



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT

DATE ISSUED: July 1, 2020 **REPORT NO:** HCR20-066

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of July 10, 2020

SUBJECT: Investment Report – Third Quarter Fiscal Year 2020

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, 2020. The report includes both summary and detailed information on all liquid cash and cash equivalents, and core investments owned by the Housing Commission. These funds, however, are not indicative of funds available for discretionary use as they are: 1) earmarked for loans and grants that the Housing Commission has committed to fund through Board of Commissioners approval; 2) restricted to federal, state or local programmatic requirements; 3) designated for property maintenance; and 4) required 3.5 percent of budgeted new revenue contingency reserves.

The market value of the portfolio on March 31, 2020, was \$174.57 million, compared to \$159.29 million in the previous quarter, resulting in an overall investment portfolio increase of \$15.28 million. On March 31, 2020, the overall investment portfolio had a yield to maturity of 1.81 percent, average days to maturity of 412, and an effective duration of 1.07 years, compared to the overall investment portfolio on December 31, 2019, which had a yield to maturity of 2.04 percent, average days to maturity of 461, and an effective duration of 1.21.

Cash and cash equivalents (liquid)

1. \$36.71 million is held in various accounts, including the Housing Commission's bank, US Bank (\$24.34 million) and other various authorized accounts required by lending agreements and program obligations (\$12.37 million).
2. \$37.51 million is held in pooled investment funds. Pooled funds include California's Local Agency Investment Fund (LAIF) and the San Diego County Investment Pool (SDCIP).

The blended yield on these liquid accounts was 1.12 percent for the quarter, a decrease of .27 percent from 1.39 percent in the previous quarter. The decline was due to a decrease in both LAIF and San Diego County Pool Investments effective yield to maturity.

Core investments

3. \$97.39 million is held in Agency Debentures and/or Agency Mortgage-Backed Securities (MBS).
4. \$2.96 million is held in various FDIC-insured Certificates of Deposit (CD).

The blended yield on core investments for the quarter was 2.32 percent, which is a decrease of .02 percent from 2.34 percent in the previous quarter.

DISCUSSION

The overall market value of the investment portfolio increased to \$174.57 million compared to the prior quarter of \$159.29 million. The \$15.28 million increase during the quarter was principally due to the receipt of \$17.0 million from the sale of Mariner's Village and the receipt of \$3.39 million from the Mission Terrace residual receipts loan payoff. The receipts were offset by the \$3.02 million preservation loan to J Street Inn to extend affordability restrictions on the property through December 31, 2027, and an additional \$2.09 million in loans made to affordable multifamily housing developments.

The overall investment portfolio yield was 1.81 percent, compared to 2.04 percent from the prior quarter. The effective duration was also lower at 1.07, compared to 1.21 in the previous quarter. The decrease in the portfolio's yield was the result of aggressive Federal Reserve actions to lower interest rates to ensure liquidity in the financial markets.

CONCLUSION

The Federal Reserve lowered the Federal Funds rate 50 basis points on March 3, 2020, and another 100 basis points on March 15, 2020. Then, with the spread of COVID-19, "stay-at-home" mandates were enacted by federal, state and local governments. The impact of these actions was felt after the fiscal third quarter, as unemployment levels escalated and COVID-19 stimulus packages were passed by the federal and state governments. The Housing Commission will continue to monitor the effects on the financial markets from COVID-19 and the ensuing federal, state and local responses to the pandemic. The Housing Commission's investment strategy will continue to be conservative and focus on ensuring the safety of the principal, remain duration-neutral while maintaining sufficient liquidity to meet operational requirements, generate investment yield, and when possible, invest locally. The Housing Commission will continue to manage its investment portfolio with these underlying objectives in mind.

Respectfully submitted,

Marie Lalas

Marie Lalas
Controller
Financial Services Department

Approved by,

Jeff Davis

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

Attachments: 1) Housing Commission Quarterly Financial Investment Report Ending March 31, 2020

Docket materials are available on the San Diego Housing Commission website at www.sdhc.org

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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

