



INFORMATIONAL REPORT

DATE ISSUED: July 5, 2018

REPORT NO: HCR18-066

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of July 13, 2018

SUBJECT: Status of Loan Portfolio – Fiscal Year 2018 Third Quarter

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

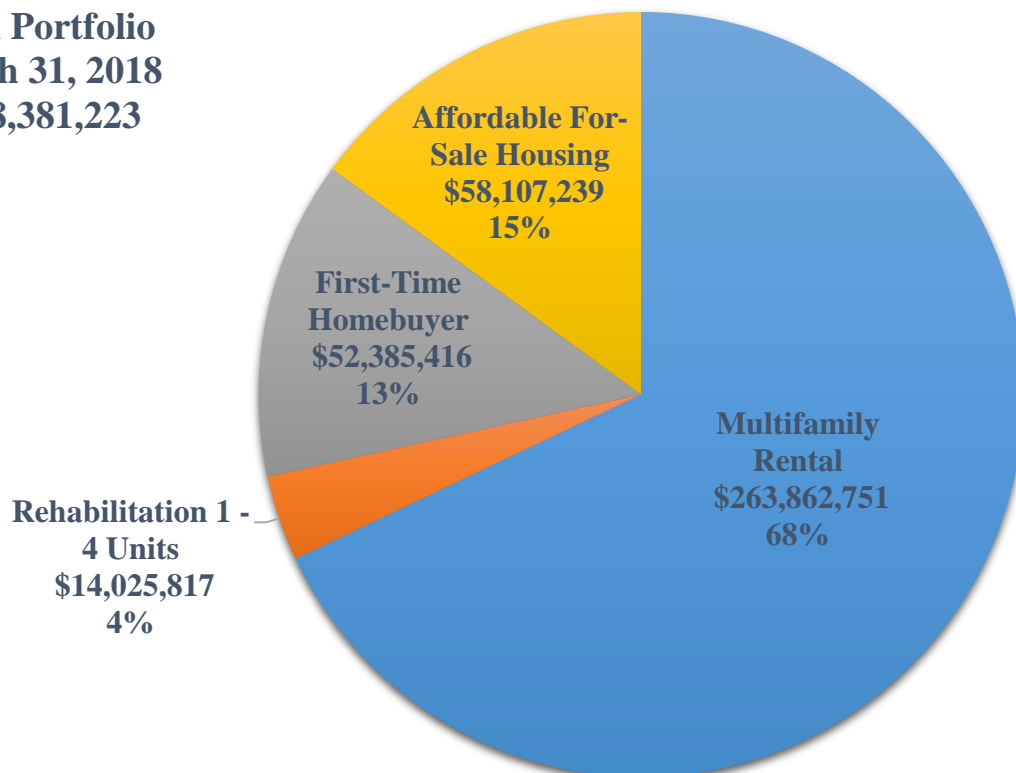
SUMMARY

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 Recorded
- 3) Loans Paid in Full
- 4) Loan Payments
- 5) Loans and Grants Written-Off
- 6) Defaults
- 7) Disposition of Foreclosed Properties

1. LOAN PORTFOLIO SUMMARY

Loan Portfolio
March 31, 2018
\$388,381,223



Status of Loan Portfolio – Fiscal Year 2018 January 1, 2018 – March 31, 2018
July 5, 2018

FY18 Q3	Principal Balance	Loans w/ Payments	Deferred Loans	Total Loans
Multifamily Rental	\$ 263,862,751	15	102	117
Rehabilitation 1 - 4 Units	\$ 14,025,817	11	769	780
First-Time Homebuyer	\$ 52,385,416	5	1,360	1,365
Affordable For-Sale Housing	\$ 58,107,239	0	262	262
TOTAL	\$ 388,381,223	31	2,493	2,524

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.

A Portion of the loan portfolio includes loans serviced on behalf 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.

FY18 Q3	Principal Balance	Total Loans
La Mesa First-Time Homebuyer	\$ 1,368,360	18

2. LOANS AND GRANTS FUNDED

During the period of January 1, 2018 – March 31, 2018, the Housing Commission recorded loans for \$5,764,315 in assistance to create or preserve 109 affordable housing units, assist 22 first-time homebuyers, and assist one home rehabilitation:

Rehabilitation		
Households Assisted		1
Redevelopment Area Loans	\$	25,000
First Time Homebuyer		
Households Assisted		22
Closing Cost Assistance Grants	\$	187,950
Deferred Payment Loans	\$	1,236,365
Rental Housing Finance		
Number of Affordable Units		65
Project Name(s)		Encanto Village
Project Type		Family & Homeless Veterans
SDHC Assistance	\$	1,060,000
	\$	3,255,000
TOTAL	\$	5,764,315

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of of January 1, 2018 – March 31, 2018. The Housing Commission received 32 payoffs which generate \$5,336,791 in program income:

FY18 Q3	# Loans Paid Off	Loan Principal Repaid	Interest / Shared Equity	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	2	\$ 3,100,000	\$1,220,578			\$ 4,320,578
Rehabilitation 1 - 4 Units	11	\$ 139,228	\$ 21,573			\$ 160,801
First-Time Homebuyer	19	\$ 606,475	\$ 248,266	\$ 516	\$ 155	\$ 855,412
Affordable For-Sale	0					\$ -
TOTAL	32	\$ 3,845,703	\$1,490,417	\$ 516	\$ 155	\$ 5,336,791

**Down Payment and Closing Cost Assistance Recoverable Grant*

4. LOAN PAYMENTS

The Housing Commission loan portfolio is primarily comprised 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, 2018 – March 31, 2018.

FY18 Q3	Paid to Principal	Paid to Interest	Total Paid
Multifamily Rental	\$ 96,629	\$ 94,443	\$ 191,072
Rehabilitation 1 – 4 Units	\$ 6,252	\$ 2,319	\$ 8,571
First Time Homebuyer	\$ 46,125	\$ 63,018	\$ 109,143
Affordable For-Sale			\$ -
TOTAL	\$ 149,006	\$ 159,780	\$ 308,786

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, 2018 – March 31, 2018.

FY18 Q3	\$ Forgiven	*\$ Written Off	Authority
Multifamily Rental	\$ -	\$ -	
Rehabilitation 1 - 4 Units	\$ 88,000	\$ -	Forgiven per terms of loan
First Time Homebuyer	\$ 116,441	\$ -	Forgiven per terms of loan
Affordable For-Sale	\$ -	\$ -	
TOTAL	\$ 204,441	\$ -	

**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, 2018, the loans in default are as follows:

FY18 Q1	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0		0.00%		
Rehabilitation 1 - 4 Units	5	\$ 68,540	0.49%	1	4
First-Time Homebuyer	8	\$ 336,479	0.64%	2	6
Affordable For-Sale Housing	2	\$ 199,877	0.34%	1	1
TOTAL	15	\$ 604,896	0.16%	4	11

7. DISPOSITION OF FORECLOSED PROPERTIES

During the third quarter of Fiscal Year 2018, there were no loans lost through foreclosure.

Respectfully submitted,

Carrie Tapia

Carrie Tapia
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Real Estate Division

Approved by,

Deborah N. Ruane

Deborah N. Ruane
Executive Vice President & Chief Strategy Officer
Real Estate Division

Hard copies are available for review during business hours at the security information desk in the main lobby and the fifth floor reception desk of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials in the “Public Meetings” section of the San Diego Housing Commission website at www.sdhc.org