



## INFORMATIONAL REPORT

**DATE ISSUED:** January 2, 2020

**REPORT NO:** HCR20-007

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

**SUBJECT:** Status of Loan Portfolio – Fiscal Year 2020 First Quarter

**COUNCIL DISTRICT:** Citywide

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

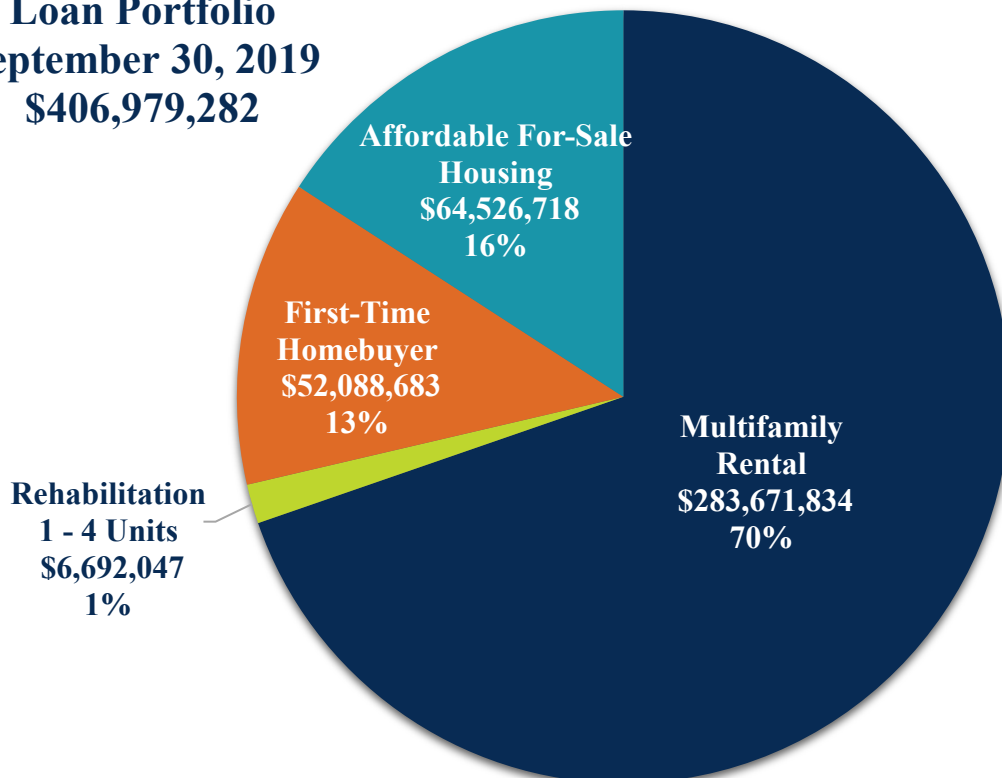
### SUMMARY

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. Service Released Loans
8. Disposition of Foreclosed Properties

### 1. LOAN PORTFOLIO SUMMARY

**Loan Portfolio**  
**September 30, 2019**  
**\$406,979,282**



FY20 Q1	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 283,671,834	\$ 47,611,050	21	97	118
Rehabilitation 1 - 4 Units	\$ 6,692,047	\$ 54,018	8	441	449
First-Time Homebuyer	\$ 52,088,683	\$ 4,685,005	6	1,292	1,298
Affordable For-Sale Housing	\$ 64,526,718	\$ -	0	273	273
<b>TOTAL</b>	<b>\$406,979,282</b>	<b>\$52,350,073</b>	<b>35</b>	<b>2,103</b>	<b>2,138</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.

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.

FY20 Q1	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 1,143,360	\$ 378,777	15

## 2. LOANS AND GRANTS FUNDED\*

During the period of July 1, 2019 – September 30, 2019, the Housing Commission recorded no loans.

FY20 1st Quarter	
<b>First Time Homebuyer</b>	
Households Assisted	0
Closing Cost Assistance Grants \$	-
Deferred Payment Loans \$	-
<b>TOTAL \$</b>	<b>-</b>
<b>Multi Family</b>	
Total Projects	0
Affordable Units	0
<b>TOTAL \$</b>	<b>-</b>
<b>TOTAL AWARDED \$</b>	<b>-</b>

\* Loans funded are not necessarily indicative of loans disbursed.

The Housing Commission also administers (excluding Servicing) the County of San Diego’s First-time Homebuyer (FTHB) program. The Housing Commission will begin reporting on County activity and balances as part of this Informational Report commencing this fiscal year.

FY20 Q1	Assistance Provided	Admin Collected	Total Loans
San Diego County FTHB Loans	\$ 265,908	\$ 5,940	4

### 3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of July 1, 2019 – September 30, 2019. The Housing Commission received 32 payoffs, which generated \$678,559 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	16	\$ 144,829	\$ 9,017	\$ 4,000	\$ -	\$ 157,846
First-Time Homebuyer	16	\$ 410,123	\$ 101,926	\$ 6,669	\$ 1,995	\$ 520,713
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>32</b>	<b>\$ 554,952</b>	<b>\$ 110,943</b>	<b>\$ 10,669</b>	<b>\$ 1,995</b>	<b>\$ 678,559</b>

*\*Down Payment and Closing Cost Assistance Recoverable Grant*

### 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 July 1, 2019 – September 30, 2019.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 48,133	\$ 595,005	\$ 643,139
Rehabilitation	\$ 11,499	\$ 843	\$ 12,342
First-Time Homebuyer	\$ 104,217	\$ 28,310	\$ 132,527
<b>TOTAL</b>	<b>\$ 163,849</b>	<b>\$ 624,158</b>	<b>\$ 788,007</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 July 1, 2019 – September 30, 2019.

Loan Type	\$ Forgiven Principal Per Terms of Loan	\$ Written Off	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 144,300	\$ 6,600	\$ 150,900
First Time Homebuyer	\$ -	\$ -	\$ -
Affordable For-Sale	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 144,300</b>	<b>\$ 6,600</b>	<b>\$ 150,900</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 September 30, 2019, the loans in default are as follows:

FY20 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	\$ 10,000	0.15%	2	0
First-Time Homebuyer	2	\$ 82,511	0.16%	2	0
Affordable For-Sale Housing	1	\$ 140,578	0.22%	1	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
<b>TOTAL</b>	<b>5</b>	<b>\$ 233,089</b>	<b>0.06%</b>	<b>5</b>	<b>0</b>

### 7. SERVICE RELEASED LOANS

Below is a summary of Redevelopment Agency rehabilitation loans that were released to Civic San Diego during the period of July 1, 2019 – September 30, 2019 as a result of the termination of the Rehabilitation loan program.

Loan Type	# of Loans	Principal Released	Interest Released	Total Released
Rehabilitation	245	\$ 5,896,008	\$ 32,657	\$5,928,664

## 8. DISPOSITION OF FORECLOSED PROPERTIES

During the first quarter of Fiscal Year 2020, the Housing Commission sold a long-term affordable for-sale unit it had acquired as REO through foreclosure in the prior fiscal year. The unit was sold to another income-eligible buyer with the affordable restrictions being assumed by the new buyer.

Respectfully submitted,

*Sujata Raman*

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

Approved by,

*Jeff Davis*

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 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](http://www.sdhc.org).