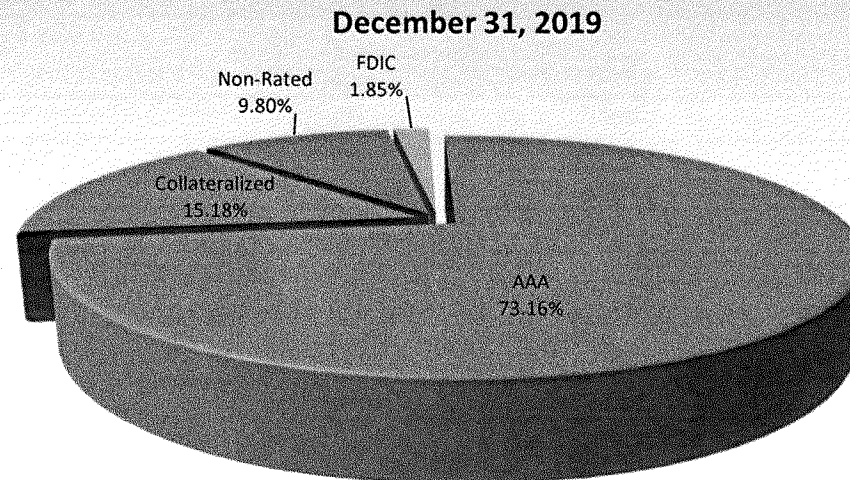
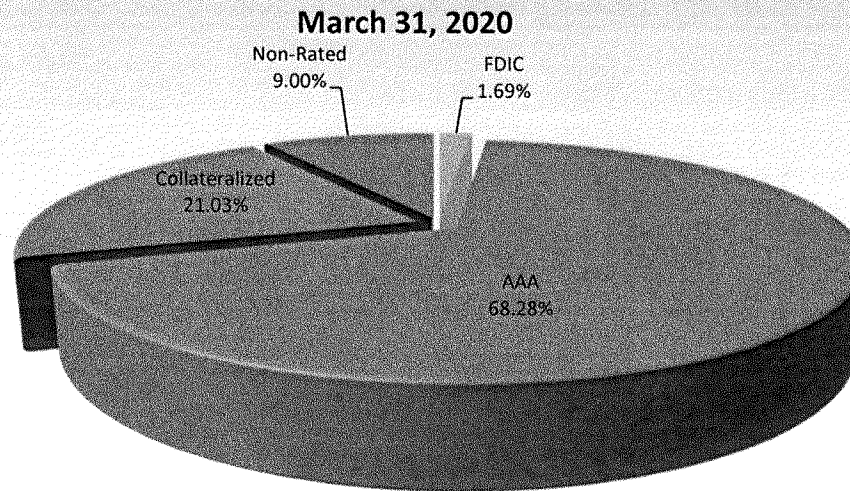
March 31, 2020

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	\$24.34	14.08%	\$24.34	100.00%	\$0.00	1	0.40%	1
Cash - restricted	\$12.37	7.16%	\$12.37	100.00%	\$0.00	1	0.33%	1
Local Agency Investment Fund (LAIF)	\$15.70	9.09%	\$15.70	100.00%	\$0.00	1	1.79%	1
San Diego Foundation (TSDF)	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
San Diego County Investment Pool (SDCIP)	\$21.80	12.62%	\$21.80	100.00%	\$0.00	1	1.90%	1
Total liquid investments	\$74.22	42.94%	\$74.22	100.00%	\$0.00	1	1.12%	1
Agency Bonds	\$95.67	55.36%	\$97.39	101.82%	\$1.72	1,254	2.31%	730
Certificate of Deposits (FDIC)	\$2.94	1.70%	\$2.96	100.52%	\$0.02	964	2.63%	258
Total core investments	\$98.61	57.06%	\$100.35	101.78%	\$1.74	1,245	2.32%	716
Total liquid and core investments	\$172.83	100%	\$174.57	101.02%	\$1.74	716	1.81%	412
Current Portfolio Effective Duration		1.07 Years						

December 31, 2019

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	\$10.62	6.69%	\$10.62	100.00%	\$0.00	1	0.40%	1
Cash - restricted	\$13.57	8.55%	\$13.57	100.00%	\$0.00	1	0.33%	1
Local Agency Investment Fund (LAIF)	\$15.61	9.83%	\$15.61	100.00%	\$0.00	1	2.11%	1
San Diego Foundation (TSDF)	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
San Diego County Investment Pool (SDCIP)	\$21.69	13.66%	\$21.69	100.00%	\$0.00	1	2.02%	1
Total liquid investments	\$61.49	38.73%	\$61.49	100.00%	\$0.00	1	1.39%	1
Agency Bonds	\$94.34	59.42%	\$94.85	100.56%	\$0.52	1,246	2.33%	762
Certificate of Deposits (FDIC)	\$2.94	1.85%	\$2.95	100.31%	\$0.01	964	2.63%	349
Total core investments	\$97.28	61.27%	\$97.80	100.55%	\$0.53	1,237	2.34%	750
Total liquid and core investments	\$158.77	100%	\$159.29	100.34%	\$0.53	760	2.04%	461
Current Portfolio Effective Duration		1.21 Years						

