



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT

DATE ISSUED: October 8, 2020

REPORT NO: HCR20-102

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of October 16, 2020

SUBJECT: Investment Report – Fourth 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 June 30, 2020. The report includes both summary and detailed information on all liquid cash and cash equivalents and core investments the Housing Commission owned. 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) designated for the required 3.5 percent of budgeted new revenue contingency reserves.

The market value of the portfolio on June 30, 2020, was \$170.79 million, compared to \$174.57 million in the previous quarter, resulting in an overall investment portfolio decrease of \$3.78 million. On June 30, 2020, the overall investment portfolio had a yield to maturity of 1.64 percent, average days to maturity of 411, and an effective duration of 1.07 years, compared to the overall investment portfolio on March 31, 2020, which had a yield to maturity of 1.81 percent, average days to maturity of 412, and an effective duration of 1.07.

Cash and cash equivalents (liquid)

1. \$37.26 million is held in various accounts, including the Housing Commission's bank, US Bank (\$24.68 million) and other various authorized accounts required by lending agreements and program obligations (\$12.58 million).
2. \$37.70 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 liquid accounts was 0.84 percent, a decrease of 0.28 percent from 1.12 percent in the previous quarter, with the decrease due to a decline in both the LAIF and SDCIP effective yield to maturity due to the impact of Federal monetary policy lowering interest rates.

Core investments

3. \$93.35 million is held in Agency Debentures and/or Agency Mortgage-Backed Securities (MBS).
4. \$2.48 million is held in various FDIC insured Certificates of Deposit (CD).

The blended yield on core investments was 2.24 percent, which is a decrease of 0.08 percent from 2.32 percent in the previous quarter, with the decline in yield also primarily due to the impact of Federal monetary policy on interest rates.

DISCUSSION

The overall market value of the investment portfolio decreased to \$170.79 million compared to the prior quarter of \$174.57 million. The \$3.78 million decrease during the quarter was principally due to funding multifamily development loans (Ivy Senior Apartments and East Block Senior Apartments.)

The overall investment portfolio yield was 1.64 percent, compared to 1.81 percent from the prior quarter. The decrease in the portfolio's yield was the result of the Federal Reserve's actions to drastically lower interest rates to ensure liquidity in the financial markets due to the adverse impact of the COVID-19 pandemic on the U.S. economy.

CONCLUSION

The Federal Reserve held steady the Federal Funds rate at 0.00 – 0.25 percent at the June 10, 2020, meeting due to the continued effects of COVID-19 on the U.S. economy. In August 2020 at the Economic Policy Symposium, Federal Reserve Chairman Jerome Powell implied that interest rates would only be raised if unemployment rates fall below estimates and inflation increases to “unwelcome” levels above 2 percent. The Housing Commission will continue to monitor the financial markets and act prudently, especially in light of the threat of a second wave of COVID-19, coupled with flu season and its potential to worsen the U.S. economy. The Housing Commission will continue its conservative approach to its investment strategy with the focus on ensuring the safety of the principal; remaining duration-neutral while maintaining sufficient liquidity to meet operational requirements, generate investment yield, and when possible, invest locally; and manage its investment portfolio with these underlying objectives in mind.

Respectfully submitted,



Marie Lalas
Controller – Financial Services Department
San Diego Housing Commission

Approved by,



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

Attachments: 1) SDHC Quarterly Financial Investment Report Ending June 30, 2020

Docket materials are available online 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

