



INFORMATIONAL REPORT

DATE ISSUED: January 2, 2020

REPORT NO: HCR20-004

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of January 10, 2020

SUBJECT: Investment Report – First 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 (the Commission) investment portfolio as of September 30, 2019. The report includes both summary and detailed information on all liquid cash and cash equivalents, and core investments owned by the Commission. These funds, however, are not indicative of funds available for discretionary use as they are 1) earmarked for loans and grants that the Commission has committed to fund through Board approval 2) restricted to federal/state/local programmatic requirements 3) designated for property maintenance, and 4) required 3.5% of budgeted new revenue contingency reserves.

The market value of the portfolio at September 30, 2019 was \$164.67 million, compared to \$162.37 million in the previous quarter resulting in an overall investment portfolio increase of \$2.3 million. At September 30, 2019 the overall investment portfolio had a yield to maturity of 2.07 percent, average days to maturity of 465, and an effective duration of 1.22 years, compared to the overall investment portfolio at June 30, 2019 which had a yield to maturity of 2.11 percent, average days to maturity of 485, and an effective duration of 1.26.

Cash and cash equivalents (liquid)

1. \$23.01 million is held in various accounts, including the Housing Commission's bank, US Bank (\$10.44 million) and other various authorized accounts required by lending agreements and program obligations (\$12.57 million).
2. \$37.09 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 these liquid accounts was 1.58 percent for the quarter, which down .06 percent from the 1.64 percent in the previous quarter. The decline was due to a decrease in LAIF effective yield to maturity as the amount of pooled money declined in the overall LAIF portfolio.

Core investments

3. \$101.63 million is held in Agency Debentures and/or Agency Mortgage-Backed Securities (MBS).
4. \$2.95 million is held in various FDIC insured Certificates of Deposit (CD).

The blended yield on core investments for the quarter was 2.34 percent, which is a decrease of 0.03 percent from 2.37 percent in the previous quarter. The decrease is due to agency bonds in which the decrease had been anticipated given previous Federal Reserve comments.

DISCUSSION

The overall market value of the investment portfolio increased to \$164.67 million compared to the prior quarter of \$162.37 million. The \$2.3 million increase during the quarter was principally due to the receipt of \$8.26 million of Affordable Housing Fund in-lieu fees, offset by \$5.96 million of expenditures primarily related to loans made (Paseo La Paz, the Lofts, Nook and New Palace).

The overall investment portfolio yield was 2.07 percent, compared to 2.11 percent from the prior quarter. The effective duration was also lower at 1.22 versus 1.26, in the previous quarter. These decreases reflect the financial market move lower in the yield curve due to Federal Reserve commentary and actions, along with the Commission's conservative approach to duration to ensure liquidity, rather than extending for additional yield.

CONCLUSION

The Fed Funds rate is currently targeted at 1.5% to 1.75%, after the Federal Reserve lowered the Fed Funds rate by 25 basis points at the October 30th meeting. The rationale for this third rate cut was the continuing "weakness" of business investments and exports. These actions will likely continue to influence the agency bond market, moving effective yields downward.

The Housing Commission will continue to monitor Federal policy and the Housing Commission's investment strategy will continue to focus on ensuring the safety of the principle, remain duration neutral while maintaining sufficient liquidity to meet operational requirements, generating investment yield and where possible, investing locally. The Housing Commission will continue to manage its investment portfolio with these underlying objectives in mind.

Respectfully submitted,

Maria Lallas

Marie Lallas
Controller – Financial Services Department
San Diego Housing Commission

Approved by,

Jeff Davis

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

Attachments: 1) SDHC Quarterly Financial Investment Report Ending September 30, 2019

Hard copies are available for review during business hours at the security information desk in the main lobby 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.

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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.

