less than two and one-half million dollars (\$2,500,000.00) (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation may utilize either competitive quotations or negotiated prices. The foregoing shall not apply to the purchase of government securities referred to in section 4.1 (1) at initial auction or to the purchase of investments referred to in section 4.1 (3) which are

new securities priced directly by the respective issuer. A complete and continuous record of all quotes, solicited and received, shall be maintained by the Treasury Department.

For each transaction (other than the purchase of governmental securities at initial auction or new securities priced directly by the respective issuer) in excess of two and one-half million dollars (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), a minimum of three separate solicitations will be made on each direct purchase or sale of a Security (including a Repurchase Agreement). The transaction shall be awarded to the dealer(s) offering the highest yield or return, provided that, with respect to Repurchase Agreements, the amount of the investment with each individual firm does not exceed the investment limit referred to in Section 4.2.1 above.

- 5.6 Written Contracts and Confirmations. A written contract and/or a written confirmation shall be a required for each investment transaction. With respect to the purchase or sale of Securities other than Repurchase Agreements, the Corporation shall not be required to enter into a formal written contract, provided that the Corporation's oral instructions to its broker, dealer, agent, investment advisor or custodian with respect to such transactions are confirmed in writing at the earliest practicable moment. A written contract shall be required for each purchase and sale of a Repurchase Agreement.
- 5.7 Payment. Payment for investments shall be made only upon written confirmation of presentation of the physical Security, or in the case of book-entry form Securities, when credited for the custodian's account, which shall be segregated for UDC's sole use. The custodian may act on oral instructions from an authorized officer of the Corporation or their designee, such instructions to be confirmed in writing immediately by an authorized officer of the Custodian. Such collateral shall, on the date of purchase, be at least equal in market value to the amount of the investment.
- 5.8 Collateral. Except as specifically otherwise provided herein, the Corporation's financial interest in its investments shall be fully secured or collateralized at all times in an amount not less than the original amount invested plus accrued, unpaid interest thereon. Only Securities permissible for investment by the Corporation pursuant to these Guidelines (other than Repurchase Agreements) may be accepted as collateral. Contracts of financial guaranty, surety or other similar bonds or instruments purchased from an insurance company holding the highest rating afforded by any nationally recognized rating organization may be acceptable as collateral. Pledges of proportionate interests in pooled collateral shall not constitute acceptable collateral. In the case of certificates of deposit and demand and time deposits, collateral shall be provided for amounts in excess of the applicable limit of coverage provided by the Federal Deposit

Insurance Corporation. Collateral shall be maintained in the custody of the Corporation or an approved third party custodian at all times. To assure that, at all times, the market value of said collateral is at least equal to the original amount invested plus all accrued, unpaid interest, collateral shall be marked to market at the time the investment is made and thereafter weekly.

5.9 Operating Procedure Manual. The Corporation's Treasurer shall prepare a Standard Operating Manual for placing, controlling and reporting of all investment activity which shall be consistent with these guidelines, be approved by the Corporation's Controller or Chief Financial Officer and shall be consistent with the following:

- (a) Each disbursement of funds (and corresponding receipt of Securities) or delivery of Securities (and corresponding receipt of funds) should be based upon proper written authorization. If the authorization is initially given orally, there should be written confirmation from the Corporation's authorized officer to the custodian;
- (b) The process of initiating, reviewing and approving requests to buy and sell Securities should be documented and retained for audit purposes;
- (c) Custodians must have prior authorization from the Corporation to deliver obligations and collateral. All transactions must be confirmed in writing to the authority. Delivery of obligations sold should only be made upon receipt of funds;
- (d) Custodial banks should be required to report whenever activity has occurred in the Corporation's custodial account;
- (e) There should be at least monthly verifications of both the principal amount and the market values of all investments and collateral. Appropriate listings should be obtained from the custodian and compared against the Corporation's records;
- (f) A record of investments shall be maintained by the Corporation's Treasurer. The records should identify the Security, the fund for which held, the place where kept, date of disposition and amount realized and the market value and custodian of collateral;
- (g) The establishment and maintenance of a system of internal controls;
- (h) Methods for adding, changing or deleting information contained in the investment record, including a description of the documents to be created and verification tests to be conducted;

- (i) A data base or record incorporating descriptions and amounts of investments, transaction dates, interest rates, maturities, bond ratings, market prices and related information necessary to manage the portfolio; and
- (j) Requirements for periodic reporting and a satisfactory level of accountability.

ARTICLE SIX

Reports and Audits

The following reports and audits shall be prepared in connection with the Corporation's investment program.

- 6.1 Annual Investment Report. As required by Section 2925(6) of the Public Authority Law, annually the Chairman shall submit to the Directors and the Corporation shall file with the State Division of the Budget, Comptroller, State Senate Finance Committee and Assembly Ways and Means Committee an annual investment report, prepared with the assistance of the Chief Financial Officer and Controller, which shall include the following:
- 1) The Investment Guidelines required by Section 2925(3) of the Public Authorities Law and any amendments to such guidelines since the last investment report;
 - 2) An explanation of the Investment Guidelines and amendments;
 - 3) The results of the Annual Investment Audit (described below);
 - 4) The investment income record of the Corporation; and
 - 5) A list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Corporation since the date of the last investment report.
- 6.2 Annual Investment Audit. Each year, the Corporation shall cause its independent auditors to conduct an audit (the "Annual Investment Audit") regarding the

Corporation's investments. (The Corporation's financial statements with respect to investments, which are required to be prepared in conformance with generally accepted accounting principles for governments ("GAAP"), should contain all of the note disclosures on deposits with financial institutions and investments required by the Governmental Accounting Standards Board Statements No. 3 "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" dated April 1986). The Annual Investment Audit:

- 1) Shall determine whether: the Corporation complies with its own investment policies; investment assets are adequately safeguarded; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of the Corporation's assets; and a system of adequate internal controls is maintained.
- 2) Shall determine whether the Corporation has complied with applicable laws, regulations and State Comptroller's Investment Guidelines; and
- 3) Should be designed to the extent practical to satisfy both the common interest of the Corporation and the public officials accountable to others.

6.3 Annual Investment Audit Report. The results of the Annual Investment Audit shall be set forth in a report (the "Annual Investment Audit Report") which shall include without limitation:

- 1) verification of collateral;
- 2) a description of the scope and objectives of the audit;
- 3) a statement that the audit was made in accordance with generally accepted government auditing standards;
- 4) a description of any material weaknesses found in the internal controls;
- 5) a description of all non-compliance with the Corporation's investment policies as well as applicable laws, regulations and the State Comptroller's Investment Guidelines;
- 6) a statement of positive assurance of compliance on the items tested and negative assurance on those items not tested;
- 7) a statement on any other material deficiency or finding identified during the audit not covered in (6) above; and

- 8) recommendations, if any, with respect to amendment of these Guidelines.

The Annual Investment Audit Report shall be filed within ninety (90) days after the close of the Corporation's fiscal year with the Coordinator of Public Authority Programs, Office of the State Comptroller, A. E. Smith Office Building, Albany, NY 12236.

ARTICLE SEVEN

Affirmative Action

A program of Affirmative Action shall apply with respect to UDC's corporate investment activities. UDC shall seek to encourage participation by minority and women-owned financial services firms in the conduct of UDC's corporate investment activities.

ARTICLE EIGHT

Miscellaneous

- 8.1 In connection with the Annual Investment Audit, each year the Corporation shall review these Guidelines to determine whether the Corporation shall amend or otherwise update these Guidelines.
- 8.2 The Corporation's policy regarding conflicts of interest shall be followed regarding the investment of funds.

Explanation of Investment Guidelines & Amendments

On January 19, 1984, the New York State Urban Development Corporation adopted comprehensive corporate investment guidelines as required by Section 2925 of the New York Public Authorities Law. The Guidelines have been amended and restated over time in compliance with the requirement for periodic review and updating of investment guidelines set forth in Section 2925 and in the Investment Guidelines for Public Authorities adopted by the Comptroller of the State of New York in July 1987. The Guidelines include, among other things, a list of permitted Corporate investments, as well as procedures and provisions to secure the Corporation's financial interest in its investments. There are no recommended changes to the Investment Guidelines.

When making investment decisions the first priority that is considered is the preservation of capital; after that liquidity, and then return on investment are evaluated. There are numerous projects and programs whose funding needs must be accommodated; frequently these funding requirements occur on short notice. The safety and liquidity factors, combined with today's very low rate environment, result in a portfolio that currently has a short average maturity (for the fiscal year ended March 31, 2012 this average was 75 days).

INDEPENDENT AUDITORS' REPORT

The Board of Directors
New York State Urban Development
Corporation:

We have audited the accompanying consolidated balance sheets of New York State Urban Development Corporation and Subsidiaries (the "Corporation"), a component unit of the State of New York, as of March 31, 2012 and 2011, and the related consolidated statements of revenue, expenses and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits 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, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York State Urban Development Corporation and Subsidiaries as of March 31, 2012 and 2011, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 8, 2012, on our consideration of New York State Urban Development Corporation and Subsidiaries' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16 be presented to supplement the basic financial statements. Such information, 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 inquires 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 audit 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.

Toski & Co., CPAs, P.C.

Williamsville, New York
June 8, 2012

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Board of Directors
New York State Urban Development
Corporation:

We have audited the consolidated financial statements of New York State Urban Development Corporation and Subsidiaries (the "Corporation"), a component unit of the State of New York, as of and for the year ended March 31, 2012, and have issued our report thereon dated June 8, 2012. We conducted our audit 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, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Corporation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the consolidated financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors, management, the New York State Legislature, the New York State Office of the State Comptroller, the New York State Senate, the New York State Division of the Budget, and the New York State Authorities Budget Office and is not intended to be and should not be used by anyone other than those specified parties.

Toski & Co., CPAs, P.C.

Williamsville, New York
June 8, 2012

INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE

The Board of Directors
New York State Urban Development
Corporation:

We have examined the New York State Urban Development Corporation and Subsidiaries' (the "Corporation") a component unit of the State of New York, compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York during the year ended March 31, 2012. Management is responsible for the Corporation's compliance with those requirements. Our responsibility is to express an opinion on the Corporation's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Corporation's compliance with specified requirements.

In our opinion, the Corporation complied, in all material respects, with the aforementioned requirements during the year ended March 31, 2012.

In accordance with Government Auditing Standards, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grants, and abuse that are material to the Corporation's compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Corporation complied with the aforementioned requirements and not for the purpose of expressing an opinion on internal control over compliance with those requirements or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors, management, the New York State Legislature, the New York State Office of the State Comptroller, the New York State Senate, the New York State Division of the Budget, and the New York State Authorities Budget Office and is not intended to be and should not be used by anyone other than those specified parties.

Toski & Co., CPAs, P.C.

