



INFORMATIONAL REPORT

DATE ISSUED: January 11, 2024

REPORT NO: HCR24-003

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

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

COUNCIL DISTRICT: Citywide

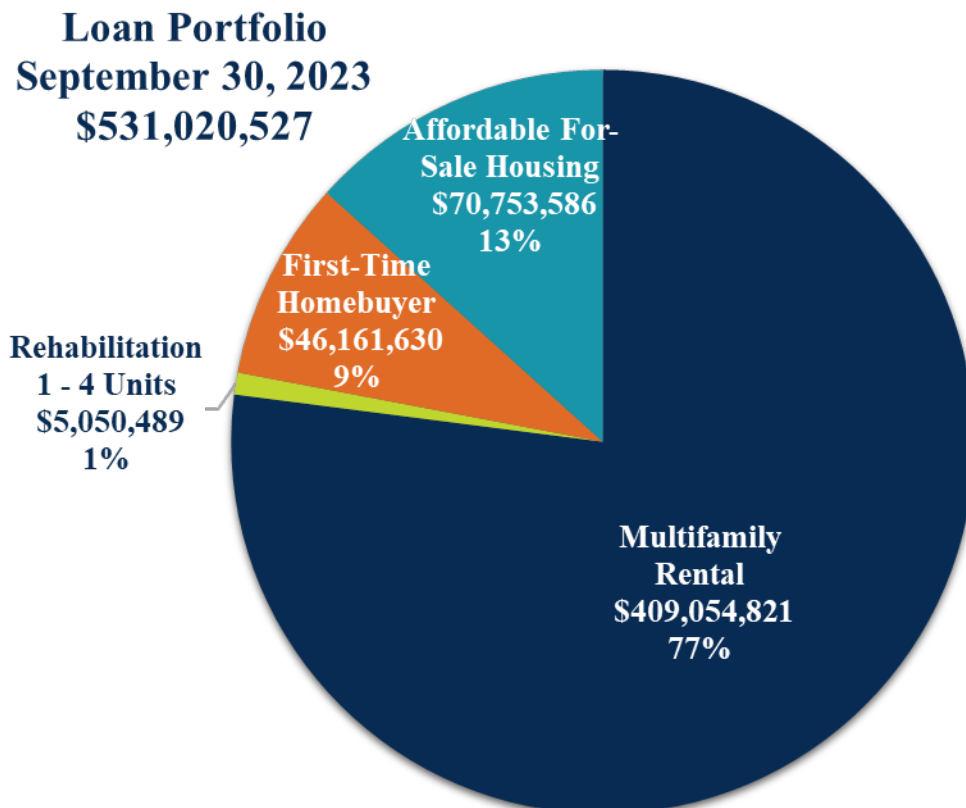
NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

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/Forgiven
- 6) Defaults

1. LOAN PORTFOLIO SUMMARY



FY24 Q1	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 409,054,821	\$ 72,274,939	3	127	130
Rehabilitation 1 - 4 Units	\$ 5,050,489	\$ 122,878	5	310	315
First-Time Homebuyer	\$ 46,161,630	\$ 5,951,467	4	1,026	1,030
Affordable For-Sale Housing	\$ 70,753,586	\$ -	0	307	307
TOTAL	\$531,020,527	\$78,349,284	12	1,770	1,782

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.

FY24 Q1	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 870,800	\$ 434,833	10

In addition to the loan portfolio above, SDHC also 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 Q1	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 18,587,486	\$ 7,076,292	642

2. LOANS AND GRANTS FUNDED*

During the period of July 1, 2023– September 30, 2023, the Housing Commission recorded the following loans.

FY24 1st Quarter	
First-Time Homebuyer	
Households Assisted	15
Closing Cost Assistance Grants \$	193,441
Deferred Payment Loans \$	1,096,150
TOTAL \$	1,289,591
Affordable For Sale	
Households Assisted	3
Deferred Payment Loans \$	540,014
TOTAL \$	540,014
Multifamily	
<i>There were no financial closings for any Multifamily Properties in the FY24 1st Quarter.</i>	
TOTAL AWARDED \$	1,829,605

** 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 Q1	Assistance Provided	Households Assisted
San Diego County FTHB Loans	\$ 654,870	7

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.

FY24 Q1	Assistance Provided	Households Assisted
Chula Vista FTHB Loans	\$ 75,900	1

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of July 1, 2023– September 30, 2023. The Housing Commission received 19 loan payoffs, which generated \$1,053,682 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				\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	5	\$ 35,334	\$ 4,057	\$ -	\$ -	\$ 39,391
First-Time Homebuyer	13	\$ 277,185	\$ 36,992	\$ -	\$ -	\$ 314,177
Affordable For-Sale Housing	1	\$ 600,500	\$ 104,614	\$ -	\$ -	\$ 705,114
TOTAL	19	\$ 913,019	\$ 145,663	\$ -	\$ -	\$1,058,682

**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 July 1, 2023– September 30, 2023.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 95,020	\$ 205,844	\$ 300,863
Rehabilitation	\$ 10,087	\$ 343	\$ 10,430
First-Time Homebuyer	\$ 182,692	\$ 23,982	\$ 206,674
TOTAL	\$ 287,798	\$ 230,168	\$ 517,966

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, 2023–September 30, 2023.

Loan Type	\$ Forgiven Principal <i>Per Terms of Loan</i>	\$ Written Off Principal	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ -	\$ -	\$ -
First-Time Homebuyer	\$ 122,992	\$ -	\$ 122,992
Affordable For-Sale	\$ -	\$ -	\$ -
TOTAL	\$ 122,992	\$ -	\$ 122,992

**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 September 30, 2023, the loans in default are as follows:

FY24 Q1	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0	\$ -	0.00%	0	0
Rehabilitation 1 - 4 Units	3	\$ 51,505	1.02%	0	3
First-Time Homebuyer	3	\$ 64,596	0.14%	0	3
Affordable For-Sale Housing	4	\$ 665,140	0.94%	3	1
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
TOTAL	10	\$ 781,241	0.15%	3	7

Respectfully submitted,

Sujata Raman

Sujata Raman
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Real Estate Division

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

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