



# INFORMATIONAL REPORT

**DATE ISSUED:** October 5, 2023

**REPORT NO:** HCR22-106

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of October 13, 2023

**SUBJECT:** Status of Loan Portfolio – Fiscal Year 2023 Fourth Quarter

**COUNCIL DISTRICT:** Citywide

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

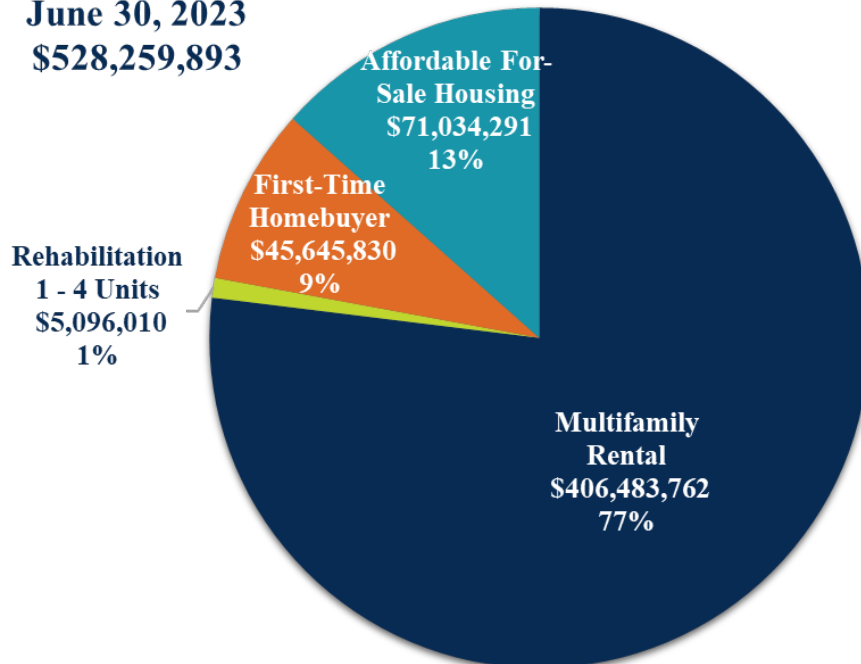
## SUMMARY

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  | 5) Loans and Grants Written Off/Forgiven |
| 2) Loans and Grants Funded | 6) Defaults                              |
| 3) Loans Paid in Full      |  |
| 4) Loan Payments           |  |

## 1. LOAN PORTFOLIO SUMMARY

**Loan Portfolio**  
**June 30, 2023**  
**\$528,259,893**



FY23 Q4	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 406,483,762	\$ 68,865,552	20	110	130
Rehabilitation 1 - 4 Units	\$ 5,096,010	\$ 87,929	5	315	320
First-Time Homebuyer	\$ 45,645,830	\$ 5,807,398	4	1,024	1,028
Affordable For-Sale Housing	\$ 71,034,291	\$ -	0	305	305
<b>TOTAL</b>	<b>\$528,259,893</b>	<b>\$74,760,880</b>	<b>29</b>	<b>1,754</b>	<b>1,783</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.

In addition to the loan portfolio above, SDHC also 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.

FY23 Q4	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 940,800	\$ 454,977	11

In addition, SDHC 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.

FY23 Q4	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 18,633,871	\$ 6,965,686	640

**2. LOANS AND GRANTS FUNDED\***

During the period of April 1, 2023– June 30, 2023, the Housing Commission recorded the following loans.

FY23 4th Quarter	
First-Time Homebuyer	
Households Assisted	7
Closing Cost Assistance Grants \$	67,861
Deferred Payment Loans \$	730,620
<b>TOTAL \$</b>	<b>798,481</b>
Affordable For Sale	
Households Assisted	5
Deferred Payment Loans \$	1,215,901
<b>TOTAL \$</b>	<b>1,215,901</b>
Multifamily	
Number of Properties	3
Number of Affordable Units	258
<b>TOTAL \$</b>	<b>11,950,000</b>
Modica	
HOME \$	2,400,000
Inclusionary \$	100,000
Commercial Linkage Fee \$	500,000
Messina	
HOME \$	1,800,000
Inclusionary \$	2,150,000
Cortez Hill	
HOME \$	878,353
HOME CHDO \$	937,647
Commercial Linkage Fee \$	1,684,000
LHTFP \$	1,500,000
<b>TOTAL AWARDED \$</b>	<b>13,964,382</b>

*\* 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.