Williamsville, New York
June 8, 2012

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	<u>AMOUNT</u> (\$000'S) <u>(PAR)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>YIELD</u> <u>(%)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>MATURITY</u> <u>(DAYS)</u>
CORPORATE	254,045		
CORP. RESERVES, OPERATIONS & ESCROW FUNDS (b)	197,013	0.14	114
125 MAIDEN LANE FUND (025)	57,032	0.07	75
EXCELSIOR LINKED DEPOSIT PROGRAM FUNDS (i)	9,276		
ELDP (010)	9,276	0.12	175
(i) YIELD IS REDUCED DUE TO SUBSIDY PROGRAM			
PORT DIST. REG'L PROM. & WTC LOAN GUAR. RESRV. FUND	897		
WTC RESERVE - JPM CHASE (044)	897	0.05	19
ECONOMIC DEVELOPMENT PROGRAM FUNDS	324,592		
ED FUNDS (POOLED INVESTMENT) (010)	59,235	0.02	4
EMPIRE STATE ED PROGRAM (050)	5,689	0.04	41
USA NIAGARA (085)	10,313	0.05	30
SPECIAL LEGISLATIVE INITIATIVES (199)	13,996	0.04	57
HIGH RISK MINORITY REVOLVING LOAN FUND (201)	6,507	0.01	6
HCDC VICTORIA THEATRE (249)	915	0.07	54
COMMUNITY PROJECT FUND MISC. (212)	4,991	0.05	44
MINORITY & WOMEN BUSINESS DEV. LENDING (218)	2,933	0.05	2
QUEENS WEST DEV. CORP. (460)	9,143	0.03	30
REGIONAL REVOLVING LOAN TRUST FUND LOCAL ASST. (225)	2,459	0.09	69
URBAN & COMMUNITY DEV PROG. (226)	2,205	0.08	70
REGIONAL ECONOMIC DEV. LOCAL ASST. (262)	1,994	0.03	19
ED GENERAL (310)	19,333	0.05	62
REGIONAL ECONOMIC DEV. PARTNERSHIP (312)	2,482	0.06	16
ERIE CANAL HARBOR DEV. (322)	10,000	0.05	30
NEW NEW YORK (474C)	2,493	0.10	83
ED INCOME (618P)	4,855	0.04	40
INTEREST SUBSIDY FUND (054)	1,986	0.04	51
EMPOWERMENT ZONE - CITY (053)	16,028	0.03	45
FARLEY BUILDING (012)	851	0.07	4
TENANT REPAIR LOSS(029)	6,505	0.03	3
PA DISNEY TRUST NEW AMSTERDAM (504)	10,231	0.05	44
SITE 7 FEE & FIXTURE (511)	1,115	0.03	16
42ND PUBLIC PURPOSE FUND (513)	50,598	0.04	34
42ND SITE 7 TRUST FUND ACCOUNT (516)	12,571	0.06	32
42ND SITE 1, 3, 4 & 12 TRUST (523)	17,006	0.04	65
42ND SITE 8 NTH TRUST FUND (520)	2,503	0.04	51
42ND SITE 8 STH TRUST FUND (527)	5,168	0.04	31
42ND SITE 8 STH SAC FUND (524)	1,001	0.10	83
ONE BRYANT PARK GENERAL REVENUE (529)	6,721	0.07	46
OPEB LIABILITY ACCT (026C)	15,013	0.05	45
ED PROGRAM FUND 2010 (143)	1,495	0.03	16
MERF (146)	9,507	0.03	24
MOYNIHAN PHASE 1 (102)	6,750	0.01	5
FARLEY CERTIF.'S OF PARTICIPATION 2010	2,820		
CAPITALIZED INTEREST FUND (432)	2,820	0.99	118
CORP. PURP. SENIOR LIEN '96 BONDS	7,594		
REDEMPTION FUND (421)	7,594	0.03	40
CORP. PURP. SUBORD. LIEN '96 BONDS & RELATED HOUSING FUNDS	129,606		
INTEREST FUND (416)	1,176	0.03	89
PRINCIPAL FUND (417)	2,077	0.03	89
DEBT SERVICE RESERVE FUND (424)	11,916	0.03	20
EXCESS RECOVERY (008)	35,365	0.06	44

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	AMOUNT (\$000'S) <u>(PAR)</u>	AVERAGE WEIGHTED YIELD <u>(%)</u>	AVERAGE WEIGHTED MATURITY <u>(DAYS)</u>
HOUSING & ED LOAN ESCROW (010)	3,345	0.15	90
UNITY PARK II CHERRY HILL (423)	2,891	0.03	72
HOUSING REPAIRS RESERVE (007)	72,836	0.08	139
CORP. PURP. SUBORDINATE LIEN '04A BONDS	46,722		
DEBT SERVICE RESERVE FUND (794)	7,475	4.78	745
REVENUE FUND (799)	39,247	0.05	98
UDC/COMMUNITY ENHANCEMENT FACILITIES -SERIES 1998	8,793		
ERIE CO. STAD. CONSTRUCTION FUND (060)	4,700	0.01	3
DEBT SERVICE RESERVE FUND (768)	4,093	3.37	387
UDC/CLARKSON UNIVERSITY LOAN '95 REFUNDING	517		
DEBT SERVICE RESERVE FUND (625)	517	3.11	1,032
UDC/COLUMBIA UNIVERSITY PROJECT REVENUE BONDS	911		
BOND SERVICE FUND (415)	911	0.09	89
UDC/COLUMBIA UNIVERSITY LOAN PROJECT REVENUE BONDS	4,962		
DEBT SERVICE RESERVE FUND (378)	4,962	0.10	257
UDC/CORNELL UNIVERSITY LOAN PROJECT REVENUE BONDS	827		
DEBT SERVICE RESERVE FUND (381)	700	0.10	257
BOND SERVICE FUND (380)	127	0.08	89
UDC/STATE OFFICE FACILITIES BONDS '95 REFUNDING	10,297		
DEBT SERVICE RESERVE FUND (618)	10,297	0.05	19
UDC/RPI - PROJECT REVENUE BONDS '95 REFUNDING	4,210		
DEBT SERVICE RESERVE FUND (636)	4,210	0.04	89
UDC/SYRACUSE UNIVERSITY LOAN '95 REFUNDING	2,653		
DEBT SERVICE RESERVE FUND (634)	2,653	0.05	101
UDC/UNIVERSITY GRANTS '95 REFUNDING	881		
DEBT SERVICE RESERVE FUND (609)	881	0.02	47
UDC/CORRECTIONAL FACILITIES REVENUE BONDS- A THRU G	14,545		
DEBT SERVICE RESERVE FUND-A THRU G (369)	14,545	0.01	12
UDC/PERS. INC. TAX '02 A	29		
YOUTH PROJ. FUND (764)	29	0.03	5
UDC/PERS. INC. TAX '02 C1	421		
CORRECTIONAL PROJ. FUND (747)	370	0.03	5
STATE PROJECT PROJ. FUND (750)	51	0.05	19
UDC/PERS. INC. TAX '02 D	138		
S.I.P. PROJ. FUND (755)	138	0.03	5
UDC/PERS. INC. TAX '03 A1	115		
CCAP PROJ. FUND (757)	41	0.02	5
EOF PROJ. FUND (758)	74	0.03	5
UDC/PERS. INC. TAX '03 A2	28		

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	<u>AMOUNT</u> (\$000'S) <u>(PAR)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>YIELD</u> <u>(%)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>MATURITY</u> <u>(DAYS)</u>
ALBANY COE PROJ. FUND (759)	28	0.03	5
UDC/PERS. INC. TAX '03 B	466		
CORR. PROJ. FUND (808)	149	0.05	19
EQUIP. PROJ. FUND (777)	143	0.02	5
HOMELAND PROJ. FUND (766)	41	0.02	5
A.E.S. PROJ. FUND (779)	97	0.05	19
YOUTH PROJ. FUND (770)	36	0.05	19
UDC/PERS. INC. TAX '03 C1	1,034		
CCAP PROJ. FUND (771)	101	0.03	5
EOF PROJ. FUND (772)	575	0.02	5
SPORT PROJ. FUND (773)	358	0.02	5
UDC/PERS. INC. TAX '04 A1	1,085		
CORR. PROJ. FUND (812)	59	0.02	5
EQUIP. PROJ. FUND (817)	478	0.03	5
A.E.S. PROJ. FUND (814)	548	0.02	5
UDC/PERS. INC. TAX '04 A3	850		
BOND SERVICE FUND (821)	850	0.03	13
UDC/PERS. INC. TAX '04 A4	61		
EQUIP. PROJ. FUND (837)	61	0.02	5
UDC/PERS. INC. TAX '04 B1	48		
EOF FUND (825)	48	0.03	5
UDC/PERS. INC. TAX '04 B2	110		
CCAP PROJ. FUND (838)	51	0.02	5
EOF FUND (836)	59	0.02	5
UDC/PERS. INC. TAX '04 B3	7,721		
EOF FUND (823)	7,721	0.05	21
UDC/PERS. INC. TAX '05 A1	10,112		
EOF PROJ. FUND (848)	88	0.02	47
NED PROJ. FUND (847)	10,024	0.05	19
UDC/PERS. INC. TAX '05 A2	101		
EOF PROJ. FUND (849)	65	0.02	47
REG PROJ. FUND (850)	36	0.02	47
UDC/PERS. INC. TAX '05 B	2,231		
CORR. PROJ. FUND (862)	181	0.02	47
EQUIP. PROJ. FUND (868)	1,163	0.02	47
ELK ST. PROJ. FUND (866)	887	0.02	47
UDC/PERS. INC. TAX '07 A	214		
QUEENS STADIUM FUND (871)	158	0.02	47
NED FUND (872)	33	0.02	47
RED FUND (873)	23	0.02	47
UDC/PERS. INC. TAX '07 B	195		
CORRECTIONAL FUND (875)	39	0.02	47
STATE PROJECT PROJ. FUND (877)	33	0.02	47
EQUIP. PROJ. FUND (880)	123	0.02	47

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	<u>AMOUNT</u> (S000'S) <u>(PAR)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>YIELD</u> <u>(%)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>MATURITY</u> <u>(DAYS)</u>
UDC/PERS. INC. TAX '07 C	6,180		
CORRECTIONAL FUND (891)	168	0.07	82
STATE PROJECT FUND (889)	3	0.07	82
EQUIP. PROJ. FUND (886)	6,009	0.05	22
UDC/PERS. INC. TAX '08 A1	11,790		
ATLANTIC YARDS FUND (905)	221	0.07	82
BUFFALO FUND (901)	236	0.07	82
COMM. CAPITAL ASST. FUND (896)	1,814	0.02	12
CEFAP FUND (902)	4,783	0.05	13
CULTURAL FUND (899)	841	0.07	82
ECON. DEVELOPMENT FUND (898)	2,601	0.05	19
EOF FUND (895)	81	0.07	82
SIP FUND (903)	761	0.07	82
TECHNOLOGY FUND (897)	63	0.07	82
UNIVERSITY DEVELOPMENT FUND (900)	57	0.07	82
YANKEE STADIUM FUND (904)	332	0.07	82
UDC/PERS. INC. TAX '08 A2	440		
TECHNOLOGY FUND (907)	440	0.07	82
UDC/PERS. INC. TAX '09 A1	3,347		
UPSTATE REG'L BLUEPRINT (921)	1,575	0.03	19
YANKEES (923)	20	0.02	47
ATLANTIC YARDS (924)	33	0.05	19
RESTORE (927)	25	0.05	19
LUTHER FOREST (930)	21	0.05	19
ECON. DEVELOPMENT (932)	1,673	0.04	26
UDC/PERS. INC. TAX '09 A2	45		
SEMATECH (925)	45	0.02	47
UDC/PERS. INC. TAX '09 B1	7,276		
CORRECTIONAL (937)	86	0.02	47
EQUIPMENT (939)	7,094	0.05	19
OFT DATA CENTER (942)	67	0.02	47
OGS CAPITAL (944)	29	0.02	47
UDC/ CORR./YOUTH S.C.REF. '02B	1,090		
BOND SERVICE FUND (744)	1,090	0.02	5
UDC/ S.C.REFUNDING 2008 A&B	1,060		
BOND SRV (910)	1,060	0.05	5
UDC/ S.C.REFUNDING 2011 A	57		
COI (996)	57	0.05	26
UDC/ STPIT GEN 09C	70,912		
ARTS & CULTURE (949)	1,876	0.04	19
CAPITAL PROJECT (950)	14,749	0.05	19
COMM CAP (951)	7,695	0.05	19
CEFAP (952)	8,415	0.05	19
DWNSTREVITAL (954)	3,504	0.05	19
EMP OPP (957)	1,896	0.05	19
NYSEDAP (958)	3,353	0.05	19
NYSTDP (960)	1,797	0.02	61