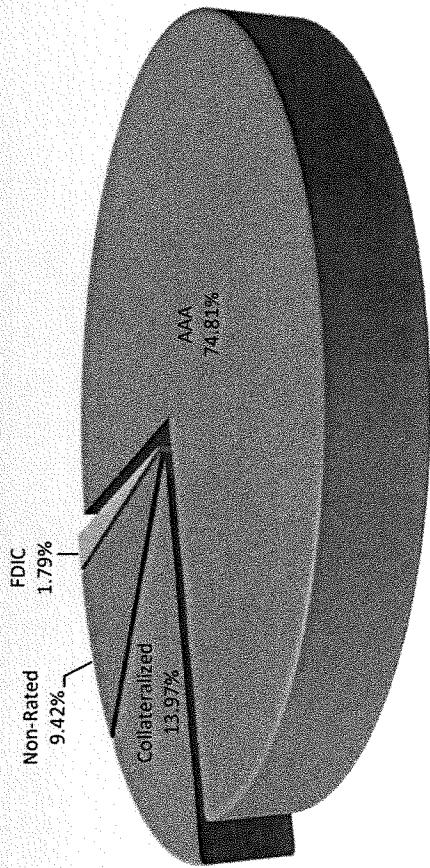
SAN DIEGO HOUSING COMMISSION
PORTFOLIO SUMMARY BY INVESTMENT TYPE

September 30, 2019						
Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term
Cash -unrestricted	\$10.44	6.37%	\$10.44	100.00%	\$0.00	1
Cash - restricted	\$12.57	7.67%	\$12.57	100.00%	\$0.00	1
Local Agency Investment Fund (LAIF)	\$15.52	9.47%	\$15.52	100.00%	\$0.00	1
San Diego Foundation (T SDF)	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1
San Diego County Investment Pool (SDCIP)	\$21.57	13.16%	\$21.57	100.00%	\$0.00	1
Total liquid investments	\$60.09	36.67%	\$60.09	100.00%	\$0.00	1
Agency Bonds	\$100.85	61.54%	\$101.63	100.86%	\$0.78	1,231
Certificate of Deposits (FDIC)	\$2.94	1.79%	\$2.95	100.25%	\$0.01	964
Total core investments	\$103.79	63.33%	\$104.58	100.85%	\$0.79	1,224
Total liquid and core investments	\$163.88	100%	\$164.67	100.54%	\$0.79	778
Current Portfolio Effective Duration	1.22	Years				2.07%

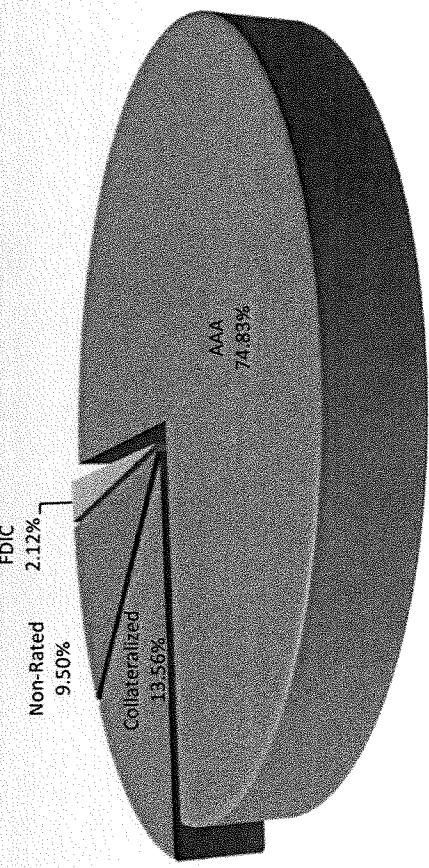
June 30, 2019						
Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term
Cash -unrestricted	\$13.11	8.11%	\$13.11	100.00%	\$0.00	1
Cash - restricted	\$8.91	5.52%	\$8.91	100.00%	\$0.00	1
Local Agency Investment Fund (LAIF)	\$15.42	9.54%	\$15.42	100.00%	\$0.00	1
San Diego Foundation (T SDF)	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1
San Diego County Investment Pool (SDCIP)	\$21.44	13.27%	\$21.44	100.00%	\$0.00	1
Total liquid investments	\$58.88	36.43%	\$58.88	100.00%	\$0.00	1
Agency Bonds	\$99.29	61.44%	\$100.05	100.82%	\$0.76	1,236
Certificate of Deposits (FDIC)	\$3.43	2.12%	\$3.43	100.12%	\$0.00	931
Total core investments	\$102.72	63.57%	\$103.49	100.79%	\$0.77	1,226
Total liquid and core investments	\$161.60	100%	\$162.37	100.50%	\$0.77	782
Current Portfolio Effective Duration	1.26	Years				2.11%

