



## INFORMATIONAL REPORT

**DATE ISSUED:** September 28, 2017

**REPORT NO:** HCR17-075

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of October 6, 2017

**SUBJECT:** Status of Loan Portfolio – Fourth Quarter Fiscal Year 2017

**COUNCIL DISTRICT:** Citywide

### NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

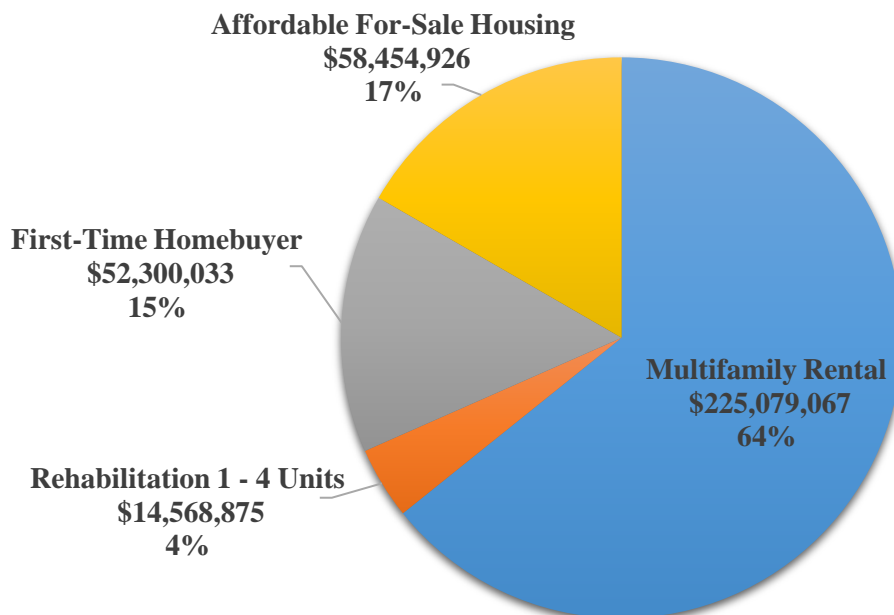
#### SUMMARY

Pursuant to San Diego Housing Commission (Housing Commission) Lending Authority Policy No. 600.101, the Housing Commission prepares quarterly reports that provide the following information:

- 1) Loan Portfolio Summary
- 2) Loans and Grants Funded
- 3) Loans Paid in Full
- 4) Loan Payments
- 5) Loans and Grants Written-Off
- 6) Defaults
- 7) Disposition of Foreclosed Properties

#### 1. LOAN PORTFOLIO SUMMARY

The Housing Commission's loan portfolio, as of June 30, 2017:



FY17	Principal Balance	Accrued Interest	Loans w/ Payments	Deferred Loans	Total Loans
Multifamily Rental	\$ 225,079,067	\$ 36,848,753	16	95	111
Rehabilitation 1 - 4 Units	\$ 14,568,875	\$ 64,305	12	822	834
First-Time Homebuyer	\$ 52,300,033	\$ 3,946,897	7	1,393	1,400
Affordable For-Sale Housing	\$ 58,454,926	\$ -	0	267	267
<b>TOTAL</b>	<b>\$ 350,402,901</b>	<b>\$ 40,859,955</b>	<b>35</b>	<b>2,577</b>	<b>2,612</b>

All loan and grant programs, except the Affordable For-Sale Housing Program, are funded using Federal, State, and Local monies, and are approved in accordance with the General Lending Authority Policy No. 600.101. The Affordable For-Sale Housing Program uses a Promissory Note, representing the difference between (a) the fair market value of the property, and (b) the actual affordable price paid at the time the Affordable Restrictions were recorded.

A Portion of the loan portfolio includes loans serviced on behalf the City of La Mesa. The loans were funded by the City of La Mesa, there was no investment on the part of the Housing Commission. The Housing Commission has an agreement with the City of La Mesa for limited servicing activities.

FY17	Principal Balance	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 1,368,360	\$ 339,777	18

## 2. LOANS AND GRANTS FUNDED

During the period of April 1, 2017 – June 30, 2017, the Housing Commission funded \$5,468,350 in assistance to create or preserve 158 affordable housing units and assist 10 first-time homebuyers:

<b>Rehabilitation</b>		
Households Assisted		6
Redevelopment Area Loans	\$	142,583
<b>First Time Homebuyer</b>		
Households Assisted		9
Closing Cost Assistance Grants	\$	79,940
Deferred Payment Loans	\$	399,599
	\$	479,539
<b>Rental Housing Finance</b>		
Number of Projects		2
Number of Affordable Units		142
Project Name(s)	The Nook & Vista Del Puente	
Project Type	Homeless	
SDHC Assistance	\$	4,850,000
<b>TOTAL FUNDED</b>	<b>\$</b>	<b>5,472,122</b>

### 3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of April 1, 2017 – June 30, 2017. The Housing Commission received 33 payoffs which generated \$4,558,569 in program income:

