



INFORMATIONAL REPORT

DATE ISSUED: June 8, 2017

REPORT NO: HCR17-048

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of June 16, 2017

SUBJECT: Investment Report – Third Quarter Fiscal Year 2017

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

SUMMARY

The attached Quarterly Investment Report details the San Diego Housing Commission's (Housing Commission) investment portfolio as of March 31, 2017. The report includes both summary and detailed information on all liquid cash and cash equivalents, and core investments owned by the Housing Commission. The market value of the portfolio at March 31, 2017, was \$146.06 million, compared to \$150.07 million in the previous quarter, resulting in an overall investment portfolio decrease of \$4.01 million. At March 31, 2017, the overall investment portfolio had a yield to maturity of 1.16 percent, average days to maturity of 502, and an effective duration of 1.27 years, compared to the overall investment portfolio at December 31, 2016, which had a yield to maturity of 1.10 percent, average days to maturity of 485, and an effective duration of 1.24 years.

Cash and cash equivalents (liquid)

1. \$30.91 million is held in various accounts, including the Housing Commission's bank, US Bank (\$24.10 million) and other various authorized accounts required by lending agreements and program obligations (\$6.80 million).
2. \$23.31 million is held in pooled investment funds. Pooled funds include California's Local Agency Investment Fund (LAIF), The San Diego Foundation (TSDF) and the San Diego County Investment Pool (SDCIP).

The blended yield on these liquid accounts was 0.45 percent for the quarter, which was slightly higher than the prior quarter of 0.42 percent.

Core investments

3. \$89.14 million is held in Agency Debentures and/or Agency Mortgage-Backed Securities (MBS).
4. \$2.70 million is held in various FDIC insured Certificates of Deposit (CD).

June 8, 2017

Third Quarter FY2017 Investment Report

Page 2

The blended yield on core investments for the quarter was 1.58 percent, a slight increase from the previous reporting period of 1.57 percent.

DISCUSSION

The overall market value of the investment portfolio was lower at \$146.06 million compared to prior quarter of \$150.07 million. The decrease was primarily due to the \$5.0 million final payment related to the purchase of the Town and Country Apartments, offset by an additional \$1.1 million of new project in lieu fees related to Star Hotel SRO.

The overall investment portfolio yield was 1.16 percent, compared to 1.10 percent in the prior quarter. The increase was primarily due to better opportunities with the Federal Reserve having raised rates twice between December 2016 and March 2017.

CONCLUSION

The Federal Reserve raised the Fed Funds rate by 0.25 percent to 0.75 - 1 percent target on March 15, 2017, after holding steady at the February 1, 2017, meeting. At the May 3, 2017, meeting, the Federal Reserve held the Fed Funds rate steady, while guidance given continued to be gradual hikes, with two additional moves forecasted for the remainder of 2017.

The Housing Commission's investment strategy continues to focus on ensuring the safety of the principle, maintaining sufficient liquidity to meet operational requirements, generating investment yield and where possible, investing locally. The Housing Commission will continue to build its investment portfolio with these underlying objectives in mind and will continue to purchase Government Agency MBS and debentures. The Housing Commission will keep its durations at a conservative level and anticipates adding maturities in the 2-3 year range. Also, the Housing Commission will continue to contemplate purchasing Agency Step Up bonds and perhaps Agency Floating Rate coupons as defensive investments in this potential rising rate environment.

Respectfully submitted,

Tracey McDermott

Tracey McDermott
Chief Financial Officer
Financial Services Department

Approved by,

Jeff Davis

Jeff Davis
Executive Vice President & Chief Of Staff
San Diego Housing Commission

Attachments: 1) SDHC Quarterly Financial Investment Report Ending March 31, 2017

Hard copies are available for review during business hours at the security information desk in the main lobby and the fifth floor reception desk of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials in the "Public Meetings" section of the San Diego Housing Commission website at www.sdhc.org

Table of Contents

I.	Investment Policy Summary	1
II.	Portfolio Summary by Investment Type	2
III.	Portfolio Credit Quality by Quarter	3
IV.	Portfolio Asset Allocation by Quarter	4
V.	Portfolio Maturity Schedule	5
VI.	Portfolio Yield Comparison	6
VII.	Portfolio Holdings Detail	7-10
VIII.	Glossary of Investment Terms	11

INVESTMENT POLICY SUMMARY

In 2005, SDHC approved an Investment Policy which allows the agency to invest surplus funds in accordance with the provisions of U.S. Department of Housing & Urban Development (HUD) Notice PIH 96-33 and California Government Code Sections 5922 and 53601.

The Investment Policy contains the required standards of care that include prudence, ethics, conflict of interest and delegation of authority. Additionally, the policy states the general objectives of safety, liquidity, yield and local considerations must be followed. Finally, the policy provides guidance concerning authorized financial institutions, depositories and broker/dealers; asset safekeeping and custody; authorized and suitable investment types; collateralization and diversification.