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	<u>AMOUNT</u> (<u>\$000'S</u>) (<u>PAR</u>)	<u>AVERAGE</u> <u>WEIGHTED</u> <u>YIELD</u> (<u>%</u>)	<u>AVERAGE</u> <u>WEIGHTED</u> <u>MATURITY</u> (<u>DAYS</u>)
RESTORE NY (961)	40	0.05	19
SIP (962)	5,686	0.05	67
UPSTCTYBCTY (965)	23	0.05	19
UPSTREGBLUE (966)	6,308	0.05	12
HOUSING (967)	48	0.03	5
CORR FAC (968)	28	0.07	82
EQUIP (969)	15,494	0.04	13
UDC/ STPIT GEN 09D	29,353		
SEMATECH TX (972)	471	0.05	19
HOUSING TX (973)	34	0.03	19
CAP PROJ IBM TX (974)	10,084	0.05	19
DWNSTREGPR IBM TX (975)	9,327	0.05	44
NYEDAP PROJ TX (977)	1,601	0.02	61
NYSTDP IBM TX (978)	607	0.05	19
UPSTREGBLUE TX (979)	7,229	0.05	12
UDC/ STPIT GEN 09E	283		
BAB AMD (982)	208	0.07	82
BAB CORR FAC (983)	52	0.07	82
BAB YOUTH FAC (984)	4	0.07	82
BAB ST POLICE (985)	9	0.07	82
BAB AG & MARKET (987)	5	0.05	19
BAB STATE PROJECT (988)	5	0.07	82
UDC/ SERVCNTRCT REV REF 10A&B	31		
SERVCTCNTRCT 10B COI (994)	31	0.07	19
UDC/ STPIT GEN 10A	137,209		
STIPTGEN 10ABC COI (001)	51	0.05	19
STIPTGEN 10A ADELPHI (003)	632	0.03	19
STIPTGEN 10A DWNSTREVITAL (004)	2,329	0.03	19
STIPTGEN 10A UPSTCTYBCTY (008)	18,433	0.05	19
STIPTGEN 10A EQUIP (010)	76,947	0.05	23
STIPTGEN 10A CORR FAC (029)	6,008	0.05	19
STIPTGEN 10A CAP PROJ (011)	13,515	0.05	19
STIPTGEN 10A UPSTREGBLUE (013)	11,515	0.05	19
STIPTGEN 10A NYSEDAP (014)	7,714	0.05	19
STIPTGEN 10A AMD (015)	65	0.01	19
UDC/ STPIT GEN 10B	38,158		
STIPTGEN 10B TX UPSTAGR (017)	3,001	0.05	19
STIPTGEN 10B TX GIPEC (018)	10,005	0.05	19
STIPTGEN 10B TX SEMATECH (019)	25	0.02	5
STIPTGEN 10B TX NYRA (020)	25,127	0.03	61
UDC/ STPIT GEN 10C	5,164		
STIPTGEN 10C BAB AMD (022)	40	0.05	19
STIPTGEN 10C BAB CORR FAC (023)	5,108	0.05	19
STIPTGEN 10C BAB YTH FAC (024)	6	0.03	19
STIPTGEN 10C BAB ST POLICE (025)	10	0.03	61
UDC/ STPIT GEN 11A	456,233		
STIPTGEN 11AB COI (030)	185	0.05	19
STIPTGEN 11A DOWNSTATE REGL (032)	1,437	0.03	19
STIPTGEN 11A DOWNSTATE REVIT (033)	3,365	0.05	66
STIPTGEN 11A EOF-OFF BDGT (035)	2,008	0.03	19

EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY OF ALL FUNDS
AS OF MARCH 31, 2012

<u>FUNDS/PROGRAMS (a)</u>	<u>AMOUNT</u> <u>(\$000'S)</u> <u>(PAR)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>YIELD</u> <u>(%)</u>	<u>AVERAGE</u> <u>WEIGHTED</u> <u>MATURITY</u> <u>(DAYS)</u>
STIPTGEN 11A EOF-ON BDGT (036)	22,253	0.05	42
STIPTGEN 11A LUTHER (037)	1,218	0.03	19
STIPTGEN 11A NYSEDP JAVITS (038)	1,000	0.03	19
STIPTGEN 11A NYSEDP UPSTAD (039)	1,877	0.03	19
STIPTGEN 11A NYSTDP (040)	1,428	0.05	66
STIPTGEN 11A RESTORE NY (041)	15,689	0.05	19
STIPTGEN 11A SUBSUNY (042)	337	0.03	19
STIPTGEN 11A UPST CTY-BY-CTY (043)	14,793	0.05	35
STIPTGEN 11A CAPITAL PROJ (044)	29,917	0.05	19
STIPTGEN 11A UPST REGL BLUE (045)	3,109	0.05	66
STIPTGEN 11A EQUIPMT (046)	70,565	0.05	42
STIPTGEN 11A CORRECTIONAL (047)	244,286	0.05	43
STIPTGEN 11A YOUTH (048)	9,454	0.05	19
STIPTGEN 11A ST POLICE (049)	17,123	0.05	19
STIPTGEN 11A AG & MRKT FD LB (051)	7,665	0.05	43
STIPTGEN 11A HOMELAND (052)	6,500	0.05	55
STIPTGEN 11A HOUSING (053)	2,024	0.02	61
UDC/STPIT GEN 11B	24,433		
STIPTGEN 11B DWNST REVITAL (055)	2,000	0.05	66
STIPTGEN 11B CAPITAL PROJ (056)	6,916	0.05	66
STIPTGEN 11B EDF (057)	200	0.05	66
STIPTGEN 11B EOF-OFF BDGT (058)	600	0.03	19
STIPTGEN 11B NYSEDAP (059)	1,900	0.05	66
STIPTGEN 11B NYSEDP JAVITS (062)	5,051	0.05	66
STIPTGEN 11B NYSTDP (063)	1,920	0.05	66
STIPTGEN 11B UPST REGL BLUE (064)	5,846	0.05	66
UDC/PORTR DISTRICT ED CAPITAL PROGRAM	8,296		
PDEDC (417)	8,296	0.04	64

TOTAL **1,650,465**

PORTFOLIO AS OF 3/31/12 AVG. WTD YIELD = 0.09 %
AVG. WTD DAYS TO MATURITY = 72

(a) INCLUDING BANK ACCOUNT CODE

(b) THIS ACCOUNT INCLUDES APPROXIMATELY \$16.6 MILLION IN STATE APPROPRIATIONS FOR APRIL 1, 2012 DEBT SERVICE

**EMPIRE STATE DEVELOPMENT
SUMMARY OF INVESTMENT EARNINGS
FOR FISCAL YEAR ENDED 3/31/12**

FUND TYPE	TOTAL EARNINGS (\$'s)
<u>CORPORATE FUNDS</u>	
-CORPORATE FUNDS (a)	435,242
-CORPORATE PURPOSE SUB. LIEN '96 (b)	154,516
-CORPORATE PURPOSE BOND REDEMPTION	8,351
-CORPORATE PURPOSE SENIOR LIEN '01	538
-CORPORATE PURPOSE SUB. LIEN '04A	<u>358,299</u>
TOTAL CORPORATE	<u>956,946</u>
<small>(a) INCLUDES EARNINGS ON 125 MAIDEN LANE FUND & ELDP PROGRAM (b) INCLUDES RELATED HOUSING FUNDS</small>	
<u>REVENUE BOND FUNDS</u>	
-RPI RESEARCH CENTER '95 REFUNDING	4,619
-SYRACUSE UNIVERSITY LOAN '95 REF. DERF	1,939
-CORNELL UNIVERSITY LOAN	10,758
-COLUMBIA UNIVERSITY LOAN	76,228
-CLARKSON UNIVERSITY LOAN '95 REFUNDING	17,025
-UNIVERSITY FAC. GRANTS '95 REF. DSRF	247
-ERIE COUNTY STADIUM FUND	1,413
-COMM. ENHANCEMENT FAC. ASST. PRG. '98	137,650
-FARLEY 2010 CERT. OF PARTICIPATION	49,323
-STATE FACILITIES '95 REFUNDING DSRF	1,279
-CORRECTIONAL FACILITIES-"A THRU G" DSRF	68,526
-CORRECTIONAL & YOUTH FAC.'S SERV.CONT.REF. 2002	86
-SERVICE CONTRACT REFUNDING 2008A	960
-SERVICE CONTRACT REFUNDING 2010A	27
-SERVICE CONTRACT REFUNDING 2010B	0
-PERSONAL INCOME TAX '02 A, B	6
-PERSONAL INCOME TAX '02 C1, C2, D	89
-PERSONAL INCOME TAX '03 A1, A2	68
-PERSONAL INCOME TAX '03 B, C1, C2	126
-PERSONAL INCOME TAX '04 A1, A2, A3, A4, B1, B2, B3	2,910
-PERSONAL INCOME TAX '05 A1	1,657
-PERSONAL INCOME TAX '05 A2	63
-PERSONAL INCOME TAX '05 B	258
-PERSONAL INCOME TAX '07 A, B	33
-PERSONAL INCOME TAX '07 C	1,364
-PERSONAL INCOME TAX '08 A1, A2	1,744
-PERSONAL INCOME TAX '09 A1, A2	1,955
-PERSONAL INCOME TAX '09 B1, B2	1,609
-PERSONAL INCOME TAX '09 C	20,808
-PERSONAL INCOME TAX '09 D	8,969
-PERSONAL INCOME TAX '09 E	273
-PERSONAL INCOME TAX '10 A	45,298
-PERSONAL INCOME TAX '10 B	48,341
-PERSONAL INCOME TAX '10 C	28,533
-PERSONAL INCOME TAX '11 A	38,184
-PERSONAL INCOME TAX '11 B	<u>6,591</u>
TOTAL REVENUE BOND	<u>578,959</u>

EMPIRE STATE DEVELOPMENT
 SUMMARY OF INVESTMENT EARNINGS
 FOR FISCAL YEAR ENDED 3/31/12

FUND TYPE	TOTAL EARNINGS (\$'s)
<u>ECONOMIC DEVELOPMENT FUNDS</u>	
-E.D. SPECIAL PROJECTS & PROGRAM FUNDS	249,306
-42ND STREET DEVELOPMENT PROJECT/TIMES SQUARE	106,816
-PORT DISTRICT ED CAPITAL PROGRAM	<u>5,414</u>
TOTAL ECONOMIC DEVELOPMENT	<u>361,536</u>

GRAND TOTAL	1,897,441
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AVERAGE YIELD FISCAL YEAR 2011/2012	0.10%
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NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT

Statement of Fees, Commissions and Related Service Charges for
The Period April 1, 2011 through March 31, 2012

ESD DOES NOT PAY FEES, COMMISSIONS, OR ANY OTHER CHARGES TO ANY OF THE BROKERS/DEALERS IN CONNECTION WITH ITS INVESTMENT TRANSACTIONS. ESD DOES NOT UTILIZE INVESTMENT ADVISORS FOR INVESTMENT ASSOCIATED SERVICES.