PORTFOLIO CREDIT QUALITY* BY QUARTER

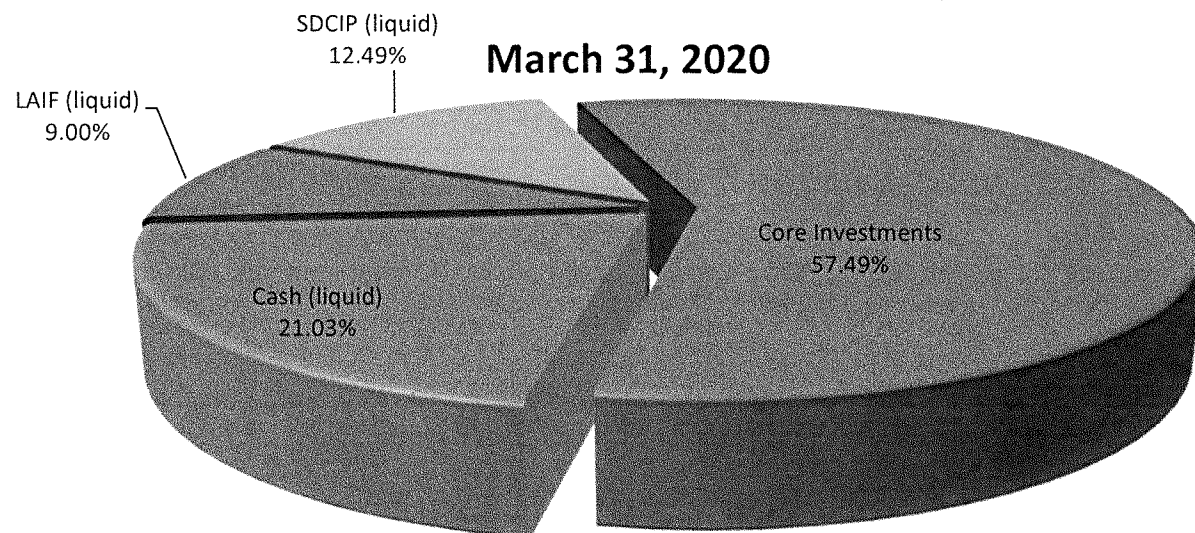


Note: Mortgage-backed securities (MBS) are included with other AAA rated securities. While the rating agencies do not specifically rate MBS, they carry an implied AAA rating based on the collateral and the rating of the Agency (Fannie/Freddie) that issues/guarantees them.

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.

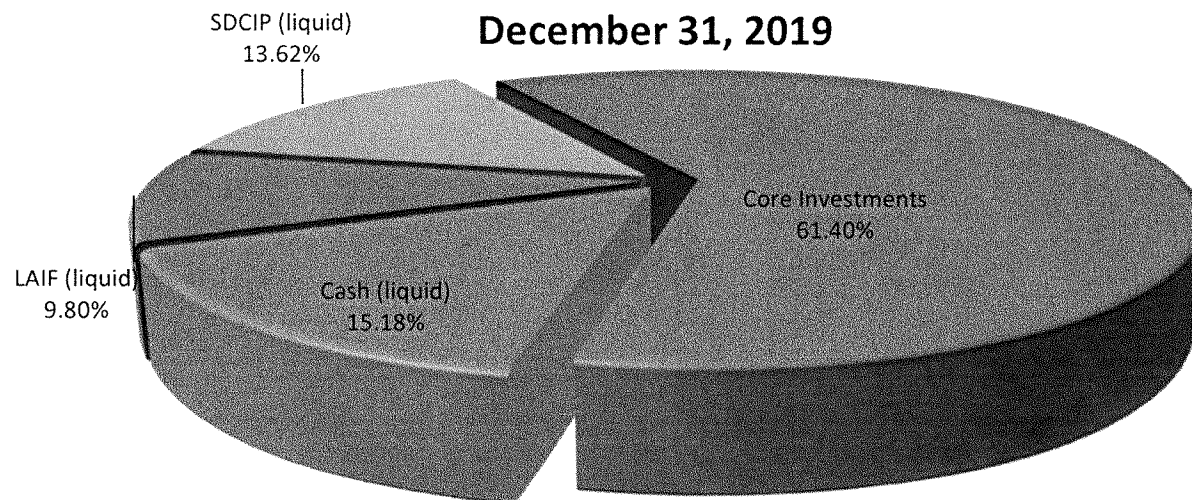
ASSET ALLOCATION BY QUARTER

March 31, 2020



Market Value in Millions			
	12/31/19	03/31/20	Variance
Cash (liquid)	\$ 24.19	\$ 36.71	\$ 12.52
LAIF (liquid)	\$ 15.61	\$ 15.70	\$ 0.09
SDCIP (liquid)	\$ 21.69	\$ 21.80	\$ 0.11
Core Investments	\$ 97.80	\$ 100.35	\$ 2.55
TSDf (liquid)	\$ -	\$ -	\$ -
Total	\$ 159.29	\$ 174.57	\$ 15.27