SAN DIEGO HOUSING COMMISSION

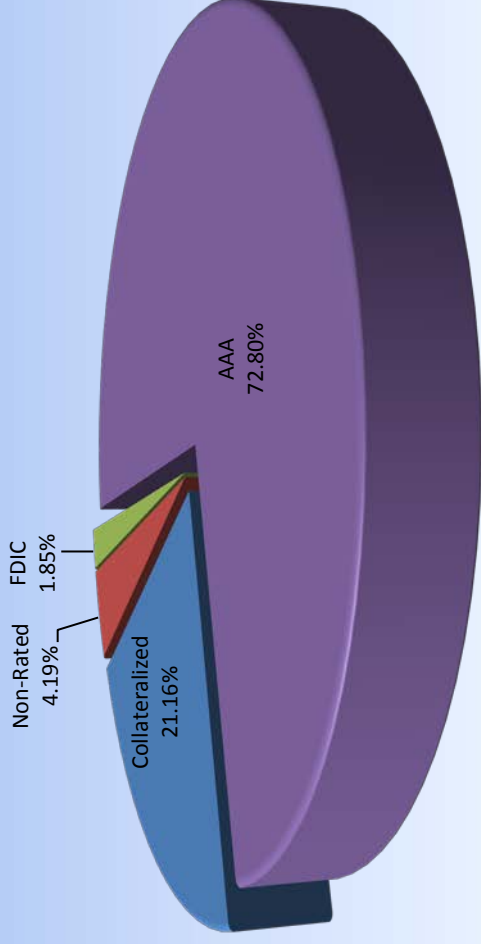
PORTFOLIO SUMMARY BY INVESTMENT TYPE

March 31, 2017										
Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity		
Cash -unrestricted	\$24.10	16.41%	\$24.10	100.00%	\$0.00	1	0.40%	1		
Cash - restricted	\$6.80	4.63%	\$6.80	100.00%	\$0.00	1	0.32%	1		
Local Agency Investment Fund (LAIF)	\$6.09	4.17%	\$6.09	100.00%	\$0.00	1	0.40%	1		
San Diego Foundation (TSDF)	\$0.03	0.02%	\$0.03	100.00%	\$0.00	1	0.40%	1		
San Diego County Investment Pool (SDCIP)	\$17.19	11.77%	\$17.19	100.00%	\$0.00	1	0.59%	1		
Total liquid investments	\$54.22	37.01%	\$54.22	100.00%	\$0.00	1	0.45%	1		
Agency Bonds	\$89.94	61.03%	\$89.14	99.12%	-\$0.79	1,206	1.59%	810		
Certificate of Deposits (FDIC)	\$2.70	1.85%	\$2.70	100.03%	\$0.00	1,055	1.43%	392		
Total core investments	\$92.63	62.88%	\$91.84	99.15%	-\$0.79	1,202	1.58%	797		
Total liquid and core investments	\$146.85	100%	\$146.06	99.46%	-\$0.79	756	1.16%	502		
Current Portfolio Effective Duration		1.27		Years						

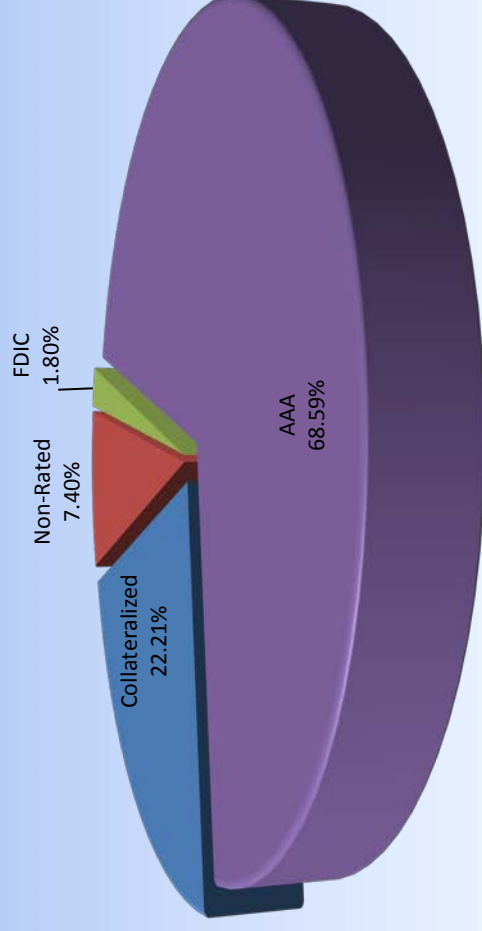
December 31, 2016										
Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity		
Cash -unrestricted	\$23.72	15.73%	\$23.72	100.00%	\$0.00	1	0.40%	1		
Cash - restricted	\$9.61	6.38%	\$9.61	100.00%	\$0.00	1	0.23%	1		
Local Agency Investment Fund (LAIF)	\$11.07	7.37%	\$11.07	100.00%	\$0.00	1	0.40%	1		
San Diego Foundation (TSDF)	\$0.03	0.02%	\$0.03	100.00%	\$0.00	1	0.40%	1		
San Diego County Investment Pool (SDCIP)	\$17.15	11.43%	\$17.15	100.00%	\$0.00	1	0.59%	1		
Total liquid investments	\$61.59	40.93%	\$61.59	100.00%	\$0.00	1	0.42%	1		
Agency Bonds	\$86.52	57.16%	\$85.79	99.16%	-\$0.73	1,144	1.58%	833		
Certificate of Deposits (FDIC)	\$2.70	1.80%	\$2.70	100.01%	\$0.00	1,055	1.43%	482		
Total core investments	\$89.21	58.96%	\$88.48	99.18%	-\$0.73	1,142	1.57%	822		
Total liquid and core investments	\$150.80	100%	\$150.07	99.52%	-\$0.73	674	1.10%	485		
Current Portfolio Effective Duration		1.24		Years						