FY23 Q4	Assistance Provided	Households Assisted
San Diego County FTHB Loans	\$ 151,417	2

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

FY23 Q4	Assistance Provided	Households Assisted
Chula Vista FTHB Loans	\$ 77,777	1

**3. LOANS PAID IN FULL**

Below is a summary of the funds collected through loan payoffs during the period of April 1, 2023 – June 30, 2023. The Housing Commission received 23 payoffs, which generated \$499,936 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	7	\$ 97,000	\$ 8,612	\$ -	\$ -	\$ 105,612
First-Time Homebuyer	16	\$ 287,822	\$ 106,502	\$ -	\$ -	\$ 394,324
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>23</b>	<b>\$ 384,822</b>	<b>\$ 115,114</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 499,936</b>

*\*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 April 1, 2023 – June 30, 2023.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 262,671	\$ 1,260,446	\$ 1,523,118
Rehabilitation	\$ 11,862	\$ 6,476	\$ 18,338
First-Time Homebuyer	\$ 217,257	\$ 37,100	\$ 254,357
<b>TOTAL</b>	<b>\$ 491,791</b>	<b>\$ 1,304,022</b>	<b>\$ 1,795,813</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, 2023 – June 30, 2023.

Loan Type	\$ Forgiven Principal <i>Per Terms of Loan</i>	\$ Written Off Principal	Total
<i>No loans were written-off or forgiven during FY23 4th Quarter.</i>			

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

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Status of Loan Portfolio – Fiscal Year 2023 (April 1, 2023 – June 30, 2023)

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## 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, 2023, the loans in default are as follows:

FY23 Q4	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0	\$ -	0.00%	0	0
Rehabilitation 1 - 4 Units	5	\$ 86,505	1.70%	0	5
First-Time Homebuyer	2	\$ 40,966	0.09%	0	2
Affordable For-Sale Housing	2	\$ 387,540	0.55%	1	1
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
<b>TOTAL</b>	<b>9</b>	<b>\$ 515,011</b>	<b>0.10%</b>	<b>1</b>	<b>8</b>