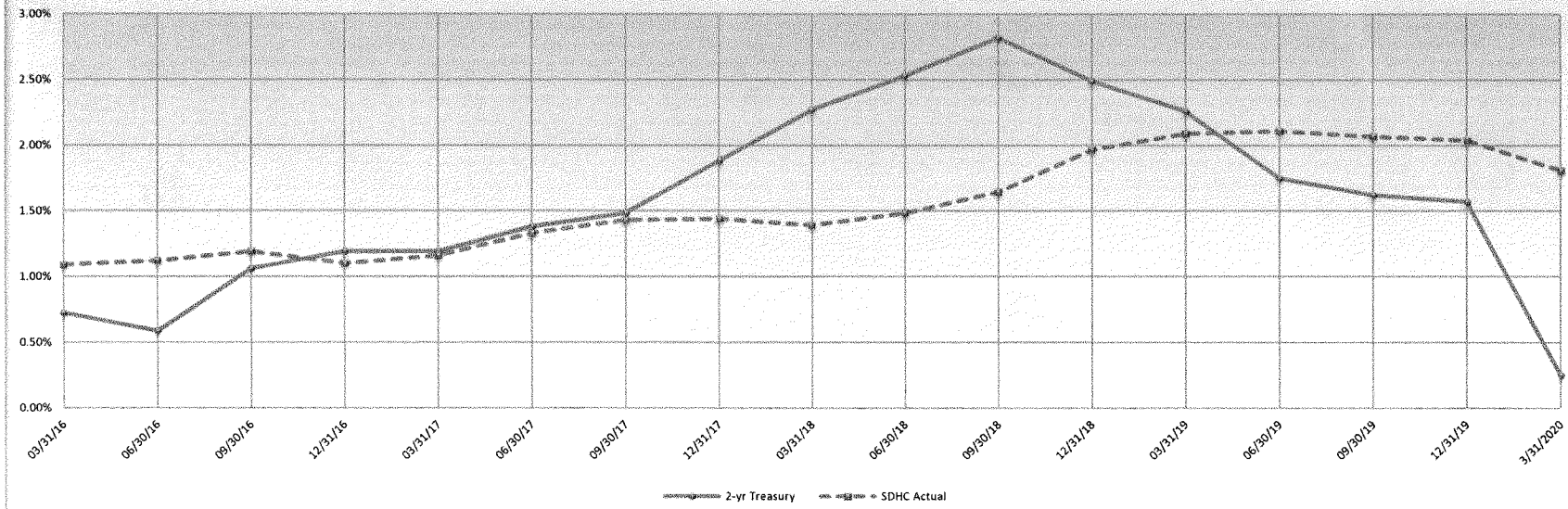
December 31, 2019



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	36.71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36.71
LAIF	15.70	-	-	-	-	-	\$ 15.70
TSDf	-	-	-	-	-	-	\$ -
SDCIP	21.80	-	-	-	-	-	\$ 21.80
Agency Bonds	1.10	18.67	23.63	37.28	11.95	4.76	\$ 97.39
CD (FDIC)	0.49	1.48	0.98	-	-	-	\$ 2.96
Total	\$ 75.81	\$ 20.16	\$ 24.61	\$ 37.28	\$ 11.95	\$ 4.76	\$ 174.57
Percent	43.43%	11.55%	14.10%	21.36%	6.84%	2.73%	100.00%