FY17 Q3	# Loans Paid Off	Loan Principal Repaid	Interest / Shared Equity	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	1	\$ 3,529,282	\$ 48,312	\$ -	\$ -	\$3,577,594
Rehabilitation 1 - 4 Units	9	\$ 138,223	\$ 9,966	\$ -	\$ -	\$ 148,189
First-Time Homebuyer	23	\$ 689,320	\$ 105,756	\$ 31,086	\$ 6,624	\$ 832,786
Affordable For-Sale	0	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>33</b>	<b>\$ 4,356,825</b>	<b>\$ 164,034</b>	<b>\$ 31,086</b>	<b>\$ 6,624</b>	<b>\$4,558,569</b>

*\*Down Payment and Closing Cost Assistance Recoverable Grant*

### 4. LOAN PAYMENTS

Below is a summary of the fixed monthly / annual and voluntary payments collected during the period of April 1, 2017 – June 30, 2017. The Housing Commission received \$401,640 in program income during this quarter.

FY17 Q3	Paid to Principal	Paid to Interest	Total Paid
Multifamily Rental	\$ 131,345	\$ 204,644	\$ 335,989
Rehabilitation 1 – 4 Units	\$ 4,717	\$ 559	\$ 5,276
First Time Homebuyer	\$ 43,036	\$ 17,339	\$ 60,375
Affordable For-Sale	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 179,098</b>	<b>\$ 222,542</b>	<b>\$ 401,640</b>

### 5. LOANS AND GRANTS WRITTEN-OFF / FORGIVEN

Below is a summary of the loans and grants written off or forgiven during the period of April 1, 2017 – June 30, 2017.

FY17 Q3	\$ Forgiven	*\$ Written Off	Authority
Multifamily Rental	\$ -	\$ -	
Rehabilitation 1 - 4 Units	\$ 138,000	\$ -	Forgiven per terms of loan
**First Time Homebuyer	\$ 76,168	\$ 64,500	Service Released Per PO-RED 325.01
Affordable For-Sale	\$ 272,616	\$ -	Forgiven per terms of loan
<b>TOTAL</b>	<b>\$ 486,784</b>	<b>\$ 64,500</b>	

*\*Written Off loans are a result of default activity i.e. bankruptcy, foreclosure or short sale.*

*\*\*The first time homebuyer forgiveness represents the closing cost assistance grants forgiven as per the terms of the program.*

**6. DEFAULTS**

Defaults include all Housing Commission loans that are delinquent 30 days or more, and loans for which the senior lien holder has filed a Notice of Default. Historically the vast majority of borrowers are able to cure the default and remain in their home. As of June 30, 2017, the loans in default are as follows:

FY17 Q2	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0		0.00%		
Rehabilitation 1 - 4 Units	1	\$ 41,316	0.28%	0	1
First-Time Homebuyer	5	\$ 176,057	0.34%	1	4
Affordable For-Sale Housing	0		0.00%		
<b>TOTAL</b>	0		0.06%		

**7. DISPOSITION OF FORECLOSED PROPERTIES**

During the fourth quarter of Fiscal Year 2017, a property with two outstanding Housing Commission loans went to foreclosure.

Radar, G.		Sale Date	
3-18-2086	\$ 4,885	5/26/2017	Property was sold to a third party bidder. The Housing Commission has filed two claims for excess proceeds.
3-46-2087	\$ 15,000		