PORTFOLIO CREDIT QUALITY* BY QUARTER

March 31, 2017



December 31, 2016

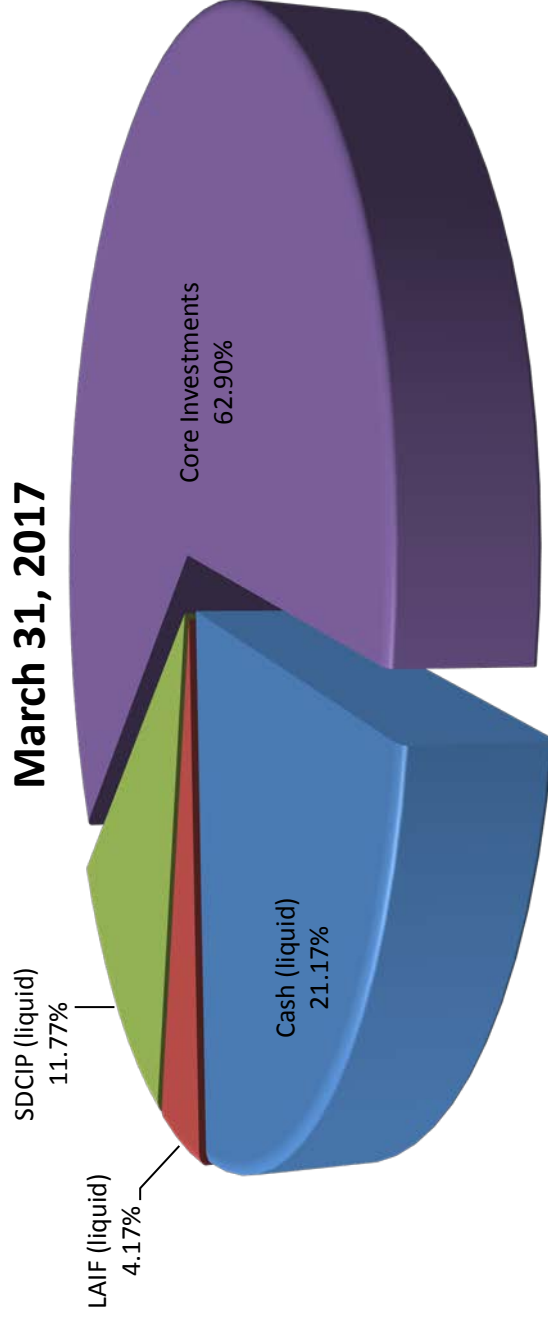


Note: Mortgage-backed securities (MBS) are included with other AAA rated securities. While the rating agencies do not specifically rate MBS, they carry an implied AAA rating based on the collateral and the rating of the Agency (Fannie/Freddie) that issues/guarantees them.

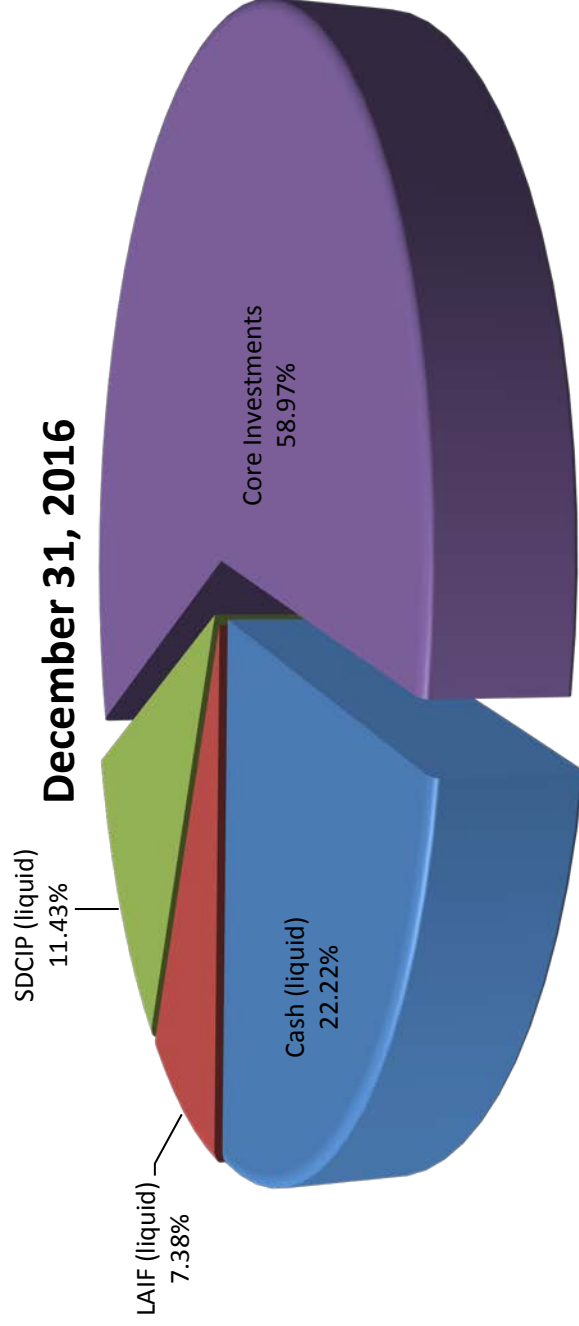
Non-Rated securities in SDHC's portfolio represents investments in the State of California's Local Agency Investment Fund (LAIF). The lack of a rating does not imply a negative credit quality.