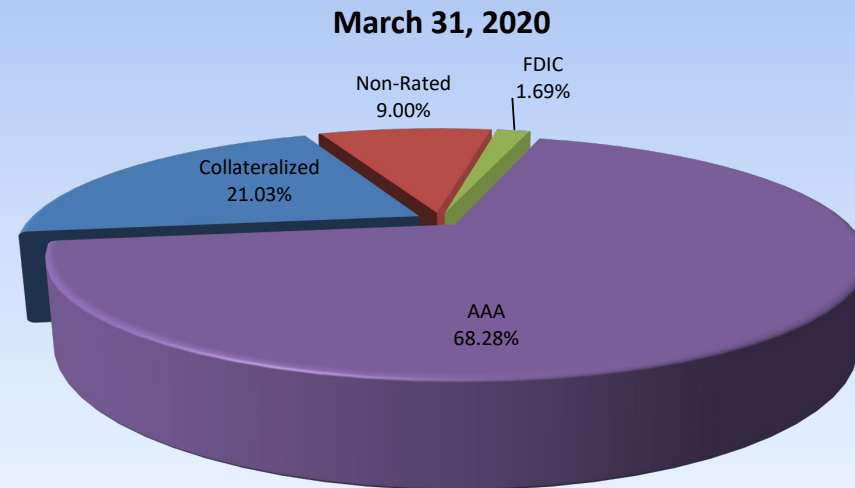
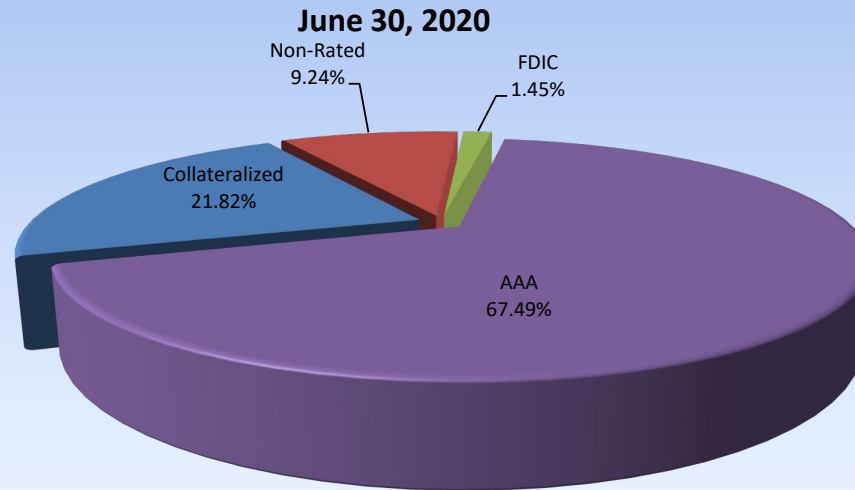
June 30, 2020

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	\$24.68	14.61%	\$27.58	100.00%	\$0.00	1	0.30%	1
Cash - restricted	\$12.58	7.45%	\$9.68	76.95%	\$0.00	1	0.33%	1
Local Agency Investment Fund (LAIF)	\$15.78	9.34%	\$15.78	100.00%	\$0.00	1	1.22%	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)	\$21.91	12.98%	\$21.91	100.00%	\$0.00	1	1.49%	1
Total liquid investments	\$74.95	44.38%	\$74.95	100.00%	\$0.00	1	0.84%	1
Agency Bonds	\$91.48	54.17%	\$93.35	102.07%	\$1.87	1,269	2.23%	745
Certificate of Deposits (FDIC)	\$2.45	1.45%	\$2.48	101.32%	\$0.03	1,011	2.62%	210
Total core investments	\$93.93	55.62%	\$95.84	102.05%	\$1.90	1,262	2.24%	731
Total liquid and core investments	\$168.89	100%	\$170.79	101.15%	\$1.90	709	1.64%	411
Current Portfolio Effective Duration		1.07 Years						