2-Year Treasury Note vs. SDHC Actual Yield



San Diego Housing Commission

Portfolio Holdings Detail

As of

March 31, 2020

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	\$24.34	13.94%	\$24.34	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Operating	U.S. Bank	\$1.26	0.72%	\$1.26	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Security Deposit	U.S. Bank	\$0.11	0.06%	\$0.11	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Res. (10002)	Greystone	\$0.26	0.15%	\$0.26	100.00%	\$0.00	1	0.05%	1
Central FNMA LLC Operating	U.S. Bank	\$1.29	0.74%	\$1.29	100.00%	\$0.00	1	0.40%	1
Central FNMA LLC Security Deposit	U.S. Bank	\$0.12	0.07%	\$0.12	100.00%	\$0.00	1	0.40%	1
Central FNMA LLC Res. (10003)	Greystone	\$0.22	0.13%	\$0.22	100.00%	\$0.00	1	0.05%	1
North FNMA LLC Operating	U.S. Bank	\$1.13	0.65%	\$1.13	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	\$0.07	0.04%	\$0.07	100.00%	\$0.00	1	0.05%	1
Central FHA LLC Operating	U.S. Bank	\$1.43	0.82%	\$1.43	100.00%	\$0.00	1	0.40%	1
Central FHA LLC Security Deposit	U.S. Bank	\$0.15	0.09%	\$0.15	100.00%	\$0.00	1	0.40%	1
Central FHA LLC Res. (0538)	PNC Bank	\$0.72	0.41%	\$0.72	100.00%	\$0.00	1	0.05%	1
Northern FHA LLC Operating	U.S. Bank	\$1.14	0.65%	\$1.14	100.00%	\$0.00	1	0.40%	1
Northern FHA LLC Security Deposit	U.S. Bank	\$0.10	0.06%	\$0.10	100.00%	\$0.00	1	0.40%	1
Northern FHA LLC Res. (0539)	PNC Bank	\$0.40	0.23%	\$0.40	100.00%	\$0.00	1	0.05%	1
Southern FHA LLC Operating	U.S. Bank	\$1.88	1.08%	\$1.88	100.00%	\$0.00	1	0.40%	1
Southern FHA LLC Security Deposit	U.S. Bank	\$0.19	0.11%	\$0.19	100.00%	\$0.00	1	0.40%	1
Southern FHA LLC Res. (0540)	PNC Bank	\$0.79	0.45%	\$0.79	100.00%	\$0.00	1	0.05%	1
Hotel Sandford Rep. Res. (7828)	U.S. Bank	\$0.26	0.15%	\$0.26	100.00%	\$0.00	1	0.40%	1
Hotel Sandford Operating Savings (7836)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Town & Country Operating	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Town & Country Security Deposits	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Town & Country Savings	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
FSS Escrow	U.S. Bank	\$0.51	0.29%	\$0.51	100.00%	\$0.00	1	0.40%	1
SDHC Building Opportunities	Bank of California	\$0.23	0.13%	\$0.23	100.00%	\$0.00	1	0.40%	1
Red Loan Courtyard	Red Mortgage	\$0.02	0.01%	\$0.02	100.00%	\$0.00	1	0.40%	1
Village North Senior Res	Red Mortgage	\$0.00	0.00%	\$0.00	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		\$36.71	21.03%	\$36.71	100.00%	\$0.00	1	0.38%	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	\$15.70	9.00%	\$15.70	100.00%	\$0.00	1	1.79%	1
San Diego Foundation	TSDF	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
SD County Investment Pool	County of SD	\$21.80	12.49%	\$21.80	100.00%	\$0.00	1	1.90%	1
Total Pooled Investments		\$37.51	21.49%	\$37.51	100.00%	\$0.00	1	1.85%	1
Investments - Core	Issuer	Book Value	Percent of	Market Value	Market	Unrealized	Original	Yield to	Days to

