



INFORMATIONAL REPORT

DATE ISSUED: July 11, 2024 **REPORT NO:** HCR24-060

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of July 19, 2024

SUBJECT: Status of Loan Portfolio – Fiscal Year 2024 Third Quarter

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

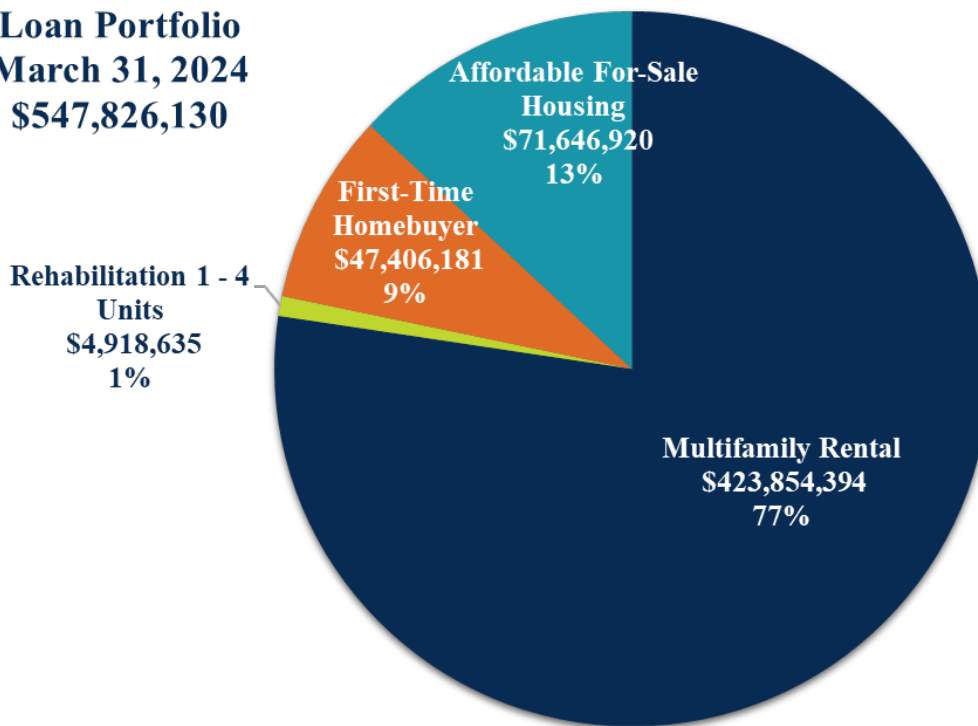
SUMMARY

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/Forgiven
- 6) Defaults

1. LOAN PORTFOLIO SUMMARY

Loan Portfolio
March 31, 2024
\$547,826,130



June 11, 2024

Status of Loan Portfolio – Fiscal Year 2024 (January 1, 2024 – March 31, 2024)

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FY24 Q3	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 423,854,394	\$ 75,299,445	3	131	134
Rehabilitation 1 - 4 Units	\$ 4,918,635	\$ 126,820	6	294	300
First-Time Homebuyer	\$ 47,406,181	\$ 6,405,341	4	1,038	1,042
Affordable For-Sale Housing	\$ 71,646,920	\$ 38,956	0	311	311
Accessory Dwelling Unit	\$ -	\$ -	0	3	3
TOTAL	\$ 547,826,130	\$ 81,870,562	13	1777	1790

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.

In addition to the loan portfolio above, the Housing Commission services loans on behalf of 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.

FY24 Q3	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 800,800	\$ 421,861	9

In addition to the loan portfolio above, the Housing Commission services loans on behalf of the County of San Diego. The loans were funded by the County; there was no investment on the part of the Housing Commission. The Housing Commission has an agreement with County of San Diego to perform servicing activities.

FY24 Q3	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 19,500,830	\$ 6,974,591	655

2. LOANS AND GRANTS FUNDED*

During the period of January 1, 2024 – March 31, 2024, the Housing Commission recorded the following loans.

FY24 3rd Quarter	
First-Time Homebuyer	
Households Assisted	20
Closing Cost Assistance Grants \$	311,993
Deferred Payment Loans \$	1,166,850
TOTAL \$	1,478,843
Affordable For Sale	
Households Assisted	1
Deferred Payment Loans \$	163,744
TOTAL \$	163,744
Multifamily	
Number of Properties	2
Number of Affordable Units	115
TOTAL \$	4,200,000
Serenade on 43rd	
HOME \$	1,700,000
Inclusionary \$	300,000
Casa Nueva	
Federal Moving to Work \$	2,200,000
Accessory Dwelling Unit	
Households Assisted	3
Deferred Payment Loans \$	750,000
TOTAL AWARDED \$	6,592,587

** Loans funded are not necessarily indicative of loans disbursed.*

The Housing Commission also administers the County of San Diego’s First-time Homebuyer (FTHB) program. The loans were funded by the County; there was no investment on the part of the Housing Commission.

FY24 Q3	Assistance Provided	Households Assisted
San Diego County FTHB Loans	\$ 417,000	4

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Status of Loan Portfolio – Fiscal Year 2024 (January 1, 2024 – March 31, 2024)

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3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of January 1, 2024 – March 31, 2024. The Housing Commission received 13 loan payoffs, which generated \$339,137 in program income:

Loan Type	# Loans Paid Off	Loan Principal Repaid	Loan Int./Shared Appreciation Received	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	0	\$ -	\$ -	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	8	\$ 55,653	\$ 14,042	\$ -	\$ -	\$ 69,695
First-Time Homebuyer	5	\$ 217,110	\$ 52,332	\$ -	\$ -	\$ 269,442
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
Accessory Dwelling Unit	0	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	13	\$ 272,763	\$ 66,374	\$ -	\$ -	\$ 339,137

**Down Payment and Closing Cost Assistance Recoverable Grant*

4. LOAN PAYMENTS

The Housing Commission loan portfolio is primarily composed 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 January 1, 2024 – March 31, 2024.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 34,692	\$ 320,299	\$ 354,991
Rehabilitation	\$ 30,584	\$ 942	\$ 31,526
First-Time Homebuyer	\$ 117,432	\$ 25,804	\$ 143,236
Accessory Dwelling Unit	\$ -	\$ -	\$ -
TOTAL	\$ 182,708	\$ 347,045	\$ 529,753

5. LOANS AND GRANTS WRITTEN-OFF / FORGIVEN

Below is a summary of the loans and grants written-off or forgiven during the period of January 1, 2024 – March 31, 2024.

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Status of Loan Portfolio – Fiscal Year 2024 (January 1, 2024 – March 31, 2024)

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Loan Type	\$ Forgiven Principal Per Terms of Loan	\$ Written Off Principal	Total
<i>No loans were written-off or forgiven during FY24 3rd Quarter.</i>			

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

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 March 31, 2024, the loans in default are as follows:

FY24 Q3	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0	\$ -	0.00%	0	0
Rehabilitation 1 - 4 Units	1	\$ 44,955	0.91%	0	1
First-Time Homebuyer	5	\$ 215,196	0.45%	1	4
Affordable For-Sale Housing	4	\$ 665,140	0.93%	3	1
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
Accessory Dwelling Unit	0	\$ -	0.00%	0	0
TOTAL	10	\$ 925,291	0.17%	4	6

Respectfully submitted,

Sujata Raman

Sujata Raman
Vice President, Single-Family Housing Finance
Real Estate Division

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101. Docket materials are also available in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at www.sdhc.org.