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a ESD
 POSITION REPORT WITH MARKET VALUE AS OF MARCH 31, 2012 SUMMARY

	<u>PAR</u>	<u>COST</u>	<u>% COST VALUE</u>	<u>MARKET VALUE (B)</u>
CERTIFICATE OF DEPOSIT	\$9,276,529.00	\$9,276,529.00	0.56%	\$9,276,529.00
COMMERCIAL PAPER	\$59,235,000.00	\$59,235,000.00	3.59%	\$59,235,000.00
U.S. AGENCY NOTES/BONDS	\$11,070,000.00	\$10,684,704.76	0.65%	\$11,783,608.05
U.S. AGENCY DISCOUNT NOTES/BONDS (A)	\$929,281,000.00	\$928,890,802.51	56.31%	\$929,058,500.50
MUNICIPALS AND S.L.G.'s	\$3,132,506.00	\$3,185,745.65	0.19%	\$3,159,802.25
U.S. TREASURY BILLS (A)	\$638,470,000.00	\$638,439,047.04	38.70%	\$638,441,904.63
TOTAL (C)	\$1,650,465,035.00	\$1,649,711,828.96	100.00%	\$1,650,955,344.43

(A) TRADED ON A DISCOUNT BASIS

(B) THE MARKET VALUE OF THE SECURITY IS CALCULATED USING PRICES

FROM BLOOMBERG INFORMATION SERVICE (OR BROKER) AS OF MARCH 31, 2012

(C) POSITION INCLUDES APPROXIMATELY \$ 16.6 MILLION STATE APPROPRIATION FOR APRIL 1, 2012 DEBT SERVICE

New York State Urban Development Corp. d/b/a ESD

Investment Position Report

As of 3/31/12

BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price		Par Amount (\$'s)	Cost (Incl Purch Int (\$'s))
						a/o 3/31/12	Market Value (\$'s)		
010C	1000016539	Certificate of Deposit	0.000	4/8/2011	4/9/2012		254,385.00	254,385.00	254,385.00
010C	1000016548	Certificate of Deposit	0.215	4/12/2011	4/12/2012		82,000.00	82,000.00	82,000.00
010C	1000016578	Certificate of Deposit	0.000	4/18/2011	4/18/2012		164,000.00	164,000.00	164,000.00
010C	1000016579	Certificate of Deposit	0.000	4/18/2011	4/18/2012		84,000.00	84,000.00	84,000.00
010C	1000016580	Certificate of Deposit	0.000	4/18/2011	4/18/2012		78,986.00	78,986.00	78,986.00
010C	1000016646	Certificate of Deposit	0.000	4/27/2011	4/27/2012		29,648.00	29,648.00	29,648.00
010C	1000016647	Certificate of Deposit	0.000	4/27/2011	4/27/2012		141,507.00	141,507.00	141,507.00
010C	1000016760	Certificate of Deposit	0.000	5/2/2011	5/2/2012		175,750.00	175,750.00	175,750.00
010C	1000016815	Certificate of Deposit	0.000	5/17/2011	5/17/2012		41,000.00	41,000.00	41,000.00
010C	1000016816	Certificate of Deposit	0.000	5/17/2011	5/17/2012		134,000.00	134,000.00	134,000.00
010C	1000016816	Certificate of Deposit	0.440	5/20/2011	5/18/2012		71,000.00	71,000.00	71,000.00
010C	1000016851	Certificate of Deposit	0.440	5/20/2011	5/18/2012		69,000.00	69,000.00	69,000.00
010C	1000016852	Certificate of Deposit	0.008	6/22/2011	6/22/2012		51,000.00	51,000.00	51,000.00
010C	1000017104	Certificate of Deposit	2.160	6/23/2011	6/22/2012		8,000.00	8,000.00	8,000.00
010C	1000017107	Certificate of Deposit	2.160	6/23/2011	6/22/2012		36,000.00	36,000.00	36,000.00
010C	1000017108	Certificate of Deposit	0.000	6/24/2011	6/22/2012		477,500.00	477,500.00	477,500.00
010C	1000017178	Certificate of Deposit	0.734	6/24/2011	6/22/2012		47,000.00	47,000.00	47,000.00
010C	1000017179	Certificate of Deposit	0.650	7/7/2011	7/6/2012		104,804.00	104,804.00	104,804.00
010C	1000017292	Certificate of Deposit	0.000	7/7/2011	7/6/2012		124,611.00	124,611.00	124,611.00
010C	1000017293	Certificate of Deposit	0.663	7/15/2011	7/13/2012		65,000.00	65,000.00	65,000.00
010C	1000017339	Certificate of Deposit	0.734	8/5/2011	8/3/2012		51,000.00	51,000.00	51,000.00
010C	1000017556	Certificate of Deposit	0.000	8/9/2011	8/9/2012		383,000.00	383,000.00	383,000.00
010C	1000017567	Certificate of Deposit	0.000	8/12/2011	8/10/2012		177,000.00	177,000.00	177,000.00
010C	1000017577	Certificate of Deposit	0.000	8/15/2011	8/15/2012		275,010.00	275,010.00	275,010.00
010C	1000017585	Certificate of Deposit	0.000	8/15/2011	8/15/2012		135,000.00	135,000.00	135,000.00
010C	1000017586	Certificate of Deposit	0.000	8/15/2011	8/15/2012		364,500.00	364,500.00	364,500.00
010C	1000017587	Certificate of Deposit	0.000	8/15/2011	8/15/2012		308,450.00	308,450.00	308,450.00
010C	1000017588	Certificate of Deposit	0.000	8/15/2011	8/15/2012		273,974.00	273,974.00	273,974.00
010C	1000017589	Certificate of Deposit	0.000	8/19/2011	8/17/2012		115,709.00	115,709.00	115,709.00
010C	1000017626	Certificate of Deposit	0.000	9/13/2011	9/12/2012		433,775.00	433,775.00	433,775.00
010C	1000017805	Certificate of Deposit	1.810	10/7/2011	10/5/2012		46,000.00	46,000.00	46,000.00
010C	1000017975	Certificate of Deposit	0.470	10/7/2011	10/5/2012		86,482.00	86,482.00	86,482.00
010C	1000017976	Certificate of Deposit	0.000	10/14/2011	10/12/2012		440,409.00	440,409.00	440,409.00
010C	1000018022	Certificate of Deposit	0.000	10/18/2011	10/17/2012		106,921.00	106,921.00	106,921.00
010C	1000018030	Certificate of Deposit	0.000	10/18/2011	10/17/2012		314,644.00	314,644.00	314,644.00
010C	1000018034	Certificate of Deposit	0.000	10/19/2011	10/18/2012				

New York State Urban Development Corp. d/b/a ESD
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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price		Par Amount (\$'s)	Cost (Incl Purch Int) (\$'s)
						a/o	3/31/12		
010C	1000018035	Certificate of Deposit	1.590	10/20/2011	10/19/2012		103,556.00	103,556.00	103,556.00
010C	1000018068	Certificate of Deposit	0.256	10/26/2011	10/25/2012		46,000.00	46,000.00	46,000.00
010C	1000018137	Certificate of Deposit	0.000	11/8/2011	11/7/2012		73,000.00	73,000.00	73,000.00
010C	1000018159	Certificate of Deposit	0.320	11/16/2011	11/15/2012		60,000.00	60,000.00	60,000.00
010C	1000018160	Certificate of Deposit	0.320	11/16/2011	11/15/2012		21,000.00	21,000.00	21,000.00
010C	1000018249	Certificate of Deposit	0.000	12/5/2011	12/4/2012		498,200.00	498,200.00	498,200.00
010C	1000018255	Certificate of Deposit	0.000	12/6/2011	12/5/2012		55,000.00	55,000.00	55,000.00
010C	1000018262	Certificate of Deposit	0.000	12/8/2011	12/7/2012		32,000.00	32,000.00	32,000.00
010C	1000018329	Certificate of Deposit	1.302	12/16/2011	12/14/2012		44,000.00	44,000.00	44,000.00
010C	1000018330	Certificate of Deposit	0.600	12/16/2011	12/14/2012		37,000.00	37,000.00	37,000.00
010C	1000018331	Certificate of Deposit	0.180	12/16/2011	12/14/2012		170,000.00	170,000.00	170,000.00
010C	1000018331	Certificate of Deposit	1.680	12/16/2011	12/14/2012		366,000.00	366,000.00	366,000.00
010C	1000018398	Certificate of Deposit	0.000	12/22/2011	12/21/2012		39,000.00	39,000.00	39,000.00
010C	1000018431	Certificate of Deposit	0.440	12/23/2011	12/21/2012		81,000.00	81,000.00	81,000.00
010C	1000018491	Certificate of Deposit	0.000	12/30/2011	12/28/2012		309,900.00	309,900.00	309,900.00
010C	1000018492	Certificate of Deposit	0.000	12/30/2011	12/28/2012		287,550.00	287,550.00	287,550.00
010C	1000018534	Certificate of Deposit	0.000	1/9/2012	1/8/2013		80,000.00	80,000.00	80,000.00
010C	1000018535	Certificate of Deposit	0.000	1/9/2012	1/8/2013		500,000.00	500,000.00	500,000.00
010C	1000018552	Certificate of Deposit	0.000	1/13/2012	1/11/2013		66,000.00	66,000.00	66,000.00
010C	1000018553	Certificate of Deposit	0.000	1/13/2012	1/11/2013		164,700.00	164,700.00	164,700.00
010C	1000018554	Certificate of Deposit	0.020	1/13/2012	1/11/2013		8,257.00	8,257.00	8,257.00
010C	1000018555	Certificate of Deposit	1.000	1/13/2012	1/11/2013		18,401.00	18,401.00	18,401.00
010C	1000018556	Certificate of Deposit	1.000	1/13/2012	1/11/2013		15,900.00	15,900.00	15,900.00
010C	1000018626	Certificate of Deposit	0.000	2/7/2012	2/6/2013		169,000.00	169,000.00	169,000.00
010C	1000018627	Certificate of Deposit	0.000	2/7/2012	2/6/2013		29,000.00	29,000.00	29,000.00
010C	1000018632	Certificate of Deposit	0.205	2/8/2012	2/7/2013		39,000.00	39,000.00	39,000.00
010C	1000018639	Certificate of Deposit	0.000	2/9/2012	2/8/2013		41,000.00	41,000.00	41,000.00
010C	1000018678	Certificate of Deposit	0.000	2/14/2012	2/13/2013		18,000.00	18,000.00	18,000.00
010C	1000018695	Certificate of Deposit	0.460	2/17/2012	2/15/2013		47,000.00	47,000.00	47,000.00
010C	1000018757	Certificate of Deposit	0.000	3/2/2012	3/1/2013		20,000.00	20,000.00	20,000.00
010C	1000018827	Certificate of Deposit	0.000	3/20/2012	3/20/2013		44,000.00	44,000.00	44,000.00
010C	1000018858	Certificate of Deposit	0.000	3/23/2012	3/22/2013		42,000.00	42,000.00	42,000.00
010C	1000018920	Certificate of Deposit	0.710	3/30/2012	3/29/2013		9,276,529.00	9,276,529.00	9,276,529.00
(a) CD's are part of ELDLP loan subsidy program and do not reflect market rates									
010C	1000018907	Commercial Paper	0.020	3/28/2012	4/4/2012		23,063,000.00	23,063,000.00	23,063,000.00