San Diego Housing Commission
Portfolio Holdings Detail

As of
March 31, 2020

Bond Investments (CUSIP)		(millions)	Portfolio	(millions)	Price	Gain/(Loss)	Term	Maturity	Maturity
Agency MBS									
3138NJAL2	FNMA P	\$0.32	0.19%	\$0.33	100.73%	\$0.00	1649	1.73%	154
31381NLA9	FNMA P	\$0.50	0.29%	\$0.50	99.83%	\$0.00	1617	1.80%	184
3138NJAA6	FNMA P	\$0.82	0.47%	\$0.82	100.67%	\$0.01	1576	1.56%	154
31381NC43	FNMA P	\$0.35	0.20%	\$0.35	100.03%	\$0.00	1518	1.60%	92
31381NB93	FNMA P	\$0.43	0.25%	\$0.43	99.87%	\$0.00	1356	1.71%	92
31381NLA9	FNMA P	\$0.25	0.14%	\$0.25	99.82%	\$0.00	1455	1.71%	184
31381NQY2	FNMA P	\$0.67	0.39%	\$0.67	99.87%	\$0.00	1328	1.65%	123
31381RZF4	FNMA P	\$0.87	0.50%	\$0.87	99.87%	\$0.00	1275	1.51%	1
31381PAU2	FNMA P	\$0.56	0.32%	\$0.56	99.73%	\$0.00	1420	1.81%	215
3137A2B26	FNMA P	\$1.49	0.86%	\$1.49	100.44%	\$0.01	1351	1.70%	147
3138NJAE8	FNMA P	\$0.73	0.42%	\$0.73	99.94%	\$0.00	1411	1.97%	245
31419AEJ2	FNMA P	\$0.24	0.14%	\$0.24	99.87%	\$0.00	1164	2.03%	1
3137A8PP7	FHMS	\$0.67	0.39%	\$0.68	100.57%	\$0.00	1374	1.94%	269
3137A6B27	FHMS	\$0.49	0.28%	\$0.49	100.38%	\$0.00	1280	1.70%	208
31419BAU9	FNMA P	\$0.36	0.21%	\$0.36	100.04%	\$0.00	1252	1.85%	184
31419BAU9	FNMA P	\$0.20	0.12%	\$0.20	100.04%	\$0.00	1232	1.78%	184
3138NJAE8	FNMA P	\$0.29	0.17%	\$0.29	99.94%	\$0.00	1293	1.83%	245
3138L5CF5	FNMA P	\$2.11	1.22%	\$2.11	99.87%	\$0.00	1166	1.73%	154
3138L3QTS	FNMA P	\$0.45	0.26%	\$0.45	99.85%	\$0.00	1196	1.85%	184
3138L6ZUS	FNMA P	\$1.26	0.73%	\$1.28	101.44%	\$0.02	1441	1.95%	457
3138L6PN2	FNMA P	\$0.92	0.53%	\$0.92	100.28%	\$0.00	1380	1.85%	396
3137A8PP7	FHMS	\$0.97	0.56%	\$0.97	100.54%	\$0.01	1243	1.82%	269
3138L6YJ1	FNMA P	\$0.50	0.29%	\$0.51	100.94%	\$0.00	1401	2.06%	427
31397U3N7	FNA	\$0.83	0.48%	\$0.83	99.95%	\$0.00	1342	1.82%	390
3138L54T4	FNMA P	\$1.52	0.88%	\$1.52	100.30%	\$0.00	1352	1.85%	427
31381PEB0	FNMA P	\$0.46	0.27%	\$0.46	99.84%	\$0.00	1133	2.00%	215
3137AA4W0	FHMS	\$1.51	0.87%	\$1.52	100.84%	\$0.01	1218	1.89%	300
3138L5CF5	FNMA P	\$1.80	1.04%	\$1.80	99.87%	\$0.00	1068	1.85%	154
31381RLL6	FNMA P	\$0.21	0.12%	\$0.21	101.30%	\$0.00	1162	2.90%	457
31419BAU9	FNMA P	\$0.12	0.07%	\$0.12	100.04%	\$0.00	889	2.70%	184
3138EGYB4	FNMA P	\$0.01	0.00%	\$0.01	101.23%	\$0.00	938	2.68%	245
3138L5C40	FNMA P	\$0.47	0.27%	\$0.47	99.93%	\$0.00	829	2.72%	184
3138NJAK4	FNMA P	\$0.14	0.08%	\$0.14	100.98%	\$0.00	829	2.72%	184
3138L56T2	FNMA P	\$0.37	0.22%	\$0.38	102.85%	\$0.01	1373	3.00%	731
3138NJAB4	FNMA P	\$0.31	0.18%	\$0.31	101.38%	\$0.00	886	2.71%	245
31381TS43	FNMA P	\$0.41	0.24%	\$0.42	103.08%	\$0.01	1402	2.85%	761
31381NWH2	FNMA P	\$1.06	0.61%	\$1.06	99.88%	\$0.00	771	2.80%	154
3136AEGQ4	FNA	\$0.58	0.34%	\$0.61	104.37%	\$0.03	1623	2.88%	1001
3136AEGQ4	FNA	\$0.58	0.33%	\$0.61	104.69%	\$0.03	1624	2.87%	1001