ASSET ALLOCATION BY QUARTER

March 31, 2017



December 31, 2016



Market Value in Millions			
	12/31/16	03/31/17	Variance
Cash (liquid)	\$ 33.34	\$ 30.91	\$ (2.43)
LAIF (liquid)	\$ 11.07	\$ 6.09	\$ (4.98)
SDCIP (liquid)	\$ 17.15	\$ 17.19	\$ 0.04
Core Investments	\$ 88.48	\$ 91.84	\$ 3.36
TSDf (liquid)	\$ 0.03	\$ 0.03	\$ (0.00)
Total	\$ 150.07	\$ 146.06	\$ (4.02)

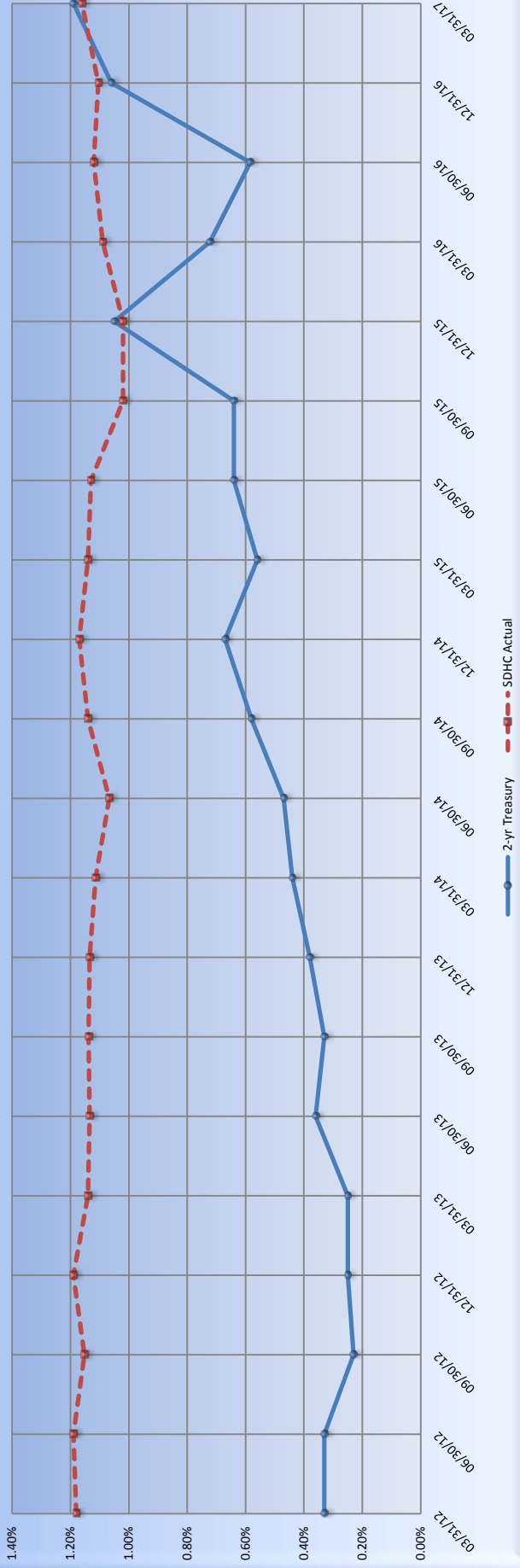
* Based on Market Value of Assets

Portfolio Maturity Schedule

Investments	1 day to 90 days	91 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	Total by Asset
Cash	\$ 30.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30.91
LAIF	6.09	-	-	-	-	-	\$ 6.09
TSDF	0.03	-	-	-	-	-	\$ 0.03
SDCIP	17.19	-	-	-	-	-	\$ 17.19
Agency Bonds	0.59	13.89	16.01	40.21	18.44	-	\$ 89.14
CD (FDIC)	0.25	0.74	1.72	-	-	-	\$ 2.70
Total	\$ 55.06	\$ 14.62	\$ 17.72	\$ 40.21	\$ 18.44	\$ -	\$ 146.06
Percent	37.69%	10.01%	12.13%	27.53%	12.63%	0.00%	100.00%