Respectfully submitted,

*Sujata Raman*

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

Approved by,

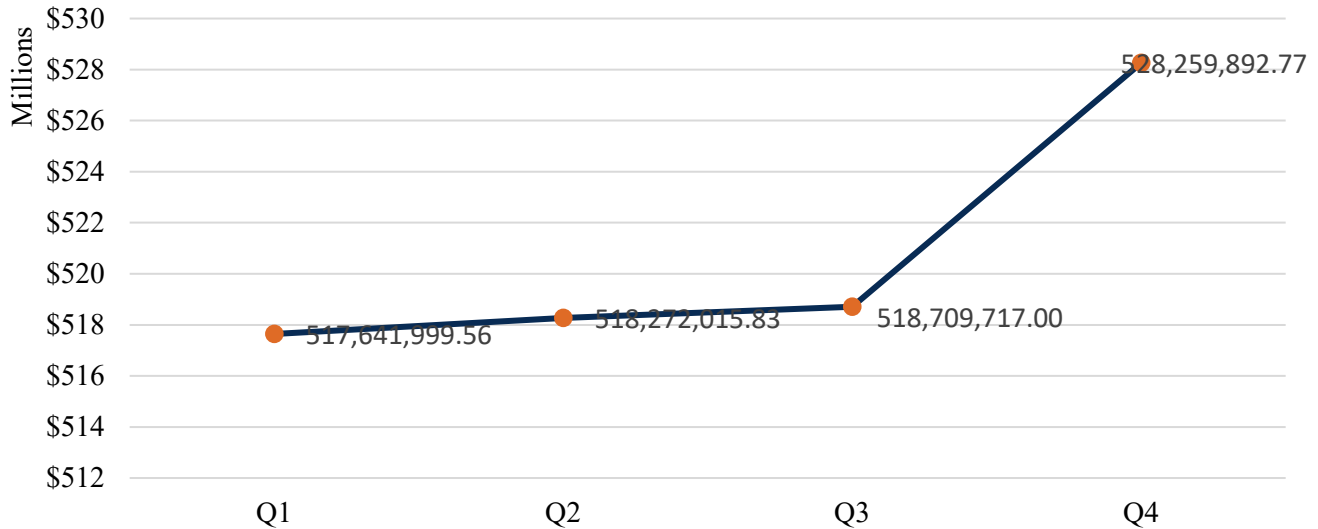
*Jeff Davis*

Jeff Davis  
Interim President and 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](http://www.sdhc.org).

**ATTACHEMENT A  
FISCAL YEAR 2022 SUMMARY OF ACTIVITY  
July 1, 2022 – June 30, 2023**

**Loan Portfolio**



**Total Loans and Grants Awarded**

Fiscal Year 2023	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 7,283,000	\$ -	\$ -	\$ 11,950,000	\$ 19,233,000
Rehabilitation 1 - 4 Units	\$ -	\$ -	\$ -	\$ -	\$ -
First Time Homebuyer	\$ 671,524	\$ 435,213	\$ 477,161	\$ 798,481	\$ 2,382,379
Affordable For-Sale	\$ 805,500	\$ -	\$ 947,824	\$ 1,215,901	\$ 2,969,225
<b>Total</b>	<b>\$ 8,760,024</b>	<b>\$ 435,213</b>	<b>\$ 1,424,985</b>	<b>\$ 13,964,382</b>	<b>\$ 24,584,604</b>

**Number of Affordable Units Produced**

Fiscal Year 2023	Q1	Q2	Q3	Q4	Total
Multifamily Rental	142	0	0	258	400
Rehabilitation 1 - 4 Units	0	0	0	0	0
First Time Homebuyer	7	4	5	7	23
Affordable For-Sale	1	0	4	5	10
<b>Total</b>	<b>150</b>	<b>4</b>	<b>9</b>	<b>270</b>	<b>433</b>

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

Fiscal Year 2023	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 780,619	\$ -	\$ 4,455,962	\$ -	\$ 5,236,580
Rehabilitation 1 - 4 Units	\$ 132,078	\$ 30,405	\$ 160,264	\$ 105,612	\$ 428,359
First Time Homebuyer	\$ 438,373	\$ 265,672	\$ 430,630	\$ 394,324	\$ 1,528,999
Affordable For-Sale	\$ -	\$ -	\$ 329,969	\$ -	\$ 329,969
<b>Total</b>	<b>\$ 1,351,070</b>	<b>\$ 296,077</b>	<b>\$ 5,376,824</b>	<b>\$ 499,936</b>	<b>\$ 7,523,907</b>

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

Fiscal Year 2023	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 445,173	\$ 967,699	\$ 214,305	\$ 1,523,118	\$ 3,150,295
Rehabilitation 1 - 4 Units	\$ 16,754	\$ 11,207	\$ 6,420	\$ 18,338	\$ 52,718
First Time Homebuyer	\$ 178,629	\$ 151,111	\$ 236,157	\$ 254,357	\$ 820,254
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 640,556</b>	<b>\$ 1,130,017</b>	<b>\$ 456,881</b>	<b>\$ 1,795,812</b>	<b>\$ 4,023,266</b>

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Status of Loan Portfolio – Fiscal Year 2023 (April 1, 2023 – June 30, 2023)

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

<b>Fiscal Year 2023</b>	<b>Q1</b>		<b>Q2</b>		<b>Q3</b>		<b>Q4</b>		<b>Total</b>
Multifamily Rental	\$	-	\$	683,556	\$	-	\$	-	\$ 683,556
Rehabilitation 1 - 4 Units	\$	-	\$	-	\$	-	\$	-	\$ -
First Time Homebuyer	\$	25,000	\$	-	\$	-	\$	-	\$ 25,000
Affordable For-Sale	\$	-	\$	-	\$	-	\$	-	\$ -
<b>Total</b>	<b>\$</b>	<b>25,000</b>	<b>\$</b>	<b>683,556</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$ 708,556</b>