San Diego Housing Commission

Portfolio Holdings Detail

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3138L1P37	FNMA P	\$0.51	0.30%	\$0.53	104.51%	\$0.02	1579	2.91%	945
31381R5T7	FNMA P	\$1.01	0.58%	\$1.03	102.30%	\$0.02	1128	2.90%	519
3136A1AB1	FNMA P	\$0.47	0.27%	\$0.48	101.39%	\$0.01	1047	2.82%	451
3137AME60	FNMA P	\$0.73	0.42%	\$0.75	102.48%	\$0.02	1226	2.80%	634
3137AJMF8	FHMS	\$0.93	0.54%	\$0.96	102.67%	\$0.02	1169	2.84%	573
3137AJMF8	FHMS	\$1.04	0.60%	\$1.05	101.69%	\$0.02	1165	2.78%	573
3137B3N95	FHMS	\$0.28	0.16%	\$0.28	101.96%	\$0.01	1488	2.71%	908
3136ALHX2	FNA	\$0.62	0.36%	\$0.63	101.53%	\$0.01	1153	2.75%	573
31381VFW00	FNMA P	\$0.73	0.42%	\$0.75	103.60%	\$0.03	1400	2.89%	822
3136A4M55	FNMA P	\$0.74	0.43%	\$0.75	102.48%	\$0.02	1229	2.88%	665
3138NJAD0	FNMA P	\$0.74	0.43%	\$0.76	102.19%	\$0.02	835	2.92%	276
3137AH6C7	FHMS	\$0.96	0.55%	\$0.97	102.02%	\$0.02	1040	2.87%	481
3138LCVX0	FNMA P	\$1.00	0.58%	\$1.01	101.21%	\$0.01	1534	3.01%	975
3136A8G61	FNA	\$0.55	0.32%	\$0.56	102.86%	\$0.02	1344	2.95%	785
3137AME60	FNMA P	\$0.91	0.52%	\$0.93	102.66%	\$0.02	1185	2.94%	634
3137AYCE9	FHMS	\$1.03	0.60%	\$1.08	104.03%	\$0.04	1488	3.04%	938
3138L5HK9	FNMA P	\$0.63	0.37%	\$0.65	102.65%	\$0.02	1174	3.10%	641
3137818S0	FHMS	\$0.99	0.57%	\$1.03	103.96%	\$0.04	1486	3.03%	969
3136A77K2	FNA	\$0.34	0.20%	\$0.35	103.55%	\$0.01	1430	3.10%	908
3138EMJG7	FNMA P	\$0.34	0.20%	\$0.35	101.21%	\$0.00	805	2.98%	276
3138L44C4	FNMA P	\$0.76	0.44%	\$0.79	103.75%	\$0.03	1382	3.19%	853
31379LUR7	FHMS	\$0.99	0.58%	\$1.02	102.76%	\$0.03	1333	2.98%	816
3137AXHP1	FHMS	\$0.99	0.57%	\$1.03	103.88%	\$0.04	1410	3.12%	908
31381R5T7	FNMA P	\$1.01	0.58%	\$1.03	102.42%	\$0.02	1020	3.03%	519
31381TKC3	FNMA P	\$1.68	0.97%	\$1.72	102.68%	\$0.04	1142	3.06%	641
3137B1BS0	FHMS	\$1.48	0.86%	\$1.54	103.92%	\$0.06	1460	3.03%	969
31381QZH2	FNMA P	\$1.01	0.58%	\$1.02	100.77%	\$0.01	853	3.02%	366
31381RZ23	FNMA P	\$0.87	0.50%	\$0.88	101.53%	\$0.01	975	3.00%	488
31381RB45	FNMA P	\$0.96	0.55%	\$0.97	101.22%	\$0.01	931	3.01%	457
31381RQD9	FNMA P	\$1.71	0.99%	\$1.74	101.29%	\$0.02	931	2.97%	457
31381R2C7	FNMA P	\$1.30	0.75%	\$1.31	101.28%	\$0.02	954	2.85%	488
3136AMM48	FNA	\$0.47	0.27%	\$0.48	102.17%	\$0.01	1312	2.84%	846
3137AVXN2	FHMS	\$0.99	0.57%	\$1.02	102.89%	\$0.03	1309	2.78%	846
3138EKQW8	FNMA P	\$0.70	0.41%	\$0.73	104.37%	\$0.03	1477	2.76%	1037
3138L8XW9	FNMA P	\$0.92	0.53%	\$0.96	104.38%	\$0.04	1446	2.71%	1006
3138LEQT1	FNMA P	\$1.42	0.82%	\$1.45	102.31%	\$0.03	1587	2.70%	1187
3137FKK88	FNMA P	\$2.05	1.19%	\$2.12	103.47%	\$0.07	1378	2.62%	999
31381VEY7	FNMA P	\$1.19	0.69%	\$1.22	102.62%	\$0.03	1192	2.45%	822
3138L42J1	FNMA P	\$1.82	1.05%	\$1.90	104.45%	\$0.08	1599	2.55%	1249
3138LJ4Y3	FNMA P	\$2.18	1.26%	\$2.23	102.33%	\$0.05	1134	2.35%	822
3138ET4Y9	FNMA P	\$2.63	1.52%	\$2.68	101.86%	\$0.05	1009	1.95%	731
3138L1UV9	FNMA P	\$0.86	0.50%	\$0.88	102.20%	\$0.02	1252	1.92%	975