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						

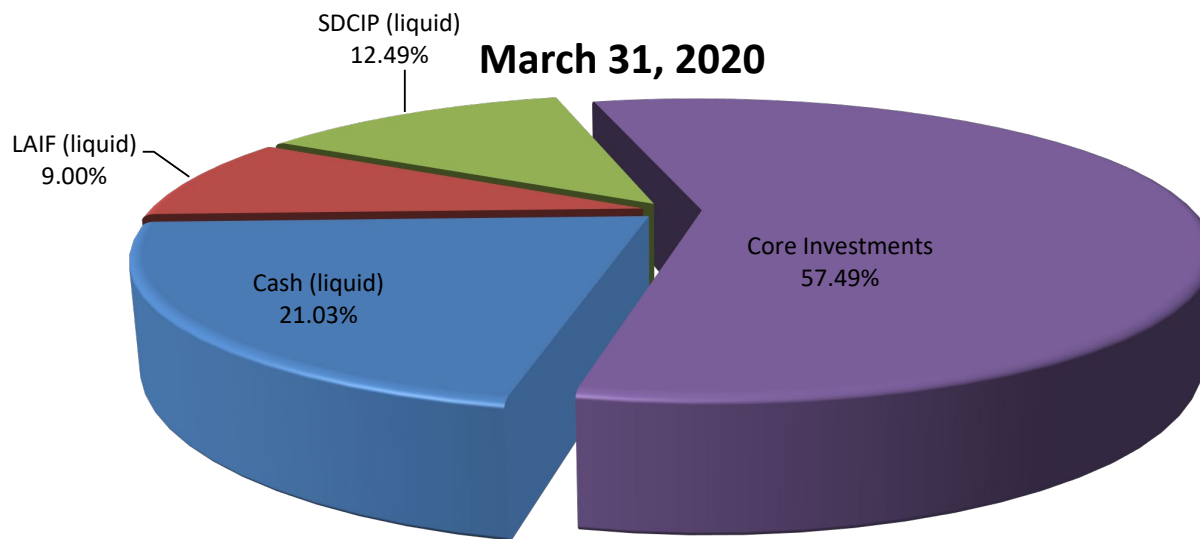
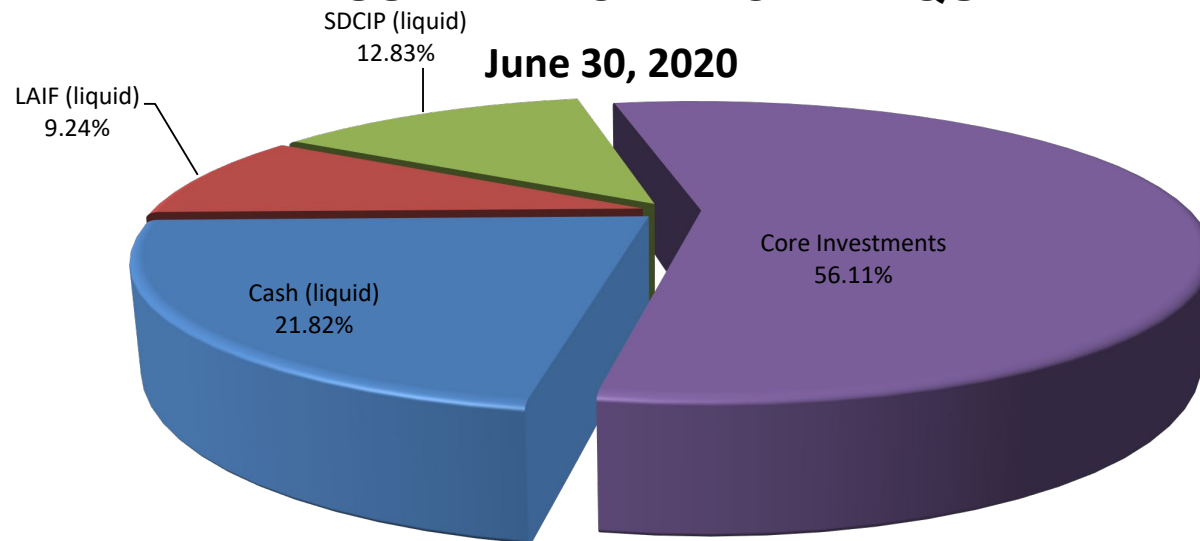
PORTFOLIO CREDIT QUALITY* BY QUARTER



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.