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BAC	DEAL_ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price a/o 3/31/12	Market Value (\$'s)	Par Amount (\$'s)	Cost/Incl Purch Int (\$'s)
010C	1000018908	Commercial Paper	0.020	3/28/2012	4/4/2012	99.999	36,172,000.00	36,172,000.00	36,172,000.00
							59,235,000.00	59,235,000.00	59,235,000.00
513P	1000018175	Fannie Mae Discount		11/22/2011	4/2/2012	99.999	34,545,654.54	34,546,000.00	34,542,199.94
060B	1000018401	Fannie Mae Discount		12/22/2011	4/3/2012	99.999	4,699,953.00	4,700,000.00	4,699,865.53
008C	1000018134	Fannie Mae Discount		11/8/2011	4/9/2012	99.999	6,897,931.02	6,898,000.00	6,896,534.18
026C	1000018501	Fannie Mae Discount		1/3/2012	4/18/2012	99.998	4,500,909.98	4,501,000.00	4,500,867.47
527S	1000018548	Fannie Mae Discount		1/12/2012	4/27/2012	99.993	4,010,719.23	4,011,000.00	4,010,645.70
322S	1000018575	Fannie Mae Discount		1/20/2012	5/15/2012	99.992	2,999,760.00	3,000,000.00	2,999,613.33
460S	1000018560	Fannie Mae Discount		1/17/2012	5/15/2012	99.992	4,007,679.36	4,008,000.00	4,007,470.05
310P	1000018567	Fannie Mae Discount		1/18/2012	5/16/2012	99.991	5,991,460.72	5,992,000.00	5,991,207.72
008C	1000018261	Fannie Mae Discount		12/8/2011	5/18/2012	99.990	6,944,305.50	6,945,000.00	6,943,437.38
421B	1000018585	Fannie Mae Discount		1/23/2012	5/29/2012	99.989	4,113,547.46	4,114,000.00	4,113,564.60
799B	1000018825	Fannie Mae Discount		12/22/2011	6/1/2012	99.984	6,279,995.04	6,281,000.00	6,279,869.42
008C	1000018583	Fannie Mae Discount		1/23/2012	6/18/2012	99.982	10,243,155.90	10,245,000.00	10,242,908.31
085S	1000018772	Fannie Mae Discount		3/7/2012	6/18/2012	99.982	2,301,585.64	2,302,000.00	2,301,670.69
310P	1000018608	Fannie Mae Discount		2/1/2012	6/18/2012	99.982	1,323,761.68	1,324,000.00	1,323,847.74
417P	1000018609	Fannie Mae Discount		2/1/2012	6/18/2012	99.982	1,124,797.50	1,125,000.00	1,124,870.63
523S	1000018713	Fannie Mae Discount		2/28/2012	6/18/2012	99.982	4,456,197.74	4,457,000.00	4,456,038.05
199P	1000018786	Fannie Mae Discount		3/14/2012	6/21/2012	99.979	7,993,321.05	7,995,000.00	7,993,889.57
010C	1000017819	Fannie Mae Discount		9/16/2011	6/29/2012	99.977	3,344,230.65	3,345,000.00	3,340,999.94
799B	1000018584	Fannie Mae Discount		1/23/2012	6/29/2012	99.977	9,563,799.82	9,566,000.00	9,563,900.79
310P	1000018724	Fannie Mae Discount		3/1/2012	7/2/2012	99.974	7,996,920.26	7,999,000.00	7,997,086.88
007C	1000018524	Fannie Mae Discount		1/5/2012	7/12/2012	99.972	5,947,334.28	5,949,000.00	5,947,126.07
799B	1000018759	Fannie Mae Discount		3/2/2012	7/18/2012	99.969	12,802,030.14	12,806,000.00	12,803,054.62
799B	1000018708	Fannie Mae Discount		2/27/2012	7/25/2012	99.967	10,590,503.98	10,594,000.00	10,591,369.16
010C	1000018263	Fannie Mae Discount		12/9/2011	10/10/2012	99.914	19,982,800.00	20,000,000.00	19,984,700.00
							182,662,354.49	182,703,000.00	182,656,737.77
010C	1000018722	Farmer Mac Discount		3/1/2012	4/3/2012	99.999	6,999,930.00	7,000,000.00	6,999,422.50
029C	1000018434	Farmer Mac Discount		12/27/2011	4/3/2012	99.999	6,504,934.95	6,505,000.00	6,504,468.76
012C	1000018775	Farmer Mac Discount		3/7/2012	4/4/2012	99.999	850,991.49	851,000.00	850,953.67
085S	1000018435	Farmer Mac Discount		12/27/2011	4/4/2012	99.999	6,010,939.89	6,011,000.00	6,010,504.09
322S	1000018776	Farmer Mac Discount		3/7/2012	4/4/2012	99.999	2,999,970.00	3,000,000.00	2,999,836.68
424B	1000018523	Farmer Mac Discount		1/4/2012	4/4/2012	99.999	9,565,904.34	9,566,000.00	9,565,274.58

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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price		Par Amount (\$'s)	Cost (incl Purch Int) (\$'s)
						a/o 3/31/12	Market Value (\$'s)		
146P	1000018571	Farmer Mac Discount		1/18/2012	4/24/2012	99.995	9,506,524.65	9,507,000.00	9,506,231.52
008C	1000018723	Farmer Mac Discount		3/1/2012	4/25/2012	99.995	7,134,643.25	7,135,000.00	7,134,018.94
010C	1000018621	Farmer Mac Discount		2/3/2012	5/3/2012	99.993	9,999,300.00	10,000,000.00	9,998,000.00
225P	1000018778	Farmer Mac Discount		3/9/2012	6/8/2012	99.982	2,458,557.38	2,459,000.00	2,458,440.58
226P	1000018836	Farmer Mac Discount		3/22/2012	6/22/2012	99.979	1,215,744.64	1,216,000.00	1,215,627.09
474C	1000018909	Farmer Mac Discount		3/28/2012	6/22/2012	99.979	2,492,476.47	2,493,000.00	2,492,404.45
524S	1000018906	Farmer Mac Discount		3/28/2012	6/22/2012	99.979	1,000,789.79	1,001,000.00	1,000,760.87
523S	1000018905	Farmer Mac Discount		3/28/2012	7/3/2012	99.973	1,260,659.53	1,261,000.00	1,260,626.25
010C	1000018622	Farmer Mac Discount		2/3/2012	9/12/2012	99.926	14,988,900.00	15,000,000.00	14,989,825.00
							82,990,266.38	83,005,000.00	82,986,394.98
312P	1000018674	Federal Farm Credit Discount		2/13/2012	4/9/2012	99.999	1,989,980.10	1,990,000.00	1,989,814.27
504S	1000018675	Federal Farm Credit Discount		2/13/2012	4/9/2012	99.999	2,502,974.97	2,503,000.00	2,502,766.39
010C	1000016850	Federal Farm Credit Discount		5/20/2011	5/9/2012	99.994	9,999,400.00	10,000,000.00	9,982,250.00
010C	1000018212	Federal Farm Credit Discount		11/28/2011	9/18/2012	99.924	11,990,880.00	12,000,000.00	11,989,183.33
							26,483,235.07	26,493,000.00	26,464,013.99
218P	1000018696	Federal Home Loan Discount		2/17/2012	4/2/2012	99.999	2,932,970.67	2,933,000.00	2,932,816.69
322S	1000018402	Federal Home Loan Discount		12/22/2011	4/2/2012	99.999	1,999,980.00	2,000,000.00	1,999,943.33
050P	1000018582	Federal Home Loan Discount		1/23/2012	4/16/2012	99.998	1,692,966.14	1,693,000.00	1,692,996.05
143P	1000018702	Federal Home Loan Discount		2/23/2012	4/16/2012	99.998	1,494,970.10	1,495,000.00	1,494,933.97
199P	1000018599	Federal Home Loan Discount		1/26/2012	4/25/2012	99.995	6,000,699.95	6,001,000.00	6,000,474.91
516S	1000018606	Federal Home Loan Discount		2/1/2012	4/25/2012	99.995	8,559,572.00	8,560,000.00	8,559,001.33
504S	1000018543	Federal Home Loan Discount		1/11/2012	5/1/2012	99.994	2,999,820.00	3,000,000.00	2,999,953.74
026C	1000018623	Federal Home Loan Discount		2/6/2012	5/14/2012	99.991	6,509,414.10	6,510,000.00	6,509,113.92
212P	1000018624	Federal Home Loan Discount		2/6/2012	5/14/2012	99.991	4,990,550.81	4,991,000.00	4,990,320.67
008C	1000018684	Federal Home Loan Discount		2/15/2012	5/18/2012	99.990	4,141,585.80	4,142,000.00	4,140,929.98
516S	1000018791	Federal Home Loan Discount		3/15/2012	5/18/2012	99.990	4,010,598.90	4,011,000.00	4,010,393.90
054P	1000018607	Federal Home Loan Discount		2/1/2012	5/21/2012	99.990	1,985,801.40	1,986,000.00	1,985,757.27
520S	1000018703	Federal Home Loan Discount		2/23/2012	5/21/2012	99.990	2,502,749.70	2,503,000.00	2,502,755.26
529S	1000018687	Federal Home Loan Discount		2/15/2012	5/21/2012	99.990	2,028,797.10	2,029,000.00	2,028,458.93
050P	1000018821	Federal Home Loan Discount		3/16/2012	5/22/2012	99.989	3,995,560.44	3,996,000.00	3,995,628.13
085S	1000018686	Federal Home Loan Discount		2/15/2012	5/22/2012	99.989	1,999,780.00	2,000,000.00	1,999,461.11
053S	1000018603	Federal Home Loan Discount		1/31/2012	5/25/2012	99.989	1,999,780.00	2,000,000.00	1,999,872.22
962B	1000018921	Federal Home Loan Discount		3/30/2012	6/6/2012	99.983	5,685,033.38	5,686,000.00	5,685,462.99

