



INFORMATIONAL REPORT

DATE ISSUED: January 3, 2019

REPORT NO: HCR19-011

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of January 11, 2019

SUBJECT: Status of Loan Portfolio – Fiscal Year 2019 First Quarter

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

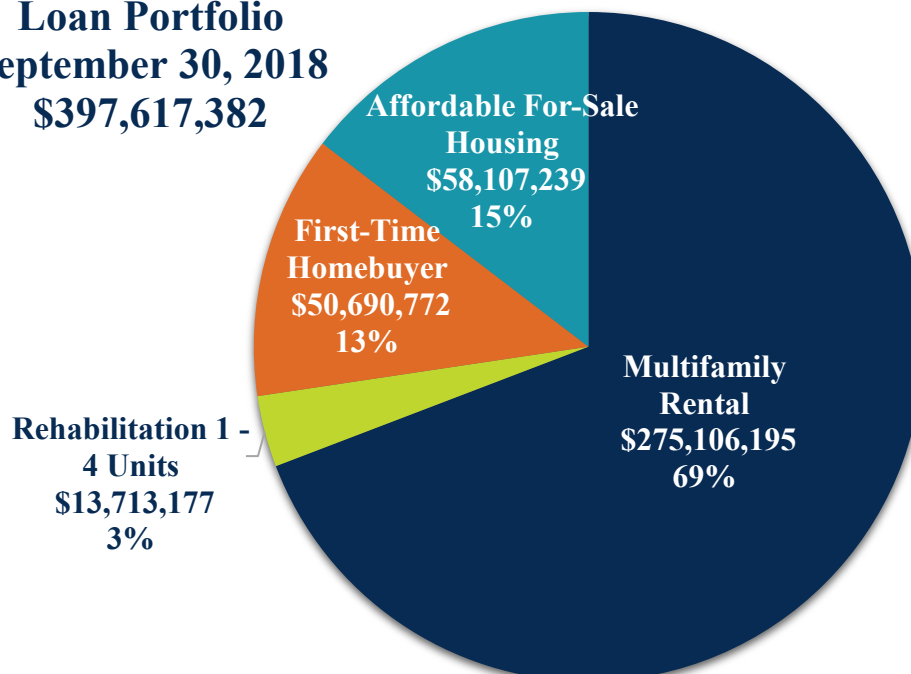
SUMMARY

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
- 7) Disposition of Foreclosed Properties

1. LOAN PORTFOLIO SUMMARY

Loan Portfolio
September 30, 2018
\$397,617,382



Status of Loan Portfolio – Fiscal Year 2019 (July 1, 2018 – September 30, 2018)
January 3, 2019

FY19 Q1	Loan Portfolio	Accrued Interest	Loans w/ Payments	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 275,106,195	\$ 42,383,445	15	103	118
Rehabilitation 1 - 4 Units	\$ 13,713,177	\$ 72,566	10	748	758
First-Time Homebuyer	\$ 50,690,772	\$ 4,096,582	5	1,307	1,312
Affordable For-Sale Housing	\$ 58,107,239	\$ -	0	262	262
TOTAL	\$ 397,617,382	\$ 46,552,593	30	2,420	2,450

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.

FY19 Q1	Loan Portfolio	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 1,248,360	\$ 359,674	17

2. LOANS AND GRANTS FUNDED

During the period of July 1, 2018 – September 30, 2018, the Housing Commission recorded loans for \$164,883 to assist one first-time homebuyer and four home rehabilitations:

FY19 1st Quarter	
Rehabilitation	
Households Assisted	4
Rehab Loans	\$ 120,000
TOTAL	\$ 120,000
First-Time Homebuyer	
Households Assisted	1
Deferred Payment Loans	\$ 44,883
TOTAL	\$ 44,883
Multifamily	
Number of Projects	0
SDHC Assistance	\$ -
TOTAL	\$ -
TOTAL AWARDED	\$ 164,883

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of of July 1, 2018 – September 30, 2018. The Housing Commission received 41 payoffs, which generated \$2,003,195 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	8	\$ 114,120	\$ -	\$ -	\$ -	\$ 114,120
First-Time Homebuyer	33	\$ 1,129,416	\$ 714,725	\$ 36,854	\$ 8,080	\$ 1,889,075
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	41	\$ 1,243,536	\$ 714,725	\$ 36,854	\$ 8,080	\$ 2,003,195

**Down Payment and Closing Cost Assistance Recoverable Grant*

4. LOAN PAYMENTS

The Housing Commission loan portfolio is primarily composed of deferred loans that 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, 2018 – September 30, 2018.

Loan Type	Paid to Principal	Paid to Interest	Total Paid
Multifamily Rental	\$ 1,025,321	\$ 517,722	\$ 1,543,043
Rehabilitation	\$ 11,597	\$ 921	\$ 12,518
First-Time Homebuyer	\$ 102,449	\$ 42,024	\$ 144,473
TOTAL	\$ 1,139,367	\$ 560,667	\$ 1,700,034

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, 2018 – September 30, 2018.

Loan Type	\$ Forgiven <i>Per Terms of Loan</i>	\$ Service Released	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 15,000	\$ -	\$ 15,000
First Time Homebuyer	\$ -	\$ -	\$ -
Affordable For-Sale	\$ -	\$ -	\$ -
TOTAL	\$ 15,000	\$ -	\$ 15,000

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

FY19 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	2	\$ 44,276	0.32%	1	1
First-Time Homebuyer	8	\$ 281,120	0.55%	2	6
Affordable For-Sale Housing	2	\$ 190,578	0.33%	1	1
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
TOTAL	12	\$ 515,974	0.13%	4	8

7. DISPOSITION OF FORECLOSED PROPERTIES

During the first quarter of Fiscal Year 2019, there were no loans lost through foreclosure.

Respectfully submitted,

Approved by,

Sujata Raman
Director of Housing Finance Loan Programs
Real Estate Division

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

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 “Governance & Legislative Affairs” section of the San Diego Housing Commission website at www.sdhc.org.