Respectfully submitted,

*Carrie Tapia*

Carrie Tapia  
 Housing Programs Manager  
 Real Estate Division

Approved by,

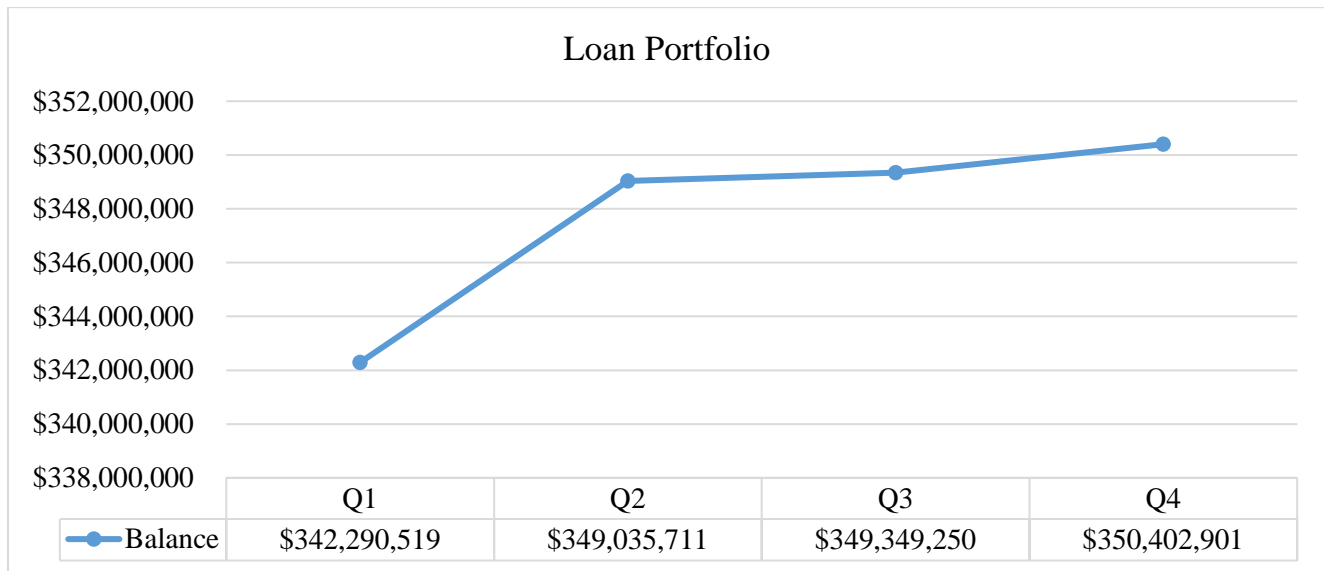
*Deborah N. Ruane*

Deborah N. Ruane  
 Executive Vice President & Chief Strategy Officer  
 San Diego Housing Commission

Attachment: 1) Fiscal Year 2017 Summary of Activity

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](http://www.sdhc.org)

**ATTACHMENT A**  
**FISCAL YEAR 2017 SUMMARY OF ACTIVITY**  
**July 1, 2016 – June 30, 2017**



**Total of Loans and Grants Funded**

Fiscal Year 2017	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 7,000,000	\$ 7,500,000	\$ -	\$ 4,850,000	\$ 19,350,000
Rehabilitation 1 - 4 Units	\$ 159,801	\$ 322,872	\$ 144,748	\$ 142,583	\$ 770,004
First Time Homebuyer	\$ 1,301,038	\$ 1,937,683	\$ 120,984	\$ 479,539	\$ 3,839,244
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 8,460,839</b>	<b>\$ 9,760,555</b>	<b>\$ 265,732</b>	<b>\$ 5,472,122</b>	<b>\$ 23,959,248</b>

**Number of Affordable Units Produced**

Fiscal Year 2017	Q1	Q2	Q3	Q4	Total
Multifamily Rental	76	67	0	142	285
Rehabilitation 1 - 4 Units	6	12	6	5	29
First Time Homebuyer	20	29	2	9	60
Affordable For-Sale	0	0	0	0	0
<b>Total</b>	<b>102</b>	<b>108</b>	<b>8</b>	<b>156</b>	<b>374</b>

**ATTACHMENT A (continued)**

Total of Loans and Grants Paid in Full (Includes Principal and Accrued Interest)

Fiscal Year 2017	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 584,481	\$ 27,050	\$ 7,434,957	\$ 3,577,594	\$ 11,624,082
Rehabilitation 1 - 4 Units	\$ 166,766	\$ 148,814	\$ 133,443	\$ 148,189	\$ 597,212
First Time Homebuyer	\$ 559,945	\$ 1,001,204	\$ 352,231	\$ 832,786	\$ 2,746,166
Affordable For-Sale	\$ -	\$ -	\$ 160,876	\$ -	\$ 160,876
<b>Total</b>	<b>\$ 1,311,192</b>	<b>\$ 1,177,068</b>	<b>\$ 8,081,507</b>	<b>\$ 4,558,569</b>	<b>\$ 15,128,336</b>

Total of Monthly/Annual Payments on Active Loans (Includes Principal and Accrued Interest)

Fiscal Year 2017	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 1,420,962	\$ 1,245,645	\$ 18,970	\$ 335,989	\$ 3,021,566
Rehabilitation 1 - 4 Units	\$ 6,893	\$ 5,859	\$ 8,509	\$ 5,275	\$ 26,536
First Time Homebuyer	\$ 38,709	\$ 38,502	\$ 70,166	\$ 60,375	\$ 207,752
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 1,466,564</b>	<b>\$ 1,290,006</b>	<b>\$ 97,645</b>	<b>\$ 401,639</b>	<b>\$ 3,255,854</b>

Total of Loans and Grants Forgiven Per Terms of Loan or Written Off Per PO-RED 325.01

Fiscal Year 2017	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ -	\$ -	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 54,025	\$ 210,490	\$ 134,137	\$ 138,000	\$ 536,652
First Time Homebuyer	\$ -	\$ 306,981	\$ 10,000	\$ 140,668	\$ 457,649
Affordable For-Sale	\$ 136,308	\$ 136,308	\$ -	\$ 272,616	\$ 545,232
<b>Total</b>	<b>\$ 190,333</b>	<b>\$ 653,779</b>	<b>\$ 144,137</b>	<b>\$ 551,284</b>	<b>\$ 1,539,533</b>