PORTFOLIO CREDIT QUALITY* BY QUARTER

September 30, 2019



June 30, 2019

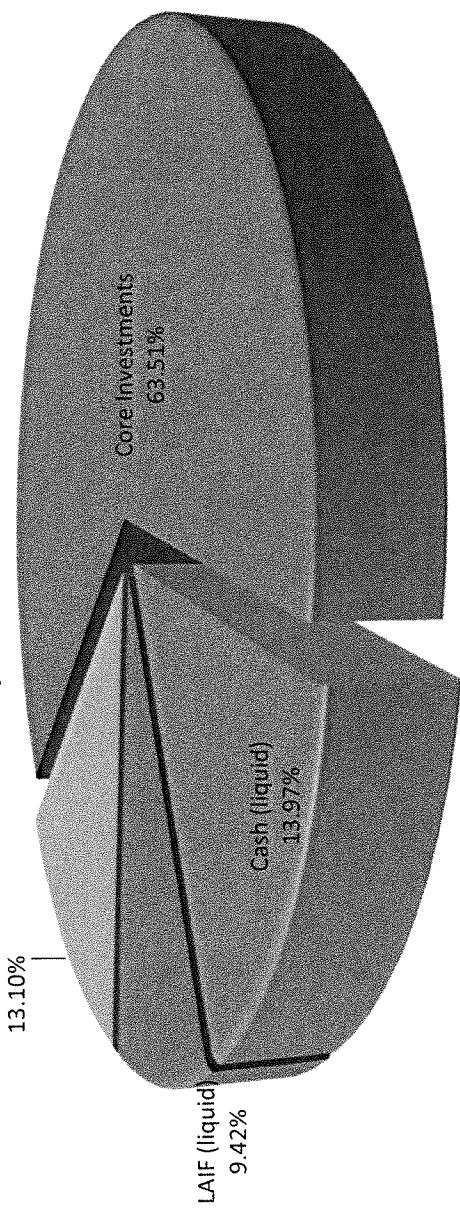


Note: Mortgage-backed securities (MBS) are included with other AAA rated securities. While the rating agencies do not specifically rate MBS, they carry an implied AAA rating based on the collateral and the rating of the Agency (Fannie/Freddie) that issues/guarantees them.

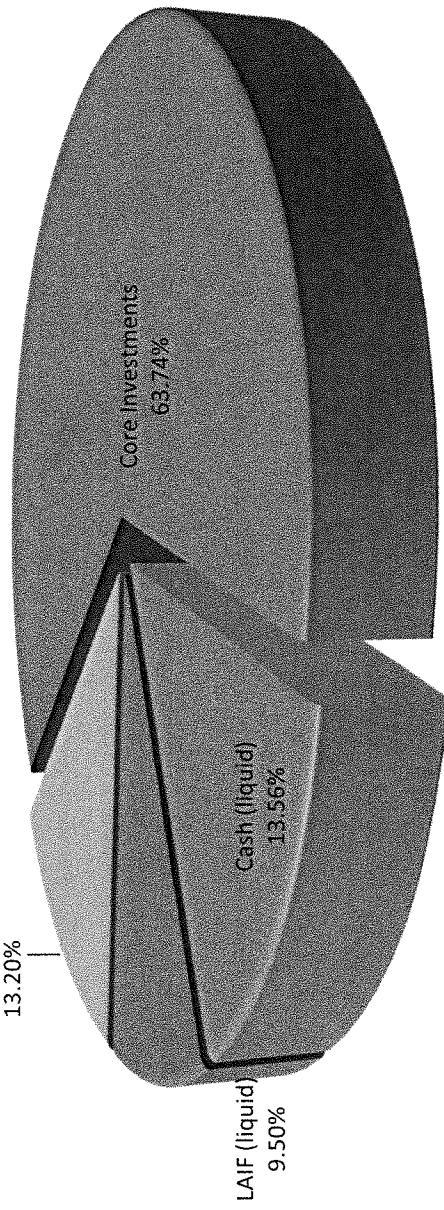
Non-Rated securities in SDHCs portfolio represents investments in the State of California's Local Agency Investment Fund (LAIF). The lack of a rating does not imply a negative credit quality.

