



INFORMATIONAL REPORT

DATE ISSUED: March 1, 2018

REPORT NO: HCR18-038

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of March 9, 2018

SUBJECT: Status of Loan Portfolio – Fiscal Year 2018 First Quarter

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

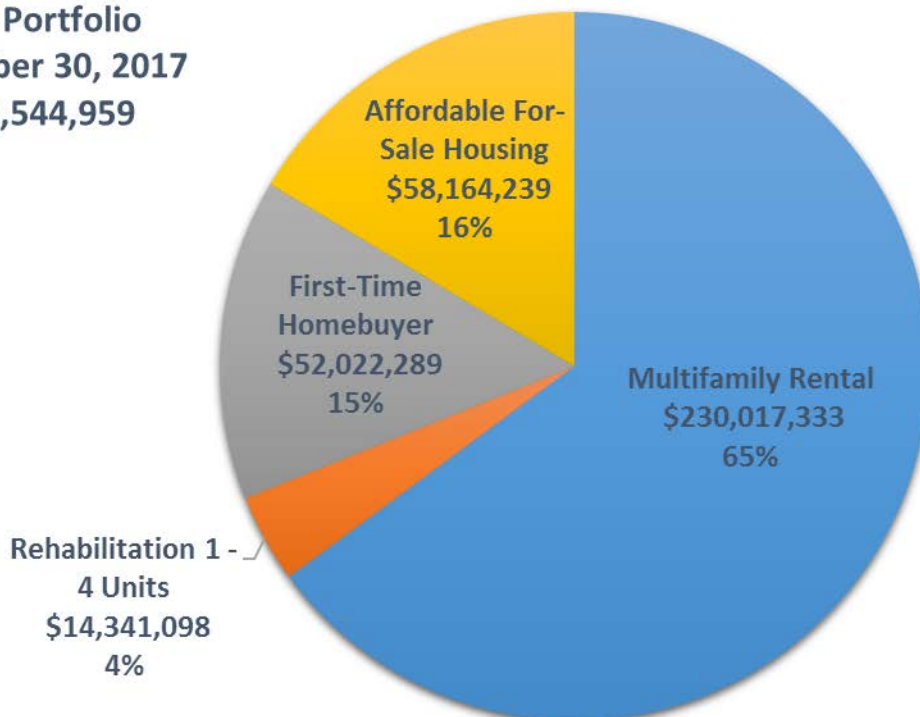
SUMMARY

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

Loan Portfolio
September 30, 2017
\$354,544,959



September 7, 2017

Status of Loan Portfolio – Fourth Quarter Fiscal Year 2017

FY18 Q1	Principal Balance	Loans w/ Payments	Deferred Loans	Total Loans
Multifamily Rental	\$ 230,017,333	15	98	113
Rehabilitation 1 - 4 Units	\$ 14,341,098	12	803	815
First-Time Homebuyer	\$ 52,022,289	5	1379	1,384
Affordable For-Sale Housing	\$ 58,164,239	0	265	265
TOTAL	\$ 354,544,959	32	2545	2577

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.

FY18 Q1	Principal Balance	Total Loans
La Mesa First-Time Homebuyer	\$ 1,368,360	18

2. LOANS AND GRANTS FUNDED

During the period of July 1, 2017 – September 30, 2017, the Housing Commission funded \$3,999,525 in assistance to create or preserve 792 affordable housing units, assist 12 first-time homebuyers, and assist one home rehabilitation:

Rehabilitation	
Households Assisted	1
Redevelopment Area Loans	\$ 20,000
First Time Homebuyer	
Households Assisted	12
Closing Cost Assistance Grants	\$ 130,235
Deferred Payment Loans	\$ 749,290
Rental Housing Finance	
Number of Projects	1
Number of Affordable Units	79
Project Name(s)	New Palace
Project Type	Homeless Seniors
SDHC Assistance	\$ 3,100,000
TOTAL FUNDED	\$ 3,999,525

September 7, 2017

Status of Loan Portfolio – Fourth Quarter Fiscal Year 2017

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of July 1, 2017 – September 30, 2017. The Housing Commission received 34 payoffs which generate \$1,258,143 in program income:

FY18 Q1	# Loans Paid Off	Loan Principal Repaid	Interest / Shared Equity	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	0					\$ -
Rehabilitation 1 - 4 Units	15	\$ 195,471	\$ 6,688			\$ 202,159
First-Time Homebuyer	17	\$ 598,302	\$ 145,500	\$ 3,974	\$ 1,192	\$ 748,968
Affordable For-Sale	2	\$ 290,687	\$ 16,329			\$ 307,016
TOTAL	34	\$ 1,084,460	\$ 168,517	\$ 3,974	\$ 1,192	\$ 1,258,143

*Down Payment and Closing Cost Assistance Recoverable Grant

4. LOAN PAYMENTS

The Housing Commission loan portfolio is primarily comprised of deferred loans which do not require *fixed* monthly / annual payments. Multifamily Rental loans require annual residual receipts payments based on the developments available cash flow. Below is a summary of the residual receipts payments, fixed payments and voluntary payments collected during the period of July 1, 2017 – September 30, 2017.

FY18 Q1	Paid to Principal	Paid to Interest	Total Paid
Multifamily Rental	\$ 419,386	\$ 860,573	\$ 1,279,959
Rehabilitation 1 – 4 Units	\$ 3,988	\$ 321	\$ 4,309
First Time Homebuyer	\$ 46,898	\$ 16,855	\$ 63,753
Affordable For-Sale			
TOTAL	\$ 470,273	\$ 877,749	\$ 1,348,021

5. LOANS AND GRANTS WRITTEN-OFF / FORGIVEN

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

FY18 Q1	\$ Forgiven	*\$ Written Off	Authority
Multifamily Rental	\$ -	\$ -	
Rehabilitation 1 - 4 Units	\$ 128,932	\$ -	Forgiven per terms of loan
**First Time Homebuyer	\$ -	\$ 20,159	Service Released Per PO-RED 325.01
Affordable For-Sale	\$ -	\$ -	

TOTAL	\$	128,932	\$	20,159
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*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 September 30, 2017, the loans in default are as follows:

FY18 Q1	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0		0.00%		
Rehabilitation 1 - 4 Units	4	\$ 65,970	0.46%	1	3
First-Time Homebuyer	4	\$ 157,075	0.30%	1	3
Affordable For-Sale Housing	1	\$ 138,578	0.24%		1
TOTAL	9	\$ 361,623	0.10%	2	7

7. DISPOSITION OF FORECLOSED PROPERTIES

During the first quarter of Fiscal Year 2018, there were no loans lost through foreclosure.

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
 Real Estate Division

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