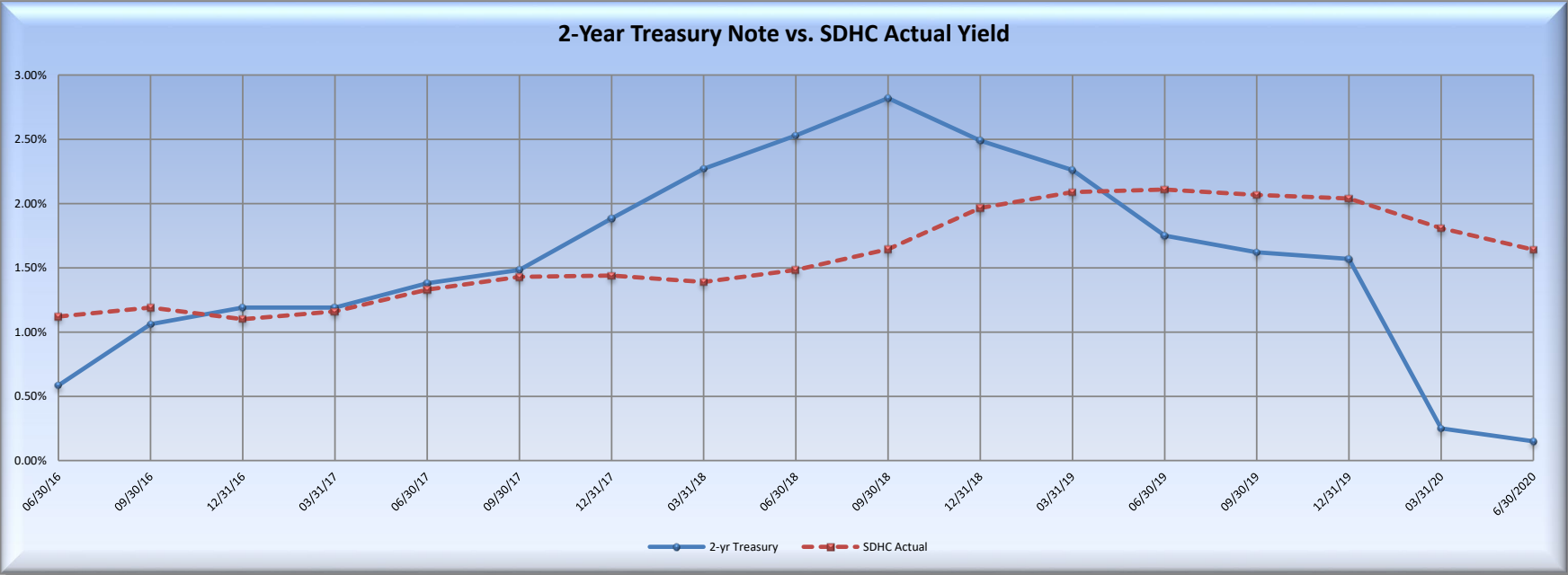
ASSET ALLOCATION BY QUARTER



Market Value in Millions			
	03/31/20	06/30/20	Variance
Cash (liquid)	\$ 36.71	\$ 37.26	\$ 0.55
LAIF (liquid)	\$ 15.70	\$ 15.78	\$ 0.08
SDCIP (liquid)	\$ 21.80	\$ 21.91	\$ 0.11
Core Investments	\$ 100.35	\$ 95.84	\$ (4.51)
TSDf (liquid)	\$ -	\$ -	\$ -
Total	\$ 174.57	\$ 170.79	\$ (3.78)

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	37.26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37.26
LAIF	15.78	-	-	-	-	-	\$ 15.78
TSDf	-	-	-	-	-	-	\$ -
SDCIP	21.91	-	-	-	-	-	\$ 21.91
Agency Bonds	2.07	12.91	28.88	29.89	12.69	6.91	\$ 93.35
CD (FDIC)	0.98	1.50	-	-	-	-	\$ 2.48
Total	\$ 78.01	\$ 14.42	\$ 28.88	\$ 29.89	\$ 12.69	\$ 6.91	\$ 170.79
Percent	45.68%	8.44%	16.91%	17.50%	7.43%	4.04%	100.00%