ASSET ALLOCATION BY QUARTER

September 30, 2019



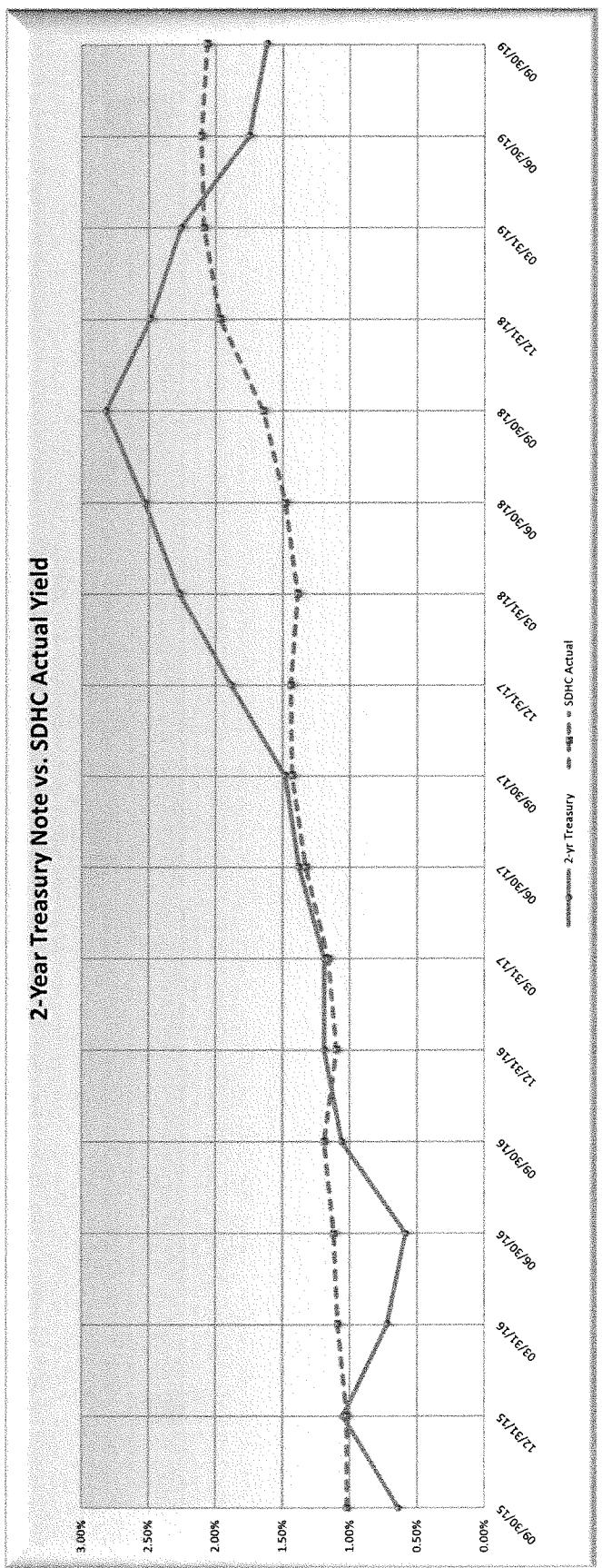
June 30, 2019



	Market Value in Millions		
	06/30/19	09/30/19	Variance
Cash (liquid)	\$ 22.02	\$ 23.01	\$ 0.99
LAIIF (liquid)	\$ 15.42	\$ 15.52	\$ 0.10
SDCIP (liquid)	\$ 21.44	\$ 21.57	\$ 0.13
Core Investments	\$ 103.49	\$ 104.58	\$ 1.09
TSDF (liquid)	\$ -	\$ -	\$ -
Total	\$ 162.37	\$ 164.67	\$ 2.31

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	23.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23.01
LAIIF	15.52	-	-	-	-	-	\$ 15.52
TSDF	-	-	-	-	-	-	\$ -
SDCIP	21.57	-	-	-	-	-	\$ 21.57
Agency Bonds	3.20	17.06	28.53	31.04	20.78	1.03	\$ 101.63
CD (FDIC)	-	1.48	1.47	-	-	-	\$ 2.95
Total	\$ 63.30	\$ 18.53	\$ 30.00	\$ 31.04	\$ 20.78	\$ 1.03	\$ 164.67
Percent	38.44%	11.26%	18.22%	18.85%	12.62%	0.62%	100.00%