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3138L1FW4	FNMA P	\$0.92	0.53%	\$0.94	102.08%	\$0.02	1191	1.92%	914
31381UHN0	FNMA P	\$0.85	0.49%	\$0.86	101.22%	\$0.01	1008	1.93%	731
3138EH3A8	FNMA P	\$1.18	0.68%	\$1.20	102.08%	\$0.02	977	2.01%	731
31381VKE4	FNMA P	\$1.03	0.59%	\$1.04	101.77%	\$0.02	1068	2.07%	822
3138LC5B7	FNMA P	\$2.05	1.18%	\$2.09	101.94%	\$0.04	1253	1.83%	1037
3138LAAM1	FNMA P	\$0.95	0.55%	\$0.96	100.98%	\$0.01	975	1.80%	761
3138L1YR49	FNMA P	\$1.38	0.80%	\$1.42	102.45%	\$0.03	1231	2.02%	975
3138EPJW5	FNMA P	\$1.12	0.65%	\$1.15	102.47%	\$0.03	989	1.92%	792
31381URW9	FNMA P	\$0.68	0.39%	\$0.69	101.29%	\$0.01	978	1.86%	792
3138LCQN8	FNMA P	\$1.03	0.60%	\$1.06	102.78%	\$0.03	1523	2.03%	1340
3138LDCV3	FNMA P	\$0.80	0.46%	\$0.79	98.91%	-\$0.01	1247	1.84%	1037
3138LCW68	FNMA P	\$1.47	0.85%	\$1.47	100.42%	\$0.01	717	1.82%	549
3140JAU97	FNMA P	\$0.85	0.49%	\$0.86	101.72%	\$0.01	1288	1.87%	1126
3137BWWD2	FHMS	\$1.30	0.75%	\$1.32	101.48%	\$0.02	1550	1.90%	1395
3138LOEU1	FNMA P	\$0.61	0.36%	\$0.62	101.38%	\$0.01	1008	1.84%	853
3138L3PR0	FNMA P	\$1.00	0.58%	\$1.02	102.06%	\$0.02	1312	1.85%	1157
31381UK48	FNMA P	\$0.51	0.29%	\$0.51	101.14%	\$0.01	868	2.00%	731
3140HULZ7	FNMA P	\$1.55	0.90%	\$1.61	103.69%	\$0.06	1683	2.15%	1553
31381UB89	FNMA P	\$0.68	0.39%	\$0.69	101.09%	\$0.01	856	1.90%	731
3138LJPT1	FNMA P	\$2.06	1.19%	\$2.12	103.07%	\$0.06	1658	1.87%	1553
3138L7JV9	FNMA P	\$1.00	0.58%	\$1.03	103.05%	\$0.03	1713	1.95%	1645
3138L5EA4	FNMA P	\$1.21	0.70%	\$1.23	101.71%	\$0.02	1371	1.77%	1310
3138LEQ87	FNMA P	\$0.99	0.57%	\$0.99	99.93%	\$0.00	1267	1.80%	1218
3136AJLC8	FNMA P	\$0.97	0.56%	\$0.97	100.08%	\$0.00	1428	1.43%	1395
3137B5JM6	FNMA P	\$0.78	0.45%	\$0.78	100.77%	\$0.01	1215	1.44%	1211
3137B5KW2	FNMA P	\$0.37	0.21%	\$0.37	100.73%	\$0.00	1246	1.43%	1242
Total Agency Bond Investments		\$95.67	55.79%	\$97.39	101.82%	\$1.72	1,254	2.31%	730

Investments - Core Certificate of Deposit (CD)	Identifier	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Issuer									
AMEX	02587CGG9	\$0.25	0.14%	\$0.25	100.56%	\$0.00	1098	1.95%	167
TIAA FSB	87270LAQ6	\$0.25	0.14%	\$0.25	100.54%	\$0.00	1092	1.90%	167
Connectone	20786ABS3	\$0.25	0.14%	\$0.25	100.49%	\$0.00	1097	1.80%	167
Synchrony	87164WWL8	\$0.25	0.14%	\$0.25	100.28%	\$0.00	731	2.75%	48
GMATBK	02007GCS0	\$0.25	0.14%	\$0.25	100.27%	\$0.00	732	2.70%	48
Stearns	857894WY1	\$0.25	0.14%	\$0.25	100.00%	\$0.00	1089	2.90%	441
Sallie Mae	795450548	\$0.25	0.14%	\$0.25	100.00%	\$0.00	1097	3.00%	447
First Source	33646CKB9	\$0.25	0.14%	\$0.25	101.84%	\$0.00	980	2.85%	332
Marlin	57116ARL4	\$0.25	0.14%	\$0.25	100.00%	\$0.00	1096	2.95%	454
Citibank	17312QN54	\$0.25	0.14%	\$0.25	100.00%	\$0.00	1096	3.00%	454
Barclay	06740KN89	\$0.25	0.14%	\$0.25	101.68%	\$0.00	733	3.05%	265

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Morgan Stanley	61760AMW6	\$0.25	0.14%	\$0.25	100.61%	\$0.00	732	2.75%	111
Total Certificate of Deposits		\$2.94	1.69%	\$2.96	100.52%	\$0.02	964	2.63%	258
Total Cash & Investments		\$172.83	100.00%	\$174.57	101.02%	\$1.74	716	1.81%	412

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.

Marie Lalas

March 31, 2020

Date

Controller

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.