



INFORMATIONAL REPORT

DATE ISSUED: July 1, 2020

REPORT NO: HCR20-059

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

SUBJECT: Status of Loan Portfolio – Fiscal Year 2020 Third Quarter

COUNCIL DISTRICT: Citywide

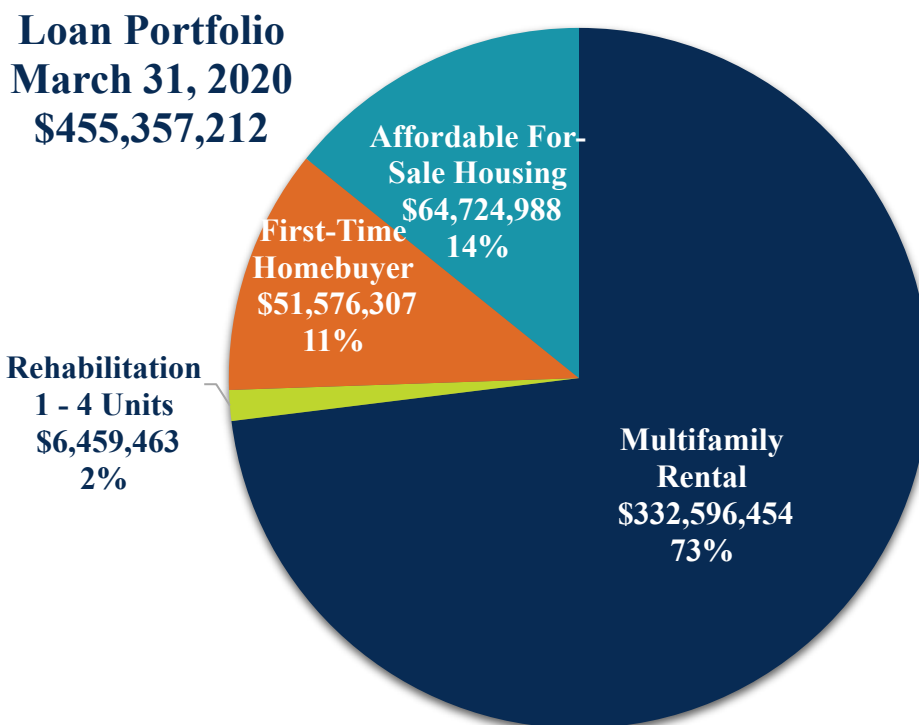
NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

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 Funded
- 3) Loans Paid in Full
- 4) Loan Payments
- 5) Loans and Grants Written Off/Forgiven
- 6) Defaults

1. LOAN PORTFOLIO SUMMARY



July 1, 2020

Status of Loan Portfolio – Fiscal Year 2020 (January 1, 2020 – March 31, 2020)

Page 2

FY20 Q3	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 332,596,454	\$ 49,215,042	21	101	122
Rehabilitation 1 - 4 Units	\$ 6,459,463	\$ 77,274	7	427	434
First-Time Homebuyer	\$ 51,576,307	\$ 5,032,170	5	1,264	1,269
Affordable For-Sale Housing	\$ 64,724,988	\$ -	0	274	274
TOTAL	\$455,357,212	\$54,324,486	33	2,066	2,099

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 Q3	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 1,073,360	\$ 380,658	14

2. LOANS AND GRANTS FUNDED*

During the period of January 1, 2020 – March 31, 2020, the Housing Commission recorded 25 loans.

July 1, 2020

Status of Loan Portfolio – Fiscal Year 2020 (January 1, 2020 – March 31, 2020)

Page 3

FY20 3rd Quarter	
First Time Homebuyer	
Households Assisted	20
Closing Cost Assistance Grants	\$ 189,992
Deferred Payment Loans	\$ 1,200,779
TOTAL	\$ 1,390,771
Affordable For-Sale Housing	
Households Assisted	2
Deferred Payment Loans	\$ 698,743
TOTAL	\$ 698,745
Multi Family	
Total Projects	3
Affordable Units	464
TOTAL	\$ 33,523,631
Trinity	
Affordable Units	73
HOME	\$ 500,000
Inclusionary	\$ 200,000
Mariner's Village	
Affordable Units	170
Seller Carryback Note	\$ 29,800,000
"J" Street Inn	
Affordable Units	221
Inclusionary	\$ 3,023,631
TOTAL AWARDED	\$ 35,613,147

** 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 began reporting on County activity and balances as part of this Informational Report in Fiscal Year 2020.

FY20 Q3	Assistance Provided	Total Loans
San Diego County FTHB Loans	\$ 413,635	6

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of January 1, 2020 – March 31, 2020. The Housing Commission received 39 payoffs, which generated \$4,524,217 in program income:

July 1, 2020

Status of Loan Portfolio – Fiscal Year 2020 (January 1, 2020 – March 31, 2020)

Page 4

Loan Type	# Loans Paid Off	Loan Principal Repaid	Loan Int./Shared Appreciation Received	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	1	\$ 2,055,000	\$ 1,338,053	\$ -	\$ -	\$ 3,393,053
Rehabilitation 1 - 4 Units	11	\$ 88,698	\$ 104	\$ -	\$ -	\$ 88,802
First-Time Homebuyer	26	\$ 796,631	\$ 176,541	\$ 15,764	\$ 1,425	\$ 990,362
Affordable For-Sale Housing	1	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000
TOTAL	39	\$ 2,992,329	\$ 1,514,699	\$ 15,764	\$ 1,425	\$ 4,524,217

**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 development's available cash flow. Below is a summary of the residual receipts payments, fixed payments and voluntary payments collected during the period of January 1, 2020 – March 31, 2020.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 73,886	\$ 70,100	\$ 143,986
Rehabilitation	\$ 14,927	\$ 227	\$ 15,154
First-Time Homebuyer	\$ 88,758	\$ 15,555	\$ 104,313
TOTAL	\$ 177,571	\$ 85,882	\$ 263,453

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, 2020 – March 31, 2020.

Loan Type	\$ Forgiven Principal Per Terms of Loan	\$ Written Off Principal	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 73,995	\$ -	\$ 73,995
First Time Homebuyer	\$ 20,000	\$ -	\$ 20,000
Affordable For-Sale	\$ -	\$ -	\$ -
TOTAL	\$ 93,995	\$ -	\$ 93,995

**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, 2020, the loans in default are as follows:

July 1, 2020

Status of Loan Portfolio – Fiscal Year 2020 (January 1, 2020 – March 31, 2020)

Page 5

FY20 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	2	\$ 106,724	0.21%	3	0
Affordable For-Sale Housing	1	\$ 259,156	0.39%	2	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
TOTAL	4	\$ 370,880	0.08%	6	0

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

Docket materials are available in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at www.sdhc.org.