**San Diego Housing Commission
Portfolio Holdings Detail**

As of
September 30, 2019

Investments - Liquid Cash Accounts	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
SDHC Operating Account								
Beiden FNMA LLC Operating	U.S. Bank	\$10.44	6.34%	\$10.44	100.00%	\$0.00	1	0.40%
Beiden FNMA LLC Security Deposit	U.S. Bank	\$1.22	0.74%	\$1.22	100.00%	\$0.00	1	0.40%
Beiden FNMA LLC Res. (10002)	U.S. Bank	\$0.11	0.06%	\$0.11	100.00%	\$0.00	1	0.40%
Central FNMA LLC Operating	Greystone	\$0.24	0.14%	\$0.24	100.00%	\$0.00	1	0.05%
Central FNMA LLC Security Deposit	U.S. Bank	\$1.26	0.77%	\$1.26	100.00%	\$0.00	1	0.40%
Central FNMA LLC Res. (10003)	U.S. Bank	\$0.12	0.08%	\$0.12	100.00%	\$0.00	1	0.40%
North FNMA LLC Operating	Greystone	\$0.19	0.12%	\$0.19	100.00%	\$0.00	1	0.05%
North FNMA LLC Security Deposit	U.S. Bank	\$1.02	0.62%	\$1.02	100.00%	\$0.00	1	0.40%
North FNMA LLC Res. (10004)	U.S. Bank	\$0.08	0.05%	\$0.08	100.00%	\$0.00	1	0.40%
Central FHA LLC Operating	Greystone	\$0.05	0.03%	\$0.05	100.00%	\$0.00	1	0.05%
Central FHA LLC Security Deposit	U.S. Bank	\$1.49	0.91%	\$1.49	100.00%	\$0.00	1	0.40%
Central FHA LLC Res. (0539)	U.S. Bank	\$0.15	0.09%	\$0.15	100.00%	\$0.00	1	0.40%
Southern FHA LLC Security Deposit	PNC Bank	\$0.69	0.42%	\$0.69	100.00%	\$0.00	1	0.05%
Northern FHA LLC Res. (0540)	U.S. Bank	\$1.34	0.81%	\$1.34	100.00%	\$0.00	1	0.40%
Northern FHA LLC Security Deposit	U.S. Bank	\$0.10	0.06%	\$0.10	100.00%	\$0.00	1	0.40%
Northern FHA LLC Res. (0539)	PNC Bank	\$0.37	0.22%	\$0.37	100.00%	\$0.00	1	0.05%
Southern FHA LLC Operating	U.S. Bank	\$2.31	1.40%	\$2.31	100.00%	\$0.00	1	0.40%
Southern FHA LLC Security Deposit	U.S. Bank	\$0.18	0.11%	\$0.18	100.00%	\$0.00	1	0.40%
Southern FHA LLC Res. (0540)	PNC Bank	\$0.75	0.45%	\$0.75	100.00%	\$0.00	1	0.05%
Hotel Standford Rep. Res. (7828)	U.S. Bank	\$0.26	0.16%	\$0.26	100.00%	\$0.00	1	0.40%
Town & Country Operating Savings (7836)	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
Town & Country Security Deposits	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
Town & Country Savings	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
FSS Escrow	U.S. Bank	\$0.51	0.31%	\$0.51	100.00%	\$0.00	1	0.40%
SDHC Building Opportunities	Bank of California	\$0.11	0.07%	\$0.11	100.00%	\$0.00	1	0.40%
Red Loan Courtyard	Red Mortgage	\$0.01	0.01%	\$0.01	100.00%	\$0.00	1	0.40%
Village North Senior Res	Red Mortgage	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
Village North Senior Operating Savings (9747)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
Village North Senior Security Dep. (9788)	U.S. Bank							
Total Cash Accounts		\$23.01	13.97%	\$23.01	100.00%	\$0.00	1	0.37%
Investments - Liquid Pooled Investments	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Local Agency Investment Fund	State of CA	\$15.52	9.42%	\$15.52	100.00%	\$0.00	1	2.28%
San Diego Foundation	TSDF	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%
SD County Investment Pool	County of SD	\$21.57	13.10%	\$21.57	100.00%	\$0.00	1	2.39%
Total Pooled Investments		\$37.09	22.52%	\$37.09	100.00%	\$0.00	1	2.34%
Investments - Core Bond Investments (CUSIP)	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity

