



SAN DIEGO  
HOUSING  
COMMISSION

## INFORMATIONAL REPORT

**DATE ISSUED:** July 1, 2021

**REPORT NO:** HCR21-071

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of July 9, 2021

**SUBJECT:** Status of Loan Portfolio – Fiscal Year 2021 Third Quarter

**COUNCIL DISTRICT:** Citywide

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

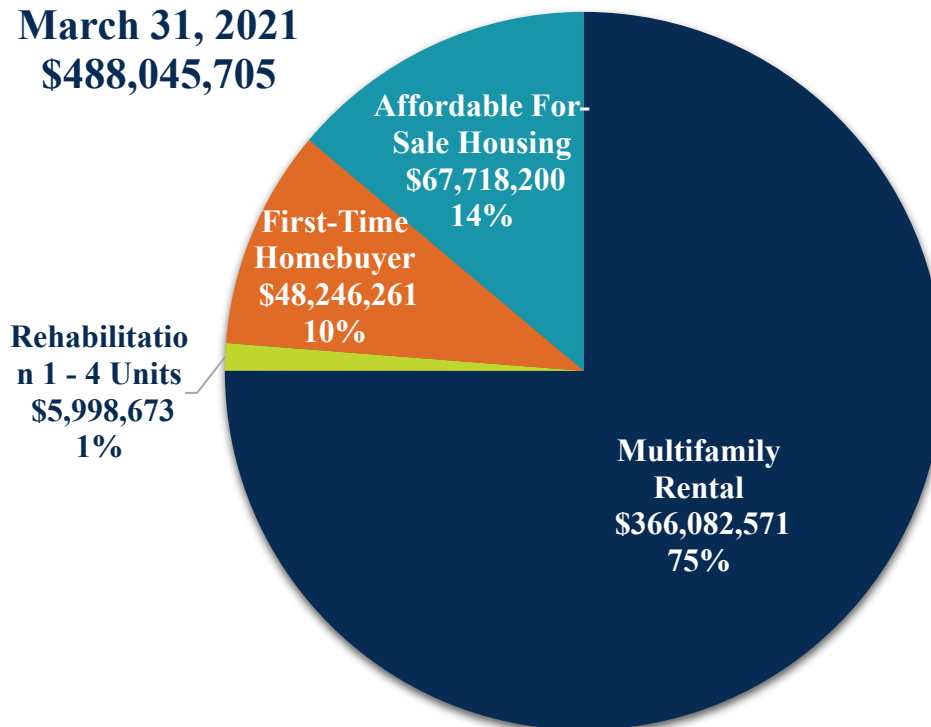
#### SUMMARY

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  | 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**  
**March 31, 2021**  
**\$488,045,705**



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Status of Loan Portfolio – Fiscal Year 2021 (January 1, 2021 – March 31, 2021)

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FY21 Q3	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 366,082,571	\$ 55,595,868	21	104	125
Rehabilitation 1 - 4 Units	\$ 5,998,673	\$ 66,986	7	383	390
First-Time Homebuyer	\$ 48,246,261	\$ 5,163,629	4	1,179	1,183
Affordable For-Sale Housing	\$ 67,718,200	\$ -	0	282	282
<b>TOTAL</b>	<b>\$488,045,705</b>	<b>\$60,826,483</b>	<b>32</b>	<b>1,948</b>	<b>1,980</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.

FY21 Q3	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 898,850	\$ 367,793	11

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.

FY21 Q3	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 21,554,417	\$ 6,816,975	711

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## 2. LOANS AND GRANTS FUNDED\*

During the period of January 1, 2021 – March 31, 2021, the Housing Commission recorded the following loans.

FY21 3rd Quarter	
First-Time Homebuyer	
Households Assisted	13
Closing Cost Assistance Grants \$	116,777
Deferred Payment Loans \$	795,870
<b>TOTAL \$</b>	<b>912,647</b>
Multifamily	
Total Projects	2
Affordable Units	118
<b>TOTAL \$</b>	<b>5,513,158</b>
Grant Heights II	
Affordable Units	41
HOME \$	1,293,809
Inclusionary \$	26,404
The Helm	
Affordable Units	77
Inclusionary \$	4,192,945
<b>TOTAL AWARDED \$</b>	<b>6,425,805</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.

FY21 Q3	Assistance Provided	Total Loans
San Diego County FTHB Loans	\$ 498,575	6

## 3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of January 1, 2021 – March 31, 2021. The Housing Commission received 64 payoffs, which generated \$6,499,699 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	3	\$ 3,380,428	\$ 279,616	\$ -	\$ -	\$ 3,660,043
Rehabilitation 1 - 4 Units	15	\$ 134,459	\$ 7,984	\$ -	\$ -	\$ 142,443
First-Time Homebuyer	46	\$ 2,104,635	\$ 578,681	\$ 10,397	\$ 3,500	\$ 2,697,213
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>64</b>	<b>\$ 5,619,522</b>	<b>\$ 866,281</b>	<b>\$ 10,397</b>	<b>\$ 3,500</b>	<b>\$ 6,499,699</b>

\*Down Payment and Closing Cost Assistance Recoverable Grant

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#### 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, 2021 – March 31, 2021.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 9,367	\$ 97,364	\$ 106,731
Rehabilitation	\$ 12,980	\$ 222	\$ 13,202
First-Time Homebuyer	\$ 141,920	\$ 17,639	\$ 159,560
<b>TOTAL</b>	<b>\$ 164,268</b>	<b>\$ 115,226</b>	<b>\$ 279,493</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 January 1, 2021 – March 31, 2021.

Loan Type	\$ Forgiven Principal <i>Per Terms of Loan</i>	\$ Written Off Principal	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 28,380	\$ 73,148	\$ 101,528
First-Time Homebuyer	\$ -	\$ -	\$ -
Affordable For-Sale	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 28,380</b>	<b>\$ 73,148</b>	<b>\$ 101,528</b>

*\*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 December 31, 2020, the loans in default are as follows:

FY21 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	\$ 5,000	0.08%	1	0
First-Time Homebuyer	1	\$ 35,000	0.07%	1	0
Affordable For-Sale Housing	0	\$ -	0.00%	0	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
<b>TOTAL</b>	<b>2</b>	<b>\$ 40,000</b>	<b>0.01%</b>	<b>2</b>	<b>0</b>

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Respectfully submitted,



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

Approved by,



Jeff Davis  
Deputy Chief Executive Officer  
San Diego Housing Commission

Docket materials are available in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).