San Diego Housing Commission

Portfolio Holdings Detail

As of
June 30, 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	\$27.58	16.15%	\$27.58	100.00%	\$0.00	1	0.40%	1
Belden FNMA LLC Operating	U.S. Bank	\$0.51	0.30%	\$0.51	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	\$0.28	0.16%	\$0.28	100.00%	\$0.00	1	0.05%	1
Central FNMA LLC Operating	U.S. Bank	\$0.50	0.29%	\$0.50	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	\$0.24	0.14%	\$0.24	100.00%	\$0.00	1	0.05%	1
North FNMA LLC Operating	U.S. Bank	\$0.48	0.28%	\$0.48	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	\$0.09	0.05%	\$0.09	100.00%	\$0.00	1	0.05%	1
Central FHA LLC Operating	U.S. Bank	\$1.49	0.87%	\$1.49	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	\$0.59	0.35%	\$0.59	100.00%	\$0.00	1	0.05%	1
Northern FHA LLC Operating	U.S. Bank	\$1.36	0.80%	\$1.36	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	\$0.34	0.20%	\$0.34	100.00%	\$0.00	1	0.05%	1
Southern FHA LLC Operating	U.S. Bank	\$1.41	0.83%	\$1.41	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	\$0.71	0.42%	\$0.71	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	0.30%	\$0.51	100.00%	\$0.00	1	0.40%	1
SDHC Building Opportunities	Bank of California	\$0.12	0.07%	\$0.12	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		\$37.26	21.82%	\$37.26	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	\$15.78	9.24%	\$15.78	100.00%	\$0.00	1	1.22%	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	\$21.91	12.83%	\$21.91	100.00%	\$0.00	1	1.49%	1
Total Pooled Investments		\$37.70	22.07%	\$37.70	100.00%	\$0.00	1	1.38%	1
Investments - Core Bond Investments (CUSIP)	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Agency MBS									
3138NJAL2	FNMA P	\$0.17	0.10%	\$0.17	100.45%	\$0.00	1649	1.73%	63
31381NLA9	FNMA P	\$0.50	0.30%	\$0.50	99.97%	\$0.00	1617	1.80%	93