PORTFOLIO YIELD COMPARISON

2-Year Treasury Note vs. SDHC Actual Yield



**San Diego Housing Commission
Portfolio Holdings Detail**

As of

March 31, 2017

Investments - Liquid Cash Accounts	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
SDHC Operating Account	U.S. Bank	\$24.10	16.50%	\$24.10	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Operating	U.S. Bank	\$0.13	0.09%	\$0.13	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Security Deposit	U.S. Bank	\$0.10	0.07%	\$0.10	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Res. (10002)	Greystone	\$0.35	0.24%	\$0.35	100.00%	\$0.00	1	0.05%	1
Central FNMA LLC Operating	U.S. Bank	\$0.24	0.16%	\$0.24	100.00%	\$0.00	1	0.40%	1
Central FNMA LLC Security Deposit	U.S. Bank	\$0.12	0.08%	\$0.12	100.00%	\$0.00	1	0.40%	1
Central FNMA LLC Res. (10003)	Greystone	\$0.17	0.12%	\$0.17	100.00%	\$0.00	1	0.05%	1
North FNMA LLC Operating	U.S. Bank	\$0.56	0.38%	\$0.56	100.00%	\$0.00	1	0.40%	1
North FNMA LLC Security Deposit	U.S. Bank	\$0.08	0.05%	\$0.08	100.00%	\$0.00	1	0.40%	1
North FNMA LLC Res. (10004)	Greystone	\$0.18	0.12%	\$0.18	100.00%	\$0.00	1	0.05%	1
Central FHA LLC Operating	U.S. Bank	\$0.61	0.42%	\$0.61	100.00%	\$0.00	1	0.40%	1
Central FHA LLC Security Deposit	U.S. Bank	\$0.14	0.10%	\$0.14	100.00%	\$0.00	1	0.40%	1
Central FHA LLC Res. (0538)	PNC Bank	\$0.51	0.35%	\$0.51	100.00%	\$0.00	1	0.05%	1
Northern FHA LLC Operating	U.S. Bank	\$0.21	0.14%	\$0.21	100.00%	\$0.00	1	0.40%	1
Northern FHA LLC Security Deposit	U.S. Bank	\$0.10	0.07%	\$0.10	100.00%	\$0.00	1	0.40%	1
Northern FHA LLC Res. (0539)	PNC Bank	\$0.87	0.60%	\$0.87	100.00%	\$0.00	1	0.05%	1
Southern FHA LLC Operating	U.S. Bank	\$0.52	0.35%	\$0.52	100.00%	\$0.00	1	0.40%	1
Southern FHA LLC Security Deposit	U.S. Bank	\$0.18	0.12%	\$0.18	100.00%	\$0.00	1	0.40%	1
Southern FHA LLC Res. (0540)	PNC Bank	\$0.52	0.36%	\$0.52	100.00%	\$0.00	1	0.05%	1
Hotel Sandford Rep. Res. (7828)	U.S. Bank	\$0.43	0.30%	\$0.43	100.00%	\$0.00	1	0.40%	1
Hotel Sandford Operating Savings (7836)	U.S. Bank	\$0.12	0.08%	\$0.12	100.00%	\$0.00	1	0.40%	1
Town & County Operating	Wells Fargo	\$0.01	0.01%	\$0.01	100.00%	\$0.00	1	0.40%	1
Town & County Security Deposits	Wells Fargo	\$0.08	0.05%	\$0.08	100.00%	\$0.00	1	0.40%	1
FSS Escrow	U.S. Bank	\$0.57	0.39%	\$0.57	100.00%	\$0.00	1	0.40%	1
Village North Senior Operating Savings (9747)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Village North Senior Security Dep. (9788)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Total Cash Accounts		\$30.91	21.16%	\$30.91	100.00%	\$0.00	1	0.37%	1

Investments - Liquid Pooled Investments	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Local Agency Investment Fund	State of CA	\$6.09	4.17%	\$6.09	100.00%	\$0.00	1	0.40%	1
San Diego Foundation	TSDf	\$0.03	0.02%	\$0.03	100.00%	\$0.00	1	0.40%	1
SD County Investment Pool	County of SD	\$17.19	11.77%	\$17.19	100.00%	\$0.00	1	0.59%	1
Total Pooled Investments		\$23.31	15.96%	\$23.31	100.00%	\$0.00	1	0.54%	1
Investments - Core Bond Investments (CUSIP)	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Agency MBS									
31381ULQ8	FNMA P	\$0.59	0.41%	\$0.59	100.02%	\$0.00	1802	1.36%	62
31381VEF8	FNMA P	\$0.40	0.27%	\$0.40	99.93%	\$0.00	402	1.13%	92