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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price		Par Amount (\$'s)	Cost (Incl Purch Int) (\$'s)
						a/o 3/31/12	Market Value (\$'s)		
975B	1000018922	Federal Home Loan Discount		3/30/2012	6/6/2012	99.983	5,507,063.64	5,508,000.00	5,507,479.80
322S	1000018911	Federal Home Loan Discount		3/29/2012	6/13/2012	99.982	1,999,640.00	2,000,000.00	1,999,746.67
026C	1000018832	Federal Home Loan Discount		3/21/2012	6/18/2012	99.982	4,001,279.64	4,002,000.00	4,001,208.49
053S	1000018704	Federal Home Loan Discount		2/23/2012	6/18/2012	99.982	7,514,647.12	7,516,000.00	7,514,789.09
529S	1000018792	Federal Home Loan Discount		3/15/2012	6/18/2012	99.982	2,055,629.92	2,056,000.00	2,055,565.96
424B	1000018506	Federal Home Loan Discount		1/3/2012	6/28/2012	99.977	2,349,459.50	2,350,000.00	2,349,768.92
513P	1000018793	Federal Home Loan Discount		3/15/2012	7/12/2012	99.972	999,720.00	1,000,000.00	999,768.61
025C	1000018685	Federal Home Loan Discount		2/15/2012	7/18/2012	99.969	12,264,196.92	12,268,000.00	12,261,440.03
417P	1000018823	Federal Home Loan Discount		3/16/2012	7/18/2012	99.969	2,756,145.33	2,757,000.00	2,756,335.26
523S	1000018600	Federal Home Loan Discount		1/27/2012	8/1/2012	99.955	5,001,748.20	5,004,000.00	5,002,960.27
010C	1000017580	Federal Home Loan Discount		8/15/2011	8/6/2012	99.953	14,992,950.00	15,000,000.00	14,970,993.75
007C	1000018587	Federal Home Loan Discount		1/24/2012	8/15/2012	99.950	5,014,491.50	5,017,000.00	5,015,862.80
513P	1000018859	Federal Home Loan Discount		3/26/2012	8/15/2012	99.950	7,497,249.50	7,501,000.00	7,498,337.15
010C	1000018857	Federal Home Loan Discount		3/23/2012	8/20/2012	99.948	14,992,200.00	15,000,000.00	14,993,749.95
025C	1000018758	Federal Home Loan Discount		3/2/2012	8/31/2012	99.944	7,995,520.00	8,000,000.00	7,996,764.44
010C	1000018831	Federal Home Loan Discount		3/2/2012	11/1/2012	99.910	12,988,300.00	13,000,000.00	12,988,625.00
007C	1000018716	Federal Home Loan Discount		2/29/2012	11/13/2012	99.905	10,299,206.45	10,309,000.00	10,300,134.26
007C	1000018689	Federal Home Loan Discount		3/5/2012	12/3/2012	99.890	10,974,914.30	10,987,000.00	10,976,168.65
							194,734,992.51	194,811,000.00	194,717,973.50
768B	1000010907	Federal Home Loan	3.750	5/19/2008	6/14/2013	104.139	3,743,797.05	3,595,000.00	3,585,825.27
							3,743,797.05	3,595,000.00	3,585,825.27
794B	1000001310	Fannie Mae	4.125	4/19/2005	4/15/2014	107.556	166,711.80	155,000.00	151,196.04
794B	CNV0000847	Fannie Mae	4.125	4/14/2004	4/15/2014	107.556	7,873,099.20	7,320,000.00	6,947,683.45
							8,039,811.00	7,475,000.00	7,098,879.49
053S	1000018268	Freddie Mac Discount		12/14/2011	4/4/2012	99.999	6,511,934.88	6,512,000.00	6,511,797.40
102S	1000018497	Freddie Mac Discount		12/30/2011	4/5/2012	99.999	6,749,932.50	6,750,000.00	6,749,818.16
523S	1000018269	Freddie Mac Discount		12/14/2011	4/5/2012	99.999	6,283,937.16	6,284,000.00	6,283,802.75
201P	1000018494	Freddie Mac Discount		12/30/2011	4/6/2012	99.999	6,506,934.93	6,507,000.00	6,506,822.88
421B	1000018561	Freddie Mac Discount		1/17/2012	4/13/2012	99.999	501,994.98	502,000.00	501,975.74
511S	1000018574	Freddie Mac Discount		1/20/2012	4/16/2012	99.998	1,114,977.70	1,115,000.00	1,114,919.16
010C	1000016793	Freddie Mac Discount		5/11/2011	4/17/2012	99.998	8,012,839.74	8,013,000.00	7,999,297.77
025C	1000018140	Freddie Mac Discount		11/9/2011	4/17/2012	99.998	10,764,784.70	10,765,000.00	10,762,128.97

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						a/o	3/31/12		
007C	1000018824	Freddie Mac Discount		10/4/2011	4/18/2012	99.998	3,518,929.62	3,519,000.00	3,517,652.03
529S	1000018218	Freddie Mac Discount		11/30/2011	4/18/2012	99.998	2,635,947.28	2,636,000.00	2,635,487.56
262P	1000018551	Freddie Mac Discount		1/13/2012	4/19/2012	99.998	1,993,960.12	1,994,000.00	1,993,838.82
310P	1000018318	Freddie Mac Discount		12/15/2011	4/19/2012	99.998	4,017,919.64	4,018,000.00	4,017,718.74
460S	1000018780	Freddie Mac Discount		1/11/2012	4/19/2012	99.998	5,134,897.30	5,135,000.00	5,134,717.58
421B	1000018525	Freddie Mac Discount		1/5/2012	4/20/2012	99.997	2,977,910.66	2,978,000.00	2,977,824.63
010C	1000016640	Freddie Mac Discount		4/26/2011	4/25/2012	99.995	14,999,250.00	15,000,000.00	14,965,020.83
417P	1000018264	Freddie Mac Discount		12/9/2011	4/25/2012	99.995	3,313,834.30	3,314,000.00	3,313,618.89
007C	1000018164	Freddie Mac Discount		11/18/2011	5/2/2012	99.993	15,001,949.79	15,003,000.00	14,999,540.98
025C	1000018270	Freddie Mac Discount		12/14/2011	5/9/2012	99.992	12,997,960.08	12,999,000.00	12,996,876.83
513P	1000018327	Freddie Mac Discount		12/16/2011	5/9/2012	99.992	1,529,877.60	1,530,000.00	1,529,753.50
618P	1000018328	Freddie Mac Discount		12/16/2011	5/10/2012	99.992	4,854,611.60	4,855,000.00	4,854,212.42
527S	1000018784	Freddie Mac Discount		3/14/2012	5/17/2012	99.990	1,156,884.30	1,157,000.00	1,156,835.45
010C	1000017230	Freddie Mac Discount		6/29/2011	6/5/2012	99.983	14,997,450.00	15,000,000.00	14,974,350.00
033B	1000018347	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	3,364,427.95	3,365,000.00	3,364,219.52
036B	1000018348	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	11,125,108.41	11,127,000.00	11,124,419.20
040B	1000018349	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	1,427,757.24	1,428,000.00	1,427,668.79
043B	1000018351	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	5,055,140.48	5,056,000.00	5,054,827.31
045B	1000018352	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	3,108,471.47	3,109,000.00	3,108,278.90
046B	1000018353	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	34,556,124.46	34,562,000.00	34,553,983.69
047B	1000018354	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	124,256,872.74	124,278,000.00	124,249,174.96
051B	1000018355	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	3,847,345.84	3,848,000.00	3,847,107.49
052B	1000018356	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	5,000,149.83	5,001,000.00	4,999,840.07
055B	1000018357	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	1,999,660.00	2,000,000.00	1,999,536.12
056B	1000018358	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	6,914,824.28	6,916,000.00	6,914,395.90
057B	1000018359	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	199,966.00	200,000.00	199,953.61
059B	1000018360	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	1,899,677.00	1,900,000.00	1,899,559.31
062B	1000018361	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	5,050,141.33	5,051,000.00	5,049,828.47
063B	1000018362	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	1,919,673.60	1,920,000.00	1,919,554.68
064B	1000018363	Freddie Mac Discount		12/21/2011	6/5/2012	99.983	5,845,006.18	5,846,000.00	5,844,644.08
423E	1000018449	Freddie Mac Discount		12/29/2011	6/11/2012	99.982	2,747,505.36	2,748,000.00	2,747,622.15
007C	1000018320	Freddie Mac Discount		12/15/2011	6/19/2012	99.980	10,006,998.20	10,009,000.00	10,006,400.46
025C	1000018568	Freddie Mac Discount		1/18/2012	6/19/2012	99.980	12,997,400.00	13,000,000.00	12,997,237.50
513P	1000018544	Freddie Mac Discount		1/11/2012	6/19/2012	99.980	6,019,795.80	6,021,000.00	6,019,662.01
010C	1000017810	Freddie Mac Discount		9/15/2011	6/22/2012	99.979	14,996,850.00	15,000,000.00	14,982,437.50

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634B	1000018498	Freddie Mac Discount		12/30/2011	7/10/2012	99.972	2,652,257.16	2,653,000.00	2,652,288.85
010C	1000018037	Freddie Mac Discount		10/20/2011	7/11/2012	99.972	11,996,640.00	12,000,000.00	11,989,400.00
504S	1000018787	Freddie Mac Discount		3/14/2012	7/17/2012	99.970	2,601,219.40	2,602,000.00	2,601,006.19
010C	1000018130	Freddie Mac Discount		11/7/2011	9/25/2012	99.920	14,988,000.00	15,000,000.00	14,981,158.50
007C	1000018547	Freddie Mac Discount		1/12/2012	10/23/2012	99.908	12,031,920.44	12,043,000.00	12,032,465.92
							442,187,652.05	442,269,000.00	442,065,682.27
625B	1000005016	Maryland State GO	5.000	4/13/2005	8/1/2015	106.275	462,296.25	435,000.00	488,239.65
							462,296.25	435,000.00	488,239.65
432B	1000013378	State and Local	1.030	2/18/2010	8/1/2012		2,697,506.00	2,697,506.00	2,697,506.00
							2,697,506.00	2,697,506.00	2,697,506.00
019B	1000018640	US Treasury Bill		2/9/2012	4/5/2012	99.999	24,999.75	25,000.00	24,999.03
744B	1000018641	US Treasury Bill		2/9/2012	4/5/2012	99.999	1,003,989.96	1,004,000.00	1,003,960.96
744B	1000018760	US Treasury Bill		3/2/2012	4/5/2012	99.999	27,999.72	28,000.00	27,999.47
744B	1000018799	US Treasury Bill		3/15/2012	4/5/2012	99.999	57,999.42	58,000.00	57,999.32
747B	1000018642	US Treasury Bill		2/9/2012	4/5/2012	99.999	369,996.30	370,000.00	369,985.61
755B	1000018643	US Treasury Bill		2/9/2012	4/5/2012	99.999	137,998.62	138,000.00	137,994.63
757B	1000018644	US Treasury Bill		2/9/2012	4/5/2012	99.999	40,999.59	41,000.00	40,998.41
758B	1000018645	US Treasury Bill		2/9/2012	4/5/2012	99.999	73,999.26	74,000.00	73,997.12
759B	1000018646	US Treasury Bill		2/9/2012	4/5/2012	99.999	27,999.72	28,000.00	27,998.91
764B	1000018651	US Treasury Bill		2/9/2012	4/5/2012	99.999	28,999.71	29,000.00	28,998.87
766B	1000018653	US Treasury Bill		2/9/2012	4/5/2012	99.999	40,999.59	41,000.00	40,998.41
768B	1000018267	US Treasury Bill		12/14/2011	4/5/2012	99.999	67,999.32	68,000.00	67,999.57
768B	1000018755	US Treasury Bill		3/1/2012	4/5/2012	99.999	429,995.70	430,000.00	429,986.41
771B	1000018655	US Treasury Bill		2/9/2012	4/5/2012	99.999	100,998.99	101,000.00	100,996.07
772B	1000018656	US Treasury Bill		2/9/2012	4/5/2012	99.999	574,994.25	575,000.00	574,977.64
773B	1000018657	US Treasury Bill		2/9/2012	4/5/2012	99.999	357,996.42	358,000.00	357,986.08
777B	1000018659	US Treasury Bill		2/9/2012	4/5/2012	99.999	142,998.57	143,000.00	142,994.44
812B	1000018660	US Treasury Bill		2/9/2012	4/5/2012	99.999	58,999.41	59,000.00	58,997.71
814B	1000018662	US Treasury Bill		2/9/2012	4/5/2012	99.999	547,994.52	548,000.00	547,978.69
817B	1000018664	US Treasury Bill		2/9/2012	4/5/2012	99.999	477,995.22	478,000.00	477,981.41
821B	1000018665	US Treasury Bill		2/9/2012	4/5/2012	99.999	324,996.75	325,000.00	324,987.46
821B	1000018796	US Treasury Bill		3/15/2012	4/5/2012	99.999	26,999.73	27,000.00	26,999.69