San Diego Housing Commission

Portfolio Holdings Detail

As of
June 30, 2020

3138NJAA6	FNMA P	\$0.54	0.32%	\$0.54	100.42%	\$0.00	1576	1.56%	63
31381NC43	FNMA P	\$0.35	0.21%	\$0.35	99.97%	\$0.00	1518	1.60%	1
31381NB93	FNMA P	\$0.42	0.25%	\$0.42	99.96%	\$0.00	1356	1.71%	1
31381NLA9	FNMA P	\$0.25	0.15%	\$0.25	99.97%	\$0.00	1455	1.71%	93
31381PAU2	FNMA P	\$0.55	0.33%	\$0.55	99.94%	\$0.00	1420	1.81%	124
3137A2B26	FNMA P	\$0.59	0.35%	\$0.59	100.06%	\$0.00	1351	1.70%	56
3138NJAE8	FNMA P	\$0.67	0.40%	\$0.67	100.04%	\$0.00	1411	1.97%	154
3137A8PP7	FHMS	\$0.66	0.39%	\$0.67	101.16%	\$0.01	1374	1.94%	178
3137A6B27	FHMS	\$0.35	0.21%	\$0.35	100.44%	\$0.00	1280	1.70%	117
31419BAU9	FNMA P	\$0.31	0.18%	\$0.31	100.14%	\$0.00	1252	1.85%	93
31419BAU9	FNMA P	\$0.18	0.10%	\$0.18	100.14%	\$0.00	1232	1.78%	93
3138NJAE8	FNMA P	\$0.27	0.16%	\$0.27	100.04%	\$0.00	1293	1.83%	154
3138L3QTS	FNMA P	\$0.45	0.26%	\$0.45	99.95%	\$0.00	1196	1.85%	93
3138L6ZUS	FNMA P	\$1.26	0.74%	\$1.27	101.15%	\$0.01	1441	1.95%	366
3138L6PN2	FNMA P	\$0.91	0.54%	\$0.91	100.38%	\$0.00	1380	1.85%	305
3137A8PP7	FHMS	\$0.95	0.56%	\$0.96	101.16%	\$0.01	1243	1.82%	178
3138L6YJ1	FNMA P	\$0.50	0.30%	\$0.51	100.79%	\$0.00	1401	2.06%	336
31397U3N7	FNA	\$0.55	0.33%	\$0.55	99.68%	\$0.00	1342	1.82%	299
3138L54T4	FNMA P	\$1.51	0.90%	\$1.52	100.42%	\$0.01	1352	1.85%	336
31381PEB0	FNMA P	\$0.46	0.27%	\$0.46	99.96%	\$0.00	1133	2.00%	124
3137AA4W0	FHMS	\$1.50	0.89%	\$1.51	100.89%	\$0.01	1218	1.89%	209
31381RLL6	FNMA P	\$0.21	0.12%	\$0.21	101.19%	\$0.00	1162	2.90%	366
31419BAU9	FNMA P	\$0.10	0.06%	\$0.11	103.91%	\$0.00	889	2.70%	93
3138EGYB4	FNMA P	\$0.01	0.00%	\$0.01	100.90%	\$0.00	938	2.68%	154
3138L5C40	FNMA P	\$0.47	0.28%	\$0.47	99.95%	\$0.00	829	2.72%	93
3138NJAK4	FNMA P	\$0.11	0.06%	\$0.10	97.00%	\$0.00	829	2.72%	93
3138L56T2	FNMA P	\$0.37	0.22%	\$0.38	102.83%	\$0.01	1373	3.00%	640
3138NJAB4	FNMA P	\$0.25	0.15%	\$0.25	101.00%	\$0.00	886	2.71%	154
31381TS43	FNMA P	\$0.41	0.24%	\$0.42	102.99%	\$0.01	1402	2.85%	670
3136AEGQ4	FNA	\$0.53	0.31%	\$0.56	105.53%	\$0.03	1623	2.88%	910
3136AEGQ4	FNA	\$0.53	0.31%	\$0.56	105.89%	\$0.03	1624	2.87%	910
3138L1P37	FNMA P	\$0.51	0.30%	\$0.53	104.24%	\$0.02	1579	2.91%	854
31381R5T7	FNMA P	\$1.01	0.60%	\$1.03	102.28%	\$0.02	1128	2.90%	428
3136A1AB1	FNMA P	\$0.44	0.26%	\$0.45	101.55%	\$0.01	1047	2.82%	360
3137AME60	FNMA P	\$0.72	0.43%	\$0.74	102.48%	\$0.02	1226	2.80%	543
3137AJMF8	FHMS	\$0.92	0.54%	\$0.94	102.50%	\$0.02	1169	2.84%	482
3137AJMF8	FHMS	\$1.02	0.60%	\$1.04	101.52%	\$0.02	1165	2.78%	482
3137B3N95	FHMS	\$0.25	0.15%	\$0.26	102.35%	\$0.01	1488	2.71%	817
3136ALHX2	FNA	\$0.53	0.31%	\$0.54	101.92%	\$0.01	1153	2.75%	482
31381VFW00	FNMA P	\$0.73	0.43%	\$0.75	103.54%	\$0.03	1400	2.89%	731
3136A4M55	FNMA P	\$0.63	0.37%	\$0.64	102.82%	\$0.02	1229	2.88%	574
3138NJAD0	FNMA P	\$0.65	0.39%	\$0.66	100.57%	\$0.00	835	2.92%	185
3137AH6C7	FHMS	\$0.95	0.56%	\$0.97	101.95%	\$0.02	1040	2.87%	390
3138LCVX0	FNMA P	\$1.00	0.59%	\$1.01	100.65%	\$0.01	1534	3.01%	884
3136A8G61	FNA	\$0.50	0.30%	\$0.52	103.47%	\$0.02	1344	2.95%	694
3137AME60	FNMA P	\$0.90	0.53%	\$0.93	102.62%	\$0.02	1185	2.94%	543
3137AYCE9	FHMS	\$1.04	0.61%	\$1.09	105.26%	\$0.05	1488	3.04%	847