**San Diego Housing Commission
Portfolio Holdings Detail
As of September 30, 2019**

Agency MBS			\$0.47	0.28%	\$0.46	99.91%	\$0.00	1416	1.71%	62
31418MWW8	FNMAP		\$0.12	0.07%	\$0.12	99.85%	\$0.00	1440	1.80%	124
31418M4K5	FNMAP		\$1.43	0.87%	\$1.42	99.85%	\$0.00	1408	1.60%	93
31381LRN9	FNMAP		\$0.50	0.30%	\$0.51	101.41%	\$0.01	1649	1.73%	337
3138NAJL2	FNMAP		\$0.35	0.22%	\$0.38	106.43%	\$0.02	1405	1.75%	124
31418M5M8	FNMAP		\$0.92	0.58%	\$0.92	99.88%	\$0.00	1418	1.83%	153
3138L9J37	FNMAP		\$0.51	0.31%	\$0.51	99.63%	\$0.00	1617	1.80%	367
31381NL9	FNMAP		\$1.01	0.67%	\$1.02	101.22%	\$0.01	1576	1.56%	337
3138NAAA6	FNMAP		\$0.36	0.22%	\$0.36	100.10%	\$0.00	1518	1.60%	275
31381NC43	FNMAP		\$2.00	1.22%	\$1.99	99.61%	\$0.01	1197	1.43%	1
3138L1DK25	FNMAP		\$0.19	0.12%	\$0.19	100.10%	\$0.00	1165	1.31%	32
31418MXY3	FNMAP		\$0.40	0.24%	\$0.40	99.91%	\$0.00	1207	1.55%	62
31418MWW8	FNMAP		\$0.11	0.07%	\$0.15	139.14%	\$0.04	1236	1.57%	124
31418M5M0	FNMAP		\$0.44	0.27%	\$0.43	99.47%	\$0.00	1356	1.71%	275
31381NB93	FNMAP		\$0.25	0.15%	\$0.25	99.53%	\$0.00	1455	1.71%	367
31381NL9	FNMAP		\$0.69	0.42%	\$0.68	99.42%	\$0.00	1328	1.65%	306
31381NQY2	FNMAP		\$0.88	0.54%	\$0.88	99.73%	\$0.00	1275	1.51%	184
31381RZT4	FNMAP		\$0.57	0.35%	\$0.57	99.35%	\$0.00	1420	1.81%	398
31381FAU2	FNMAP		\$0.13	0.08%	\$0.13	99.85%	\$0.00	1145	1.85%	124
31418M4KS	FNMAP		\$1.97	1.20%	\$1.97	100.09%	\$0.00	1351	1.70%	330
31372AB26	FNMAP		\$1.15	0.70%	\$1.15	99.74%	\$0.00	1411	1.97%	428
3138NAAE8	FNMAP		\$1.30	0.79%	\$1.31	101.00%	\$0.01	1164	2.03%	184
31419AEJ2	FNMAP		\$0.08	0.05%	\$0.12	155.41%	\$0.04	1080	1.82%	124
31418M5M0	FNMAP		\$1.17	0.71%	\$1.17	100.18%	\$0.00	1065	1.68%	117
31398VJ98	FHMS		\$0.71	0.43%	\$0.71	100.08%	\$0.00	1374	1.94%	452
31372A8PP7	FNMAP		\$0.10	0.06%	\$0.09	92.35%	\$0.01	1039	1.77%	124
31419AEGB	FHMS		\$0.50	0.31%	\$0.51	100.18%	\$0.00	1280	1.70%	391
31372A627	FNMAP		\$0.11	0.07%	\$0.10	90.37%	\$0.01	1013	1.64%	124
31419AEGB	FNMAP		\$0.71	0.43%	\$0.71	100.04%	\$0.00	1252	1.85%	367
31419BAU9	FNMAP		\$0.37	0.23%	\$0.27	71.33%	\$0.11	981	1.93%	124
31418M5M0	FNMAP		\$0.40	0.24%	\$0.40	100.04%	\$0.00	1232	1.78%	367
31419BAU9	FNMAP		\$0.46	0.28%	\$0.46	99.52%	\$0.00	1293	1.83%	428
3138NAAE8	FNMAP		\$1.01	0.61%	\$1.00	99.61%	\$0.00	1264	1.79%	428
3138LN65	FNMAP		\$2.15	1.31%	\$2.14	99.56%	\$0.01	1166	1.73%	337
3138L5CF5	FNMAP		\$0.46	0.28%	\$0.46	99.58%	\$0.00	1196	1.85%	367
3138L6QT5	FNMAP		\$1.28	0.78%	\$1.28	100.28%	\$0.00	1441	1.95%	640
3138L6ZUS	FNMAP		\$0.93	0.57%	\$0.93	99.54%	\$0.00	1380	1.85%	579
3138L6PN2	FNMAP		\$1.02	0.62%	\$1.02	99.98%	\$0.00	1243	1.82%	452
31372A8PP7	FHMS		\$0.50	0.31%	\$0.50	99.58%	\$0.00	1401	2.06%	610
3138L6YJ1	FNA		\$0.92	0.56%	\$0.91	99.06%	\$0.01	1342	1.82%	573
31397U3N7	FNMAP		\$1.53	0.93%	\$1.53	99.62%	\$0.01	1352	1.85%	610
3138L54T4	FNMAP		\$0.47	0.29%	\$0.47	99.73%	\$0.00	1133	2.00%	398
31381PEB0	FNMAP		\$1.53	0.93%	\$1.53	100.17%	\$0.00	1218	1.89%	483