San Diego Housing Commission Portfolio Holdings Detail

As of
March 31, 2017

31410GKC6	FNMA P	\$0.85	0.58%	\$0.85	100.86%	\$0.01	1110	1.61%	123
31410GWRO	FNMA P	\$0.31	0.21%	\$0.31	101.46%	\$0.00	867	1.26%	184
31381PMD7	FNMA P	\$0.49	0.34%	\$0.49	99.84%	\$0.00	575	1.61%	245
31381P3Z9	FNMA P	\$2.00	1.36%	\$2.00	100.03%	\$0.00	385	2.28%	276
31381QA22	FNMA P	\$1.88	1.28%	\$1.88	99.67%	-\$0.01	1196	1.55%	276
31381QAA4	FNMA P	\$0.46	0.31%	\$0.46	100.14%	\$0.00	1105	1.49%	276
31381QAA4	FNMA P	\$0.92	0.63%	\$0.92	100.17%	\$0.00	410	1.31%	276
31381QAA4	FNMA P	\$0.92	0.63%	\$0.92	99.17%	-\$0.01	776	1.36%	276
3138NJAP3	FNMA P	\$0.71	0.48%	\$0.71	99.74%	\$0.00	675	1.73%	276
31381QCZ7	FNMA P	\$0.97	0.66%	\$0.97	100.07%	\$0.00	776	1.41%	335
31381QJB3	FNMA P	\$0.93	0.63%	\$0.93	99.59%	\$0.00	846	1.48%	335
31381QJB3	FNMA P	\$0.93	0.64%	\$0.93	99.17%	-\$0.01	681	1.45%	335
31381QJR8	FNMA P	\$0.22	0.15%	\$0.22	99.65%	\$0.00	1189	1.40%	335
31381QPX8	FNMA P	\$0.92	0.62%	\$0.91	99.73%	\$0.00	639	1.51%	335
31381QPX8	FNMA P	\$0.99	0.67%	\$0.98	99.76%	\$0.00	623	3.18%	335
31381QMV5	FNMA P	\$0.92	0.63%	\$0.92	99.56%	\$0.00	1196	1.41%	366
31381QSX5	FNMA P	\$1.09	0.74%	\$1.08	99.58%	\$0.00	1306	1.63%	396
31381RAY0	FNMA P	\$1.02	0.69%	\$1.02	100.00%	\$0.00	1218	1.70%	396
31381RAY0	FNMA P	\$1.02	0.69%	\$1.02	99.93%	\$0.00	998	1.30%	396
31381RAY0	FNMA P	\$0.21	0.15%	\$0.21	99.68%	\$0.00	868	1.59%	396
31381RAY0	FNMA P	\$1.69	1.15%	\$1.69	99.65%	-\$0.01	579	1.46%	396
31381RAY0	FNMA P	\$0.21	0.15%	\$0.21	99.67%	\$0.00	574	1.51%	396
3138EGTT1	FNMA P	\$0.53	0.36%	\$0.53	99.26%	\$0.00	585	1.40%	427
31418MEX6	FNMA P	\$1.51	1.03%	\$1.53	101.35%	\$0.02	659	1.55%	427
3138LTJ5	FNMA P	\$0.62	0.42%	\$0.62	99.76%	\$0.00	740	1.43%	457
31381R7G3	FNMA P	\$0.91	0.62%	\$0.91	100.06%	\$0.00	1403	1.51%	519
313815J86	FNMA P	\$2.77	1.89%	\$2.75	99.28%	-\$0.02	1102	1.37%	549
31381SSZ6	FNMA P	\$0.34	0.23%	\$0.34	99.72%	\$0.00	800	1.13%	580
31381S5X6	FNMA P	\$0.45	0.31%	\$0.45	100.35%	\$0.00	1033	1.79%	610
31381TNP1	FNMA P	\$2.05	1.39%	\$2.02	98.69%	-\$0.03	840	1.23%	641
3137AQVW5	FNMA P	\$0.71	0.48%	\$0.70	99.53%	\$0.00	794	1.70%	724
31381UCF2	FNMA P	\$0.45	0.31%	\$0.45	99.57%	\$0.00	916	1.84%	731
31381UJL2	FNMA P	\$0.97	0.66%	\$0.96	98.72%	-\$0.01	913	1.20%	731
31377TY59	FNMA P	\$0.40	0.27%	\$0.40	98.74%	-\$0.01	1233	1.92%	761
31381UQ75	FNMA P	\$1.48	1.01%	\$1.47	99.27%	-\$0.01	1272	1.73%	761
31413XWA7	FNMA P	\$1.09	0.74%	\$1.07	98.80%	-\$0.01	1294	1.69%	761
31381KBE8	FNMA P	\$1.40	0.95%	\$1.39	99.49%	-\$0.01	1142	1.57%	792
31418M7H9	FNMA P	\$0.44	0.30%	\$0.44	99.70%	\$0.00	1110	1.52%	822
31418M7H9	FNMA P	\$1.33	0.90%	\$1.32	98.98%	-\$0.01	1018	1.49%	822
31418M7H9	FNMA P	\$1.27	0.86%	\$1.25	98.78%	-\$0.02	1263	1.71%	822
3138L3CT0	FNMA P	\$1.41	0.96%	\$1.39	98.62%	-\$0.02	1066	1.56%	853
3138LOXJ5	FNMA P	\$0.93	0.63%	\$0.92	99.00%	-\$0.01	1384	1.92%	884
3136AK2A0	FNA	\$1.01	0.69%	\$1.01	99.46%	-\$0.01	917	1.92%	908