San Diego Housing Commission

Portfolio Holdings Detail

As of
June 30, 2020

3138L5HK9	FNMA P	\$0.63	0.37%	\$0.65	102.50%	\$0.02	1174	3.10%	550
3137818S0	FHMS	\$0.99	0.59%	\$1.04	105.24%	\$0.05	1486	3.03%	878
3136A77K2	FNA	\$0.34	0.20%	\$0.35	104.19%	\$0.01	1430	3.10%	817
3138EMJG7	FNMA P	\$0.25	0.15%	\$0.25	100.78%	\$0.00	805	2.98%	185
3138L44C4	FNMA P	\$0.76	0.45%	\$0.79	103.82%	\$0.03	1382	3.19%	762
31379LUR7	FHMS	\$1.00	0.59%	\$1.03	103.87%	\$0.04	1333	2.98%	725
3137AXHP1	FHMS	\$0.99	0.59%	\$1.04	105.02%	\$0.05	1410	3.12%	817
31381R5T7	FNMA P	\$1.01	0.60%	\$1.03	102.37%	\$0.02	1020	3.03%	428
31381TKC3	FNMA P	\$1.66	0.99%	\$1.71	102.52%	\$0.04	1142	3.06%	550
3137B1BS0	FHMS	\$1.48	0.88%	\$1.56	105.20%	\$0.08	1460	3.03%	878
31381RZ23	FNMA P	\$0.86	0.51%	\$0.87	101.40%	\$0.01	975	3.00%	397
31381RB45	FNMA P	\$0.95	0.56%	\$0.96	101.10%	\$0.01	931	3.01%	366
31381RQD9	FNMA P	\$1.70	1.01%	\$1.72	101.21%	\$0.02	931	2.97%	366
31381R2C7	FNMA P	\$1.28	0.76%	\$1.30	101.25%	\$0.02	954	2.85%	397
3136AMM48	FNA	\$0.46	0.27%	\$0.47	102.84%	\$0.01	1312	2.84%	755
3137AVXN2	FHMS	\$0.99	0.59%	\$1.03	103.98%	\$0.04	1309	2.78%	755
3138EKQW8	FNMA P	\$0.70	0.41%	\$0.73	104.18%	\$0.03	1477	2.76%	946
3138L8XW9	FNMA P	\$0.92	0.54%	\$0.96	104.21%	\$0.04	1446	2.71%	915
3138LEQT1	FNMA P	\$1.41	0.84%	\$1.44	101.96%	\$0.03	1587	2.70%	1096
3137FKK88	FNMA P	\$2.04	1.21%	\$2.12	103.60%	\$0.07	1378	2.62%	908
31381VEY7	FNMA P	\$1.18	0.70%	\$1.22	102.64%	\$0.03	1192	2.45%	731
3138L42J1	FNMA P	\$1.81	1.07%	\$1.89	104.28%	\$0.08	1599	2.55%	1158
3138LJ4Y3	FNMA P	\$2.17	1.29%	\$2.22	102.45%	\$0.05	1134	2.35%	731
3138ET4Y9	FNMA P	\$2.62	1.55%	\$2.67	102.01%	\$0.05	1009	1.95%	640
3138L1UV9	FNMA P	\$0.85	0.50%	\$0.88	102.94%	\$0.02	1252	1.92%	884
3138L1FW4	FNMA P	\$0.91	0.54%	\$0.93	102.15%	\$0.02	1191	1.92%	823
31381UHN0	FNMA P	\$0.84	0.50%	\$0.86	101.44%	\$0.01	1008	1.93%	640
3138EH3A8	FNMA P	\$1.17	0.69%	\$1.18	101.14%	\$0.01	977	2.01%	640
31381VKE4	FNMA P	\$1.02	0.61%	\$1.04	101.90%	\$0.02	1068	2.07%	731
3138LC5B7	FNMA P	\$2.04	1.21%	\$2.10	102.72%	\$0.06	1253	1.83%	946
3138LAAM1	FNMA P	\$0.94	0.56%	\$0.95	101.19%	\$0.01	975	1.80%	670
3138L1YR49	FNMA P	\$1.37	0.81%	\$1.41	102.57%	\$0.04	1231	2.02%	884
3138EPJW5	FNMA P	\$0.98	0.58%	\$0.99	101.02%	\$0.01	989	1.92%	701
31381URW9	FNMA P	\$0.67	0.40%	\$0.68	101.47%	\$0.01	978	1.86%	701
3138LCQN8	FNMA P	\$1.03	0.61%	\$1.06	103.34%	\$0.03	1523	2.03%	1249
3138LDCV3	FNMA P	\$0.80	0.47%	\$0.79	98.78%	-\$0.01	1247	1.84%	946
3138LCW68	FNMA P	\$1.46	0.86%	\$1.47	100.64%	\$0.01	717	1.82%	458
3140JAU97	FNMA P	\$0.84	0.50%	\$0.86	101.61%	\$0.01	1288	1.87%	1035
3137BWWD2	FHMS	\$1.29	0.77%	\$1.35	104.03%	\$0.05	1550	1.90%	1304
3138LOEU1	FNMA P	\$0.61	0.36%	\$0.62	101.63%	\$0.01	1008	1.84%	762
3138L3PR0	FNMA P	\$1.00	0.59%	\$1.02	102.47%	\$0.02	1312	1.85%	1066
31381UK48	FNMA P	\$0.50	0.30%	\$0.51	101.32%	\$0.01	868	2.00%	640
3140HULZ7	FNMA P	\$1.55	0.92%	\$1.61	104.31%	\$0.07	1683	2.15%	1462
31381UB89	FNMA P	\$0.67	0.40%	\$0.68	101.27%	\$0.01	856	1.90%	640
3138LJPT1	FNMA P	\$2.05	1.22%	\$2.14	104.41%	\$0.09	1658	1.87%	1462
3138L7JV9	FNMA P	\$0.99	0.59%	\$1.03	103.72%	\$0.04	1713	1.95%	1554
3138L5EA4	FNMA P	\$1.20	0.71%	\$1.22	102.01%	\$0.02	1371	1.77%	1219