**San Diego Housing Commission
Portfolio Holdings Detail**
As of September 30, 2019

3138L5CE5	FNMAP	\$1.83	1.12%	\$1.82	99.63%	-\$0.01	1068	1.85%	337
3138LPG6	FNMAP	\$0.16	0.09%	\$0.16	100.04%	\$0.00	584	2.85%	62
31381RLL6	FNMAP	\$0.22	0.13%	\$0.22	101.13%	\$0.00	1162	2.90%	640
31419BAU9	FNMAP	\$0.23	0.14%	\$0.23	100.04%	\$0.00	889	2.70%	367
3138EGYB4	FNMAP	\$0.01	0.00%	\$0.01	101.40%	\$0.00	938	2.68%	428
3138L5C40	FNMAP	\$0.47	0.29%	\$0.48	100.12%	\$0.00	829	2.72%	367
3138NJA4	FNMAP	\$0.15	0.09%	\$0.15	101.37%	\$0.00	829	2.72%	367
31381Q5C6	FNMAP	\$0.88	0.54%	\$0.89	100.89%	\$0.01	1038	2.88%	579
3138L5T2	FNMAP	\$0.38	0.23%	\$0.39	102.71%	\$0.01	1373	3.00%	914
3138NJAB4	FNMAP	\$0.36	0.22%	\$0.36	100.94%	\$0.00	886	2.71%	428
31381TS43	FNMAP	\$0.41	0.25%	\$0.42	102.46%	\$0.01	1402	2.85%	944
31381NWH2	FNMAP	\$1.08	0.66%	\$1.08	100.20%	\$0.00	771	2.80%	337
3136AEGQ4	FNA	\$0.70	0.43%	\$0.73	103.37%	\$0.02	1623	2.88%	1184
3136AEGQ4	FNA	\$0.70	0.43%	\$0.73	103.64%	\$0.03	1624	2.87%	1184
3138LP37	FNMAP	\$0.52	0.32%	\$0.53	102.73%	\$0.01	1579	2.91%	1128
31381R5T7	FNMAP	\$1.01	0.62%	\$1.03	101.53%	\$0.02	1128	2.90%	702
31381N7G2	FNMAP	\$0.49	0.30%	\$0.49	100.67%	\$0.00	830	2.68%	428
3136A1AB1	FNMAP	\$0.52	0.32%	\$0.53	101.46%	\$0.01	1047	2.82%	634
3137AME60	FNMAP	\$0.77	0.47%	\$0.78	101.47%	\$0.01	1226	2.80%	817
3137AJMF8	FHMS	\$0.94	0.58%	\$0.96	101.68%	\$0.02	1169	2.84%	756
3137AJMF8	FHMS	\$1.05	0.64%	\$1.06	100.89%	\$0.01	1165	2.78%	756
3137B3N95	FHMS	\$0.35	0.21%	\$0.35	101.00%	\$0.00	1488	2.71%	1091
3136ALHX2	FNA	\$0.71	0.43%	\$0.72	101.32%	\$0.01	1153	2.75%	756
31381FW00	FNMAP	\$0.73	0.44%	\$0.74	102.44%	\$0.02	1400	2.89%	1005
3136A4M55	FNMAP	\$1.03	0.63%	\$1.05	101.95%	\$0.02	1229	2.88%	848
3138NJAD0	FNMAP	\$0.81	0.49%	\$0.82	101.67%	\$0.01	835	2.92%	459
3137AH6C7	FHMS	\$0.97	0.59%	\$0.98	100.97%	\$0.01	1040	2.87%	664
3138LCVX0	FNMAP	\$1.00	0.61%	\$1.01	100.83%	\$0.01	1534	3.01%	1158
3136A8G61	FNA	\$0.56	0.34%	\$0.57	102.42%	\$0.01	1344	2.95%	968
3137AME60	FNMAP	\$0.96	0.59%	\$0.98	101.73%	\$0.02	1185	2.94%	817
3137AYCE9	FHMS	\$1.03	0.63%	\$1.07	103.08%	\$0.03	1488	3.04%	1121
3138L5HK9	FNMAP	\$0.64	0.39%	\$0.66	102.51%	\$0.02	1174	3.10%	824
3137818S0	FHMS	\$0.98	0.60%	\$1.02	103.15%	\$0.03	1486	3.03%	1152
3136A77K2	FNA	\$0.49	0.30%	\$0.50	102.77%	\$0.01	1430	3.10%	1091
3138EMJG7	FNMAP	\$0.41	0.25%	\$0.42	101.30%	\$0.01	805	2.98%	702
3138L44C4	FNMAP	\$0.77	0.47%	\$0.80	103.10%	\$0.02	1382	3.19%	1036
31379LUR7	FHMS	\$0.99	0.61%	\$1.02	102.23%	\$0.02	1333	2.98%	999
3137AXHP1	FHMS	\$0.98	0.60%	\$1.02	103.57%	\$0.04	1410	3.12%	1091
31381R5T7	FNMAP	\$1.01	0.62%	\$1.03	101.70%	\$0.02	1020	3.03%	824
31381TKC3	FNMAP	\$1.70	1.04%	\$1.74	102.23%	\$0.04	1142	3.06%	1152
3137B1BS0	FHMS	\$1.48	0.90%	\$1.52	103.11%	\$0.05	1460	3.03%	549
31381QZH2	FNMAP	\$1.02	0.62%	\$1.02	100.88%	\$0.01	853	3.02%	671
31381RZ23	FNMAP	\$0.88	0.54%	\$0.89	101.20%	\$0.01	975	3.00%	640
31381RB45	FNMAP	\$0.97	0.59%	\$0.98	101.12%	\$0.01	931	3.01%	