San Diego Housing Commission Portfolio Holdings Detail

As of
March 31, 2017

31381K4D8	FNMA P	\$1.92	1.30%	\$1.89	98.69%	-\$0.03	1173	1.51%	914
31381K4D8	FNMA P	\$0.23	0.16%	\$0.23	98.71%	\$0.00	1169	1.50%	914
31381K5J4	FNMA P	\$0.92	0.62%	\$0.90	98.13%	-\$0.02	1128	1.28%	914
3138L1DK25	FNMA P	\$2.02	1.38%	\$2.00	98.84%	-\$0.02	1922	1.13%	914
3138L7WL6	FNMA P	\$1.13	0.77%	\$1.11	98.16%	-\$0.02	1070	1.20%	914
31381LDW4	FNMA P	\$0.59	0.40%	\$0.59	99.71%	\$0.00	1417	1.96%	945
31381LDW4	FNMA P	\$0.80	0.54%	\$0.78	98.39%	-\$0.01	1204	1.46%	945
31381LKX4	FNMA P	\$0.95	0.65%	\$0.93	98.55%	-\$0.01	1235	1.50%	945
31418MWW3	FNMA P	\$1.27	0.87%	\$1.25	98.13%	-\$0.02	1386	1.71%	945
31418MWW8	FNMA P	\$1.67	1.14%	\$1.66	99.26%	-\$0.01	1195	1.31%	975
31418MWW8	FNMA P	\$1.44	0.98%	\$1.43	99.07%	-\$0.01	1829	1.51%	975
31381LRN9	FNMA P	\$1.61	1.10%	\$1.59	98.70%	-\$0.02	1408	1.60%	1006
31381LX93	FNMA P	\$1.24	0.84%	\$1.22	98.58%	-\$0.02	1218	1.56%	1006
31381LX93	FNMA P	\$0.96	0.66%	\$0.95	98.56%	-\$0.01	1218	1.55%	1006
31398VJ98	FHMS	\$1.71	1.16%	\$1.70	99.42%	-\$0.01	1131	1.86%	1030
31381MCH6	FNMA P	\$1.08	0.74%	\$1.06	98.13%	-\$0.02	1296	1.48%	1037
31418M4K5	FNMA P	\$0.95	0.64%	\$0.93	98.88%	-\$0.01	1440	1.80%	1037
31418M4KS	FNMA P	\$1.03	0.70%	\$1.02	98.82%	-\$0.01	1145	1.85%	1037
31418M5M0	FNMA P	\$0.80	0.54%	\$0.78	98.12%	-\$0.01	1236	1.57%	1037
31418M5M0	FNMA P	\$0.96	0.66%	\$0.95	98.63%	-\$0.01	1405	1.75%	1037
31418M5M8	FNMA P	\$1.71	1.17%	\$1.69	98.72%	-\$0.02	1368	1.52%	1037
31419AEG8	FNMA P	\$1.07	0.73%	\$1.06	98.65%	-\$0.01	1269	1.55%	1037
31381ME27	FNMA P	\$0.51	0.35%	\$0.51	99.49%	\$0.00	1157	2.03%	1066
31381ME277	FNMA P	\$0.97	0.66%	\$0.96	99.10%	-\$0.01	1144	2.03%	1066
3138L9J37	FNMA P	\$0.97	0.66%	\$0.97	100.02%	\$0.00	1929	1.54%	1066
31381RZF4	FNMA P	\$0.98	0.67%	\$0.96	97.86%	-\$0.02	2018	1.79%	1097
31419AEJ2	FNMA P	\$1.94	1.32%	\$1.92	99.10%	-\$0.02	1317	1.31%	1097
31381MV92	FNMA P	\$0.53	0.36%	\$0.52	98.39%	-\$0.01	1260	2.00%	1158
31381MZJ7	FNMA P	\$1.59	1.08%	\$1.58	99.25%	-\$0.01	1326	1.71%	1158
31381NB93	FNMA P	\$0.49	0.34%	\$0.48	98.25%	-\$0.01	1518	1.60%	1188
31381NC43	FNMA P	\$0.40	0.27%	\$0.39	97.97%	-\$0.01	1525	1.81%	1188
31381NQY2	FNMA P	\$0.77	0.53%	\$0.76	98.22%	-\$0.01	1615	1.71%	1219
3137A2B26	FNMA P	\$2.13	1.45%	\$2.11	98.97%	-\$0.02	1351	1.70%	1243
31381NWR0	FNMA P	\$0.93	0.63%	\$0.92	98.67%	-\$0.01	2205	2.22%	1250
3138NJA6	FNMA P	\$1.93	1.31%	\$1.89	98.10%	-\$0.04	1602	1.83%	1250
3138NJAL2	FNMA P	\$0.98	0.67%	\$0.97	98.48%	-\$0.01	1576	1.56%	1250
31381NLA9	FNMA P	\$0.54	0.37%	\$0.53	98.58%	-\$0.01	1455	1.71%	1280
31381NLA9	FNMA P	\$0.27	0.18%	\$0.26	98.05%	-\$0.01	1389	1.65%	1280
31381PAU2	FNMA P	\$0.63	0.43%	\$0.62	98.84%	-\$0.01	1782	1.30%	1311
31381PUY2	FNMA P	\$0.63	0.43%	\$0.61	97.80%	-\$0.01	1540	1.59%	1341
31381PUY2	FNMA P	\$0.65	0.45%	\$0.64	97.72%	-\$0.01	2262	1.49%	1341
3138NJA68	FNMA P	\$2.55	1.74%	\$2.52	98.75%	-\$0.03	1744	1.32%	1341
3137A8PP7	FHMS	\$0.75	0.51%	\$0.75	99.16%	-\$0.01	1374	1.70%	1365