San Diego Housing Commission

Portfolio Holdings Detail

As of
June 30, 2020

3138LEQ87	FNMA P	\$0.98	0.58%	\$0.98	100.13%	\$0.00	1267	1.80%	1127
3136AJLC8	FNMA P	\$0.93	0.55%	\$0.94	101.38%	\$0.01	1428	1.43%	1304
3137B5JM6	FNMA P	\$0.77	0.46%	\$0.79	102.24%	\$0.02	1215	1.44%	1120
3137B5KW2	FNMA P	\$0.36	0.22%	\$0.37	102.25%	\$0.01	1246	1.43%	1151
3137FBTA4	FHMS	\$1.09	0.64%	\$1.09	99.95%	\$0.00	1548	0.81%	1516
3136AJLC8	FNA	\$1.58	0.93%	\$1.58	100.00%	\$0.00	1304	0.73%	1304
3138L4QU0	FNMA P	\$1.08	0.64%	\$1.08	99.31%	-\$0.01	1127	0.90%	1127
3138L1SZ3	FNMA P	\$0.47	0.28%	\$0.46	99.21%	\$0.00	854	0.66%	854
3136ARTB4	FNA	\$0.50	0.30%	\$0.50	99.63%	\$0.00	970	1.19%	970
3136AMST7	FNA	\$1.04	0.62%	\$1.03	99.40%	-\$0.01	1578	0.70%	1578
3138L4CW1	FNMA P	\$1.02	0.60%	\$1.01	98.91%	-\$0.01	1066	0.73%	1066
Total Agency Bond Investments		\$91.48	54.66%	\$93.35	102.07%	\$1.87	1,269	2.23%	745

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	0.15%	\$0.25	100.00%	\$0.00	1098	1.95%	76
TIAA FSB	87270LAQ6	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1092	1.90%	76
Connectone	20786ABS3	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1097	1.80%	76
Stearns	857894WY1	\$0.25	0.15%	\$0.25	102.72%	\$0.01	1089	2.90%	350
Sallie Mae	795450548	\$0.25	0.15%	\$0.25	102.86%	\$0.01	1097	3.00%	356
First Source	33646CKB9	\$0.25	0.15%	\$0.25	101.80%	\$0.00	980	2.85%	241
Marlin	57116ARL4	\$0.25	0.15%	\$0.25	102.87%	\$0.01	1096	2.95%	363
Citibank	17312QN54	\$0.25	0.15%	\$0.25	102.92%	\$0.01	1096	3.00%	363
Barclay	06740KN89	\$0.25	0.15%	\$0.25	100.00%	\$0.00	733	3.05%	174
Morgan Stanley	61760AMW6	\$0.25	0.15%	\$0.25	100.00%	\$0.00	732	2.75%	20
Total Certificate of Deposits		\$2.45	1.45%	\$2.48	101.32%	\$0.03	1,011	2.62%	210
Total Cash & Investments		\$168.89	100.00%	\$170.79	101.15%	\$1.90	709	1.64%	411

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

June 30, 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.