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825B	1000018666	US Treasury Bill		2/9/2012	4/5/2012	99.999	47,999.52	48,000.00	47,998.13
836B	1000018668	US Treasury Bill		2/9/2012	4/5/2012	99.999	58,999.41	59,000.00	58,997.71
837B	1000018669	US Treasury Bill		2/9/2012	4/5/2012	99.999	60,999.39	61,000.00	60,997.63
838B	1000018670	US Treasury Bill		2/9/2012	4/5/2012	99.999	50,999.49	51,000.00	50,998.02
910B	1000018828	US Treasury Bill		2/23/2012	4/5/2012	99.999	1,059,989.40	1,060,000.00	1,059,938.17
967B	1000018671	US Treasury Bill		2/9/2012	4/5/2012	99.999	47,999.52	48,000.00	47,998.13
369B	1000018572	US Treasury Bill		12/29/2011	4/12/2012	99.998	10,743,785.12	10,744,000.00	10,743,937.33
369B	1000018573	US Treasury Bill		1/9/2012	4/12/2012	99.998	3,800,923.98	3,801,000.00	3,800,900.75
896B	1000018761	US Treasury Bill		3/5/2012	4/12/2012	99.998	1,790,964.18	1,791,000.00	1,790,962.19
902B	1000018762	US Treasury Bill		3/5/2012	4/12/2012	99.998	4,717,905.64	4,718,000.00	4,717,775.90
966B	1000018763	US Treasury Bill		3/5/2012	4/12/2012	99.998	6,307,873.84	6,308,000.00	6,307,700.37
969B	1000018764	US Treasury Bill		3/5/2012	4/12/2012	99.998	15,119,697.60	15,120,000.00	15,119,281.80
975B	1000018767	US Treasury Bill		3/5/2012	4/12/2012	99.998	3,818,923.62	3,819,000.00	3,818,818.60
979B	1000018768	US Treasury Bill		3/5/2012	4/12/2012	99.998	7,228,855.42	7,229,000.00	7,228,656.62
001B	1000018742	US Treasury Bill		3/1/2012	4/19/2012	99.997	50,998.47	51,000.00	50,996.53
003B	1000018910	US Treasury Bill		3/27/2012	4/19/2012	99.997	631,981.04	632,000.00	631,987.89
004B	1000018894	US Treasury Bill		3/27/2012	4/19/2012	99.997	2,328,930.13	2,329,000.00	2,328,955.36
008B	1000018867	US Treasury Bill		3/27/2012	4/19/2012	99.997	18,432,447.01	18,433,000.00	18,432,381.73
010B	1000018866	US Treasury Bill		3/27/2012	4/19/2012	99.997	24,177,274.66	24,178,000.00	24,177,189.03
011B	1000018865	US Treasury Bill		3/27/2012	4/19/2012	99.997	13,514,594.55	13,515,000.00	13,514,546.68
013B	1000018864	US Treasury Bill		3/27/2012	4/19/2012	99.997	11,514,654.55	11,515,000.00	11,514,613.77
014B	1000018863	US Treasury Bill		3/27/2012	4/19/2012	99.997	7,713,768.58	7,714,000.00	7,713,741.26
015B	1000018913	US Treasury Bill		3/29/2012	4/19/2012	99.997	64,998.05	65,000.00	64,999.62
017B	1000018862	US Treasury Bill		3/27/2012	4/19/2012	99.997	3,000,909.97	3,001,000.00	3,000,899.34
018B	1000018885	US Treasury Bill		3/27/2012	4/19/2012	99.997	10,004,699.85	10,005,000.00	10,004,664.42
022B	1000018743	US Treasury Bill		3/1/2012	4/19/2012	99.997	39,998.80	40,000.00	39,997.28
023B	1000018884	US Treasury Bill		3/27/2012	4/19/2012	99.997	5,107,846.76	5,108,000.00	5,107,828.67
024B	1000018895	US Treasury Bill		3/27/2012	4/19/2012	99.997	5,999.82	6,000.00	5,999.89
029B	1000018868	US Treasury Bill		3/27/2012	4/19/2012	99.997	6,007,819.76	6,008,000.00	6,007,798.48
030B	1000018744	US Treasury Bill		3/1/2012	4/19/2012	99.997	184,994.45	185,000.00	184,987.41
032B	1000018896	US Treasury Bill		3/27/2012	4/19/2012	99.997	1,436,956.89	1,437,000.00	1,436,972.46
035B	1000018897	US Treasury Bill		3/27/2012	4/19/2012	99.997	2,007,939.76	2,008,000.00	2,007,961.51
036B	1000018883	US Treasury Bill		3/27/2012	4/19/2012	99.997	11,125,666.22	11,126,000.00	11,125,626.82
037B	1000018898	US Treasury Bill		3/27/2012	4/19/2012	99.997	1,217,963.46	1,218,000.00	1,217,976.66
038B	1000018899	US Treasury Bill		3/27/2012	4/19/2012	99.997	999,970.00	1,000,000.00	999,980.83

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039B	1000018900	US Treasury Bill		3/27/2012	4/19/2012	99.997	1,876,943.69	1,877,000.00	1,876,964.02
041B	1000018926	US Treasury Bill		3/27/2012	4/19/2012	99.997	15,688,529.33	15,689,000.00	15,688,473.76
042B	1000018901	US Treasury Bill		3/27/2012	4/19/2012	99.997	336,989.89	337,000.00	336,993.54
043B	1000018891	US Treasury Bill		3/27/2012	4/19/2012	99.997	9,736,707.89	9,737,000.00	9,736,673.40
044B	1000018890	US Treasury Bill		3/27/2012	4/19/2012	99.997	29,916,102.49	29,917,000.00	29,915,996.53
044R	1000018040	US Treasury Bill		10/20/2011	4/19/2012	99.997	896,973.09	897,000.00	896,773.26
046B	1000018889	US Treasury Bill		3/27/2012	4/19/2012	99.997	36,001,919.91	36,003,000.00	36,001,792.40
047B	1000018888	US Treasury Bill		3/27/2012	4/19/2012	99.997	120,004,399.76	120,008,000.00	120,003,974.73
048B	1000018886	US Treasury Bill		3/27/2012	4/19/2012	99.997	9,453,716.38	9,454,000.00	9,453,682.90
049B	1000018887	US Treasury Bill		3/27/2012	4/19/2012	99.997	17,122,486.31	17,123,000.00	17,122,425.67
051B	1000018881	US Treasury Bill		3/27/2012	4/19/2012	99.997	3,816,885.49	3,817,000.00	3,816,871.97
052B	1000018902	US Treasury Bill		3/27/2012	4/19/2012	99.997	1,498,955.03	1,499,000.00	1,498,971.27
058B	1000018903	US Treasury Bill		3/27/2012	4/19/2012	99.997	599,982.00	600,000.00	599,988.50
432B	1000018741	US Treasury Bill		3/1/2012	4/19/2012	99.997	122,996.31	123,000.00	122,991.63
618B	1000018877	US Treasury Bill		3/27/2012	4/19/2012	99.997	10,296,691.09	10,297,000.00	10,296,654.62
750B	1000018731	US Treasury Bill		3/1/2012	4/19/2012	99.997	50,998.47	51,000.00	50,996.53
770B	1000018733	US Treasury Bill		3/1/2012	4/19/2012	99.997	35,998.92	36,000.00	35,997.55
779B	1000018734	US Treasury Bill		3/1/2012	4/19/2012	99.997	96,997.09	97,000.00	96,993.40
808B	1000018732	US Treasury Bill		3/1/2012	4/19/2012	99.997	148,995.53	149,000.00	148,989.86
821B	1000018690	US Treasury Bill		12/15/2011	4/19/2012	99.997	10,999.67	11,000.00	10,999.94
821B	1000018692	US Treasury Bill		2/15/2012	4/19/2012	99.997	22,999.31	23,000.00	22,997.55
821B	1000018693	US Treasury Bill		2/15/2012	4/19/2012	99.997	11,999.64	12,000.00	11,998.72
821B	1000018826	US Treasury Bill		3/19/2012	4/19/2012	99.997	451,986.44	452,000.00	451,986.38
823B	1000018878	US Treasury Bill		3/27/2012	4/19/2012	99.997	7,270,781.87	7,271,000.00	7,270,756.12
847B	1000018879	US Treasury Bill		3/27/2012	4/19/2012	99.997	9,933,701.98	9,934,000.00	9,933,666.80
886B	1000018835	US Treasury Bill		3/21/2012	4/19/2012	99.997	484,985.45	485,000.00	484,976.56
886B	1000018880	US Treasury Bill		3/27/2012	4/19/2012	99.997	5,040,848.77	5,041,000.00	5,040,830.92
898B	1000018871	US Treasury Bill		3/27/2012	4/19/2012	99.997	2,600,921.97	2,601,000.00	2,600,912.76
921B	1000018892	US Treasury Bill		3/27/2012	4/19/2012	99.997	1,574,952.75	1,575,000.00	1,574,969.81
924B	1000018735	US Treasury Bill		3/1/2012	4/19/2012	99.997	32,999.01	33,000.00	32,997.75
927B	1000018736	US Treasury Bill		3/1/2012	4/19/2012	99.997	24,999.25	25,000.00	24,998.30
930B	1000018738	US Treasury Bill		3/1/2012	4/19/2012	99.997	20,999.37	21,000.00	20,998.57
939B	1000018872	US Treasury Bill		3/27/2012	4/19/2012	99.997	7,093,787.18	7,094,000.00	7,093,762.06
949B	1000018325	US Treasury Bill		12/15/2011	4/19/2012	99.997	199,994.00	200,000.00	199,998.95
949B	1000018745	US Treasury Bill		3/1/2012	4/19/2012	99.997	1,675,949.72	1,676,000.00	1,675,885.94