San Diego Housing Commission Portfolio Holdings Detail

As of
March 31, 2017

Total Agency Bond Investments		\$89.94	61.03%	\$89.14	99.12%	-\$0.79	1,206	1.59%	810
Issuer	Investments - Core Certificate of Deposit (CD)	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
COMPASS BANK, AL		\$0.25	0.17%	\$0.25	100.06%	\$0.00	1098	1.05%	60
MEDALLION BANK, UT		\$0.25	0.17%	\$0.25	100.10%	\$0.00	1096	1.15%	123
BARCLAYS BANK, DE		\$0.25	0.17%	\$0.25	100.15%	\$0.00	1096	1.25%	136
SALLIE MAE, UT		\$0.25	0.17%	\$0.25	100.03%	\$0.00	732	1.15%	227
ALLY BANK, UT		\$0.25	0.17%	\$0.25	100.00%	\$0.00	917	1.35%	374
AMERICAN EXPRESS CENT		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1097	1.65%	542
CAPITAL ONE BANK		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1189	1.65%	542
CAPITAL ONE BANK		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1097	1.65%	542
GOLDMAN SACHS BANK		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1094	1.65%	546
DISCOVER BANK		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1096	1.60%	563
BMW		\$0.25	0.17%	\$0.25	100.00%	\$0.00	1096	1.60%	662
Total Certificate of Deposits		\$2.70	1.85%	\$2.70	100.03%	\$0.00	1,055	1.43%	392
Total Cash & Investments		\$146.85	100.00%	\$146.06	99.46%	-\$0.79	756	1.16%	502

Statement of Compliance:

I certify to the best of my knowledge and belief that all investment transactions executed have been in full compliance with the investment policy of the San Diego Housing Commission.

March 31, 2017

Date

Chief Financial Officer

GLOSSARY OF INVESTMENT TERMS

Agency - Privately owned, publicly chartered entities, such as Fannie Mae or Freddie Mac, created by Congress to reduce the cost of capital for certain borrowing sectors of the economy.

Blended Rate of Return - See Weighted Average Return.

Book Value - The value at which a security is carried on the financial records of an investor. The book value may differ significantly from the security's current value in the market or market value.

Basis Point (BP) - is one hundredth of a percentage point (0.01%). Basis points are often used to measure changes in yields between securities that often move in very small

Certificate of Deposit (CD) - A time deposit with a specific maturity evidenced by a certificate. CDs are 100% collateralized and/or FDIC insured.

Collateralization - Process by which financial institutions pledge securities, property, or other deposits for the purpose of securing cash and investments.

CUSIP - Committee on Uniform Security Identification Procedures. A unique 9-character alphanumeric identifier assigned to a bond at the time it is issued.

Debenture - A bond secured only by the general credit of the issuer.

Effective Duration - A measure of price sensitivity of a fixed income portfolio given a parallel shift in interest rates. Lower duration (in years) = lower price sensitivity.

FDIC - Federal Deposit Insurance Corporation a federally sponsored corporation that insures accounts in national banks and other qualified institutions.

FFCB - Federal Farm Credit Bank, a GSE.

FHLB - Federal Home Loan Banks, a GSE.

FHLMC - Federal Home Loan Mortgage Corporation or Freddie Mac, a GSE.

FNMA - Federal National Mortgage Association or Fannie Mae, a GSE.

GSE (Agency) - Government Sponsored Enterprise. Privately owned, publicly chartered entities, such as Fannie Mae or Freddie Mac, created by Congress to reduce the cost of capital for certain borrowing sectors of the economy.

Liquidity - The ability to convert an asset to cash quickly.

Market Value - An estimation of the price that could be obtained for a particular investment or asset if it were sold in an arm's length transaction on the current market.

MBS - Mortgage-Backed Security is a type of asset-backed security that is secured by a mortgage or collection of mortgages where monthly interest and principle payments are often redirected to bondholders.

SDCIP - San Diego County Investment Pool.

SLY - Safety, Liquidity & Yield. An investment strategy where the primary objective is the Safety of principle first, the Liquidity of investments to meet operating requirements second and where Yield only considered after the requirements of Safety and Liquidity have been met.

S&P - Standard and Poors, a credit ratings agency

Unrealized Gain (Loss) - The difference between the book value of an investment and the current market value/price.

Weighted Average Return - The average yield on a group of investment that takes into account the proportional relevance of each component.

Yield-To-Maturity (YTM) - The rate of return yielded on a bond or other investment if it is held until the maturity date.