**San Diego Housing Commission
Portfolio Holdings Detail**

As of September 30, 2019

Investments - Core Certificate of Deposit (CD)		Issuer	Identifier	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Total Agency Bond Investments				\$100.85	61.72%	\$101.63	100.86%	\$0.78	1,231	2.34%	740
31381RQD9		FNMA P	02587CGG9	\$0.25	0.15%	\$0.25	100.32%	\$0.00	1098	1.95%	350
31381R2C7		FNMA P	87270LAQ6	\$0.25	0.15%	\$0.25	100.27%	\$0.00	1092	1.90%	350
3136AMM48		FNA	20786ABS3	\$0.25	0.15%	\$0.25	100.18%	\$0.00	1097	1.80%	350
3138113P3		FNMA P	87164WWL8	\$0.25	0.15%	\$0.25	100.69%	\$0.00	731	2.75%	231
3137AVXN2		FHMS	02007GCS0	\$0.25	0.15%	\$0.25	100.65%	\$0.00	732	2.70%	231
3138EKQW8		FNMA P	857894WY1	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1089	2.90%	624
3138LBXW9		FNMA P	795450548	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1097	3.00%	630
3138L9HJ4		FNMA P	33646CKB9	\$0.25	0.15%	\$0.25	100.00%	\$0.00	980	2.85%	515
3138LEQT1		FNMA P	57116ARL4	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1096	2.95%	637
3137FKK88		FNMA P									
31381SUW0		FNMA P									
31381VEY7		FNMA P									
3138L3SH9		FNMA P									
313814ZJ1		FNMA P									
3138L4Y3		FNMA P									
3138ET4Y9		FNMA P									
3138L1UV9		FNMA P									
3138L1FV4		FNMA P									
31381UHN0		FNMA P									
3138EH3A8		FNMA P									
31381VKE4		FNMA P									
3138LC5B7		FNMA P									
3138LAAM1		FNMA P									
3138L1YR49		FNMA P									
3138EPJW5		FNMA P									
31381URW9		FNMA P									
3138LCQN8		FNMA P									
3138LDCCV3		FNMA P									
Total Agency Bond Investments				\$100.85	61.72%	\$101.63	100.86%	\$0.78	1,231	2.34%	740

**San Diego Housing Commission
Portfolio Holdings Detail
As of
September 30, 2019**

Citibank	17312QN54	\$0.25	0.15%	\$0.25	100.00%	\$0.00	1096	3.00%	637
Barclay	06740KN89	\$0.25	0.15%	\$0.25	100.00%	\$0.00	733	3.05%	448
Morgan Stanley	61760AMW6	\$0.25	0.15%	\$0.25	100.90%	\$0.00	732	2.75%	294
Total Certificate of Deposits		\$2.94	1.79%	\$2.95	100.25%	\$0.01	964	2.63%	441
Total Cash & Investments		\$163.88	100.00%	\$164.67	100.54%	\$0.79	778	2.07%	465

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 Lallas

September 30, 2019

Controller

Date

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.