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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price		Par Amount (\$\$)	Cost /Incl Purch Int (\$\$)
						a/o 3/31/12	Market Value (\$\$)		
950B	1000018873	US Treasury Bill		3/27/2012	4/19/2012	99.997	14,748,557.53	14,749,000.00	14,748,505.29
951B	1000018874	US Treasury Bill		3/27/2012	4/19/2012	99.997	7,627,771.16	7,628,000.00	7,627,744.14
952B	1000018875	US Treasury Bill		3/27/2012	4/19/2012	99.997	8,349,749.50	8,350,000.00	8,349,719.93
954B	1000018876	US Treasury Bill		3/27/2012	4/19/2012	99.997	3,503,894.88	3,504,000.00	3,503,882.47
957B	1000018748	US Treasury Bill		3/1/2012	4/19/2012	99.997	1,895,943.12	1,896,000.00	1,895,870.97
958B	1000018869	US Treasury Bill		3/27/2012	4/19/2012	99.997	3,352,899.41	3,353,000.00	3,352,887.53
961B	1000018749	US Treasury Bill		3/1/2012	4/19/2012	99.997	39,998.80	40,000.00	39,997.28
965B	1000018750	US Treasury Bill		3/1/2012	4/19/2012	99.997	22,999.31	23,000.00	22,998.43
972B	1000018752	US Treasury Bill		3/1/2012	4/19/2012	99.997	467,985.96	468,000.00	467,968.15
972B	1000018781	US Treasury Bill		3/12/2012	4/19/2012	99.997	2,999.91	3,000.00	2,999.94
973B	1000018904	US Treasury Bill		3/27/2012	4/19/2012	99.997	33,998.98	34,000.00	33,999.35
974B	1000018870	US Treasury Bill		3/27/2012	4/19/2012	99.997	10,083,697.48	10,084,000.00	10,083,661.77
978B	1000018753	US Treasury Bill		3/1/2012	4/19/2012	99.997	606,981.79	607,000.00	606,958.69
987B	1000018754	US Treasury Bill		3/1/2012	4/19/2012	99.997	4,999.85	5,000.00	4,999.66
994B	1000018729	US Treasury Bill		3/1/2012	4/19/2012	99.997	30,999.07	31,000.00	30,996.84
010B	1000018924	US Treasury Bill		3/16/2012	4/26/2012	99.997	52,767,416.93	52,769,000.00	52,765,694.61
504S	1000018319	US Treasury Bill		12/15/2011	4/26/2012	99.997	2,125,936.22	2,126,000.00	2,125,921.47
932B	1000018837	US Treasury Bill		3/22/2012	4/26/2012	99.997	1,672,949.81	1,673,000.00	1,672,926.81
996B	1000018709	US Treasury Bill		2/1/2012	4/26/2012	99.997	56,998.29	57,000.00	56,993.94
312P	1000018777	US Treasury Bill		3/8/2012	5/17/2012	99.994	491,970.48	492,000.00	491,949.78
609B	1000018797	US Treasury Bill		3/15/2012	5/17/2012	99.994	880,947.14	881,000.00	880,969.17
625B	1000018798	US Treasury Bill		3/15/2012	5/17/2012	99.994	81,995.08	82,000.00	81,997.13
847B	1000018800	US Treasury Bill		3/15/2012	5/17/2012	99.994	89,994.60	90,000.00	89,996.85
848B	1000018801	US Treasury Bill		3/15/2012	5/17/2012	99.994	87,994.72	88,000.00	87,996.92
849B	1000018802	US Treasury Bill		3/15/2012	5/17/2012	99.994	64,996.10	65,000.00	64,997.73
850B	1000018803	US Treasury Bill		3/15/2012	5/17/2012	99.994	35,997.84	36,000.00	35,998.74
862B	1000018804	US Treasury Bill		3/15/2012	5/17/2012	99.994	180,989.14	181,000.00	180,993.67
866B	1000018805	US Treasury Bill		3/15/2012	5/17/2012	99.994	886,946.78	887,000.00	886,968.96
868B	1000018806	US Treasury Bill		3/15/2012	5/17/2012	99.994	1,162,930.22	1,163,000.00	1,162,959.30
871B	1000018807	US Treasury Bill		3/15/2012	5/17/2012	99.994	157,990.52	158,000.00	157,994.47
872B	1000018808	US Treasury Bill		3/15/2012	5/17/2012	99.994	32,998.02	33,000.00	32,998.85
873B	1000018809	US Treasury Bill		3/15/2012	5/17/2012	99.994	22,998.62	23,000.00	22,999.20
875B	1000018810	US Treasury Bill		3/15/2012	5/17/2012	99.994	38,997.66	39,000.00	38,998.64
877B	1000018811	US Treasury Bill		3/15/2012	5/17/2012	99.994	32,998.02	33,000.00	32,998.85
880B	1000018812	US Treasury Bill		3/15/2012	5/17/2012	99.994	122,992.62	123,000.00	122,995.70

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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price a/o 3/31/12	Market Value (\$s)	Par Amount (\$s)	Cost (Incl. Purch Int) (\$s)
923B	1000018813	US Treasury Bill		3/15/2012	5/17/2012	99.994	19,998.80	20,000.00	19,999.30
925B	1000018814	US Treasury Bill		3/15/2012	5/17/2012	99.994	44,997.30	45,000.00	44,998.43
937B	1000018815	US Treasury Bill		3/15/2012	5/17/2012	99.994	85,994.84	86,000.00	85,996.99
942B	1000018816	US Treasury Bill		3/15/2012	5/17/2012	99.994	66,995.98	67,000.00	66,997.66
944B	1000018817	US Treasury Bill		3/15/2012	5/17/2012	99.994	28,998.26	29,000.00	28,998.99
952B	1000018818	US Treasury Bill		3/15/2012	5/17/2012	99.994	64,996.10	65,000.00	64,997.73
226P	1000018590	US Treasury Bill		1/25/2012	5/24/2012	99.992	988,920.88	989,000.00	988,868.14
249S	1000018785	US Treasury Bill		3/14/2012	5/24/2012	99.992	914,926.80	915,000.00	914,882.71
417P	1000018591	US Treasury Bill		1/25/2012	5/24/2012	99.992	1,099,912.00	1,100,000.00	1,099,853.34
951B	1000018680	US Treasury Bill		1/6/2012	5/24/2012	99.992	6,999.44	7,000.00	6,999.53
951B	1000018712	US Treasury Bill		2/27/2012	5/24/2012	99.992	49,996.00	50,000.00	49,992.75
951B	1000018830	US Treasury Bill		3/20/2012	5/24/2012	99.992	9,999.20	10,000.00	9,999.28
020B	1000018923	US Treasury Bill		3/30/2012	5/31/2012	99.990	25,124,487.30	25,127,000.00	25,125,593.59
025B	1000018912	US Treasury Bill		3/29/2012	5/31/2012	99.990	9,999.00	10,000.00	9,999.48
053B	1000018919	US Treasury Bill		3/29/2012	5/31/2012	99.990	2,023,797.60	2,024,000.00	2,023,936.24
823B	1000018914	US Treasury Bill		3/29/2012	5/31/2012	99.990	449,955.00	450,000.00	449,985.83
886B	1000018918	US Treasury Bill		3/29/2012	5/31/2012	99.990	482,951.70	483,000.00	482,984.79
960B	1000018915	US Treasury Bill		3/29/2012	5/31/2012	99.990	1,796,820.30	1,797,000.00	1,796,943.39
969B	1000018917	US Treasury Bill		3/29/2012	5/31/2012	99.990	373,962.60	374,000.00	373,988.22
977B	1000018916	US Treasury Bill		3/29/2012	5/31/2012	99.990	1,600,839.90	1,601,000.00	1,600,949.57
889B	1000018844	US Treasury Bill		3/22/2012	6/21/2012	99.985	2,999.55	3,000.00	2,999.49
891B	1000018845	US Treasury Bill		3/22/2012	6/21/2012	99.985	167,974.80	168,000.00	167,971.55
893B	1000018846	US Treasury Bill		3/22/2012	6/21/2012	99.985	80,987.85	81,000.00	80,986.28
896B	1000018847	US Treasury Bill		3/22/2012	6/21/2012	99.985	22,996.55	23,000.00	22,996.10
897B	1000018848	US Treasury Bill		3/22/2012	6/21/2012	99.985	62,990.55	63,000.00	62,989.33
899B	1000018849	US Treasury Bill		3/22/2012	6/21/2012	99.985	840,873.85	841,000.00	840,857.57
900B	1000018850	US Treasury Bill		3/22/2012	6/21/2012	99.985	56,991.45	57,000.00	56,990.35
901B	1000018851	US Treasury Bill		3/22/2012	6/21/2012	99.985	235,964.60	236,000.00	235,960.03
902B	1000018852	US Treasury Bill		3/22/2012	6/21/2012	99.985	64,990.25	65,000.00	64,988.99
903B	1000018853	US Treasury Bill		3/22/2012	6/21/2012	99.985	760,885.85	761,000.00	760,871.12
904B	1000018854	US Treasury Bill		3/22/2012	6/21/2012	99.985	331,950.20	332,000.00	331,943.77
905B	1000018855	US Treasury Bill		3/22/2012	6/21/2012	99.985	220,966.85	221,000.00	220,962.57
907B	1000018856	US Treasury Bill		3/22/2012	6/21/2012	99.985	439,934.00	440,000.00	439,925.48
968B	1000018843	US Treasury Bill		3/22/2012	6/21/2012	99.985	27,995.80	28,000.00	27,995.26
982B	1000018838	US Treasury Bill		3/22/2012	6/21/2012	99.985	207,968.80	208,000.00	207,964.77

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BAC	DEAL ID	Instrument Type	Rate	Settle Date	Maturity Date	Market Price a/o 3/31/12	Market Value (\$'s)	Par Amount (\$'s)	Cost (incl. Purch Int (\$'s))
983B	1000018839	US Treasury Bill		3/22/2012	6/21/2012	99.985	51,992.20	52,000.00	51,991.19
984B	1000018840	US Treasury Bill		3/22/2012	6/21/2012	99.985	3,999.40	4,000.00	3,999.32
985B	1000018841	US Treasury Bill		3/22/2012	6/21/2012	99.985	8,998.65	9,000.00	8,998.48
988B	1000018842	US Treasury Bill		3/22/2012	6/21/2012	99.985	4,999.25	5,000.00	4,999.15
380B	1000018771	US Treasury Bill		3/6/2012	6/28/2012	99.983	126,978.41	127,000.00	126,967.83
416B	1000018505	US Treasury Bill		1/3/2012	6/28/2012	99.983	292,950.19	293,000.00	292,971.19
416B	1000018527	US Treasury Bill		1/5/2012	6/28/2012	99.983	294,949.85	295,000.00	294,971.32
416B	1000018615	US Treasury Bill		2/1/2012	6/28/2012	99.983	293,950.02	294,000.00	293,951.65
416B	1000018727	US Treasury Bill		3/1/2012	6/28/2012	99.983	293,950.02	294,000.00	293,961.13
417B	1000018504	US Treasury Bill		1/3/2012	6/28/2012	99.983	624,893.75	625,000.00	624,938.54
417B	1000018526	US Treasury Bill		1/5/2012	6/28/2012	99.983	201,965.66	202,000.00	201,980.36
417B	1000018614	US Treasury Bill		2/1/2012	6/28/2012	99.983	624,893.75	625,000.00	624,897.22
417B	1000018726	US Treasury Bill		3/1/2012	6/28/2012	99.983	624,893.75	625,000.00	624,917.36
423E	1000018503	US Treasury Bill		1/3/2012	6/28/2012	99.983	47,991.84	48,000.00	47,995.28
423E	1000018616	US Treasury Bill		2/1/2012	6/28/2012	99.983	46,992.01	47,000.00	46,992.27
423E	1000018728	US Treasury Bill		3/1/2012	6/28/2012	99.983	47,991.84	48,000.00	47,993.65
415B	1000018983	US Treasury Bill		3/1/2012	6/28/2012	99.983	910,845.13	911,000.00	910,744.04
636B	1000018446	US Treasury Bill		12/29/2011	6/28/2012	99.983	4,209,284.30	4,210,000.00	4,209,127.36
378B	1000018447	US Treasury Bill		12/29/2011	12/13/2012	99.901	142,858.43	143,000.00	142,854.02
378B	1000018538	US Treasury Bill		1/9/2012	12/13/2012	99.901	4,814,229.19	4,819,000.00	4,814,689.00
381B	1000018448	US Treasury Bill		12/29/2011	12/13/2012	99.901	19,980.20	20,000.00	19,979.58
381B	1000018539	US Treasury Bill		1/9/2012	12/13/2012	99.901	679,326.80	680,000.00	679,391.68
							638,441,904.63	638,470,000.00	638,439,047.04
Grand Totals							1,650,955,344.43	1,650,465,035.00	1,649,711,828.96