



INFORMATIONAL REPORT

DATE ISSUED: February 24, 2022 **REPORT NO:** HCR22-017
ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of March 4, 2022
SUBJECT: Investment Report – First Quarter Fiscal Year 2022
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 (Housing Commission) investment portfolio as of December 31, 2021. The report includes both summary and detailed information on all liquid cash and cash equivalents and core investments owned by the Housing Commission. These funds, however, are not indicative of funds available for discretionary use as they are: 1) earmarked for loans and grants that the Housing Commission has committed to fund through approval by the Housing Commission Board of Commissioners; 2) restricted to federal, state and/or local programmatic requirements; 3) designated for property maintenance; and 4) required 3.5 percent of budgeted new revenue contingency reserves.

The market value of the investment portfolio on December 31, 2021 was \$210.78 million, compared to \$191.40 million in the previous quarter. This resulted in an increase of \$19.38 million. The portfolio's yield to maturity on December 31, 2021, was 0.87 percent, with an effective duration of 1.20 years, compared to September 30, 2021, which had a yield to maturity of 0.93 percent, and an effective duration of 1.36 years.

Cash and cash equivalents (liquid)

1. \$65.48 million is held in various accounts, including the Housing Commission's bank, US Bank (\$54.26 million) and other various authorized accounts required by lending agreements and program obligations (\$12.22 million).

2. \$38.20 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 liquid accounts was 0.46 percent, which is a decrease of 0.04 percent from the previous quarter.

Core investments

1. \$106.10 million is held in Agency Debentures and/or Agency Mortgage-Backed Securities (MBS).

The blended yield on core investments was 1.37 percent, which is an increase of 0.03 percent from 1.34 percent in the previous quarter.

DISCUSSION

The overall market value of the investment portfolio increased \$19.38 million compared to the prior quarter of \$191.40 million. The \$19.38 million increase during the quarter was principally due to receiving \$34.3 million from the State of California for the administration of the City of San Diego’s COVID-19 Housing Stability Assistance Program (HSAP) and \$27.8 million of American Rescue Plan Act funds from the City of San Diego. These receipts were offset primarily by \$41.7 million of program payments related to HSAP.

The overall investment portfolio yield was 0.87 percent, compared to 0.93 percent from the prior quarter, primarily due to carrying a higher balance in the liquid / core investments.

CONCLUSION

The Federal Reserve held steady the Federal Funds rate at 0.00 – 0.25 percent at the November 3, 2021, and December 15, 2021, meetings. However, the Federal Reserve has reported that with inflation well above 2 percent and a strong labor market, it will soon be appropriate to raise the target range for the federal funds rate along with reducing the monthly net asset purchases and bringing them to an end in early March 2022. The Housing Commission investment portfolio is prepared for the higher rates and will remain conservative in its investment strategy. The investment portfolio will be managed with these underlying objectives in mind—focus on ensuring the safety of the principal, remaining duration neutral while maintaining sufficient liquidity to meet operational requirements, generate investment yield and when possible, invest locally.

Respectfully submitted,

Suket Dayal

Suket Dayal
Executive Vice President Administration
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

Attachments: 1) Housing Commission Quarterly Financial Investment Report Ending December 31, 2021

Docket materials are available 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

December 31, 2021

Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Cash - unrestricted	\$54.26	25.59%	\$54.26	100.00%	\$0.00	1	0.30%	1
Cash - restricted	\$12.22	5.76%	\$12.22	100.00%	\$0.00	1	0.29%	1
Local Agency Investment Fund (LAIF)	\$15.94	7.52%	\$15.94	100.00%	\$0.00	1	0.54%	1
San Diego County Investment Pool (SDCIP)	\$22.26	10.50%	\$22.26	100.00%	\$0.00	1	0.88%	1
Total liquid investments	<u>\$104.67</u>	<u>49.37%</u>	<u>\$104.67</u>	<u>100.00%</u>	<u>\$0.00</u>	<u>1</u>	<u>0.46%</u>	
Agency Bonds	\$107.33	50.63%	\$106.10	98.88%	-\$1.23	1,397	1.37%	909
Certificate of Deposits (FDIC)	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0	0.00%	0
Total core investments	<u>\$107.33</u>	<u>50.63%</u>	<u>\$106.10</u>	<u>98.88%</u>	<u>-\$1.23</u>	<u>1,397</u>	<u>1.37%</u>	<u>909</u>
Total liquid and core investments	\$212.00	100%	\$210.78	99.44%	-\$1.23	704	0.87%	458

Current Portfolio Effective Duration **1.20 Years**

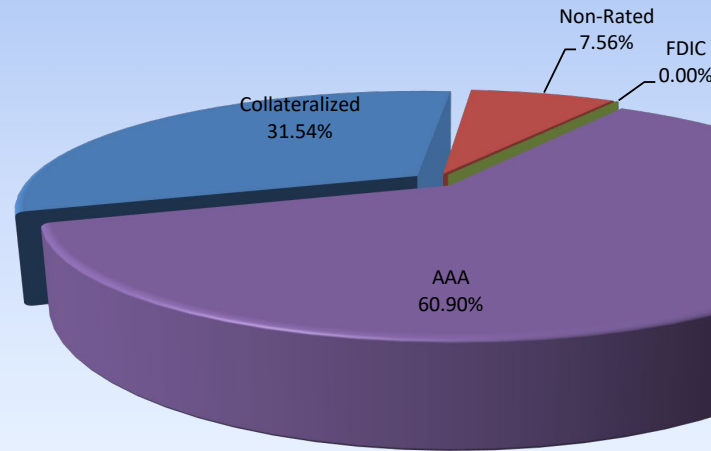
September 30, 2021

Investments	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Cash -unrestricted	\$31.73	16.56%	\$31.73	100.00%	\$0.00	1	0.30%	1
Cash - restricted	\$13.96	7.28%	\$13.96	100.00%	\$0.00	1	0.29%	1
Local Agency Investment Fund (LAIF)	\$15.93	8.31%	\$15.93	100.00%	\$0.00	1	0.54%	1
San Diego County Investment Pool (SDCIP)	\$22.22	11.59%	\$22.22	100.00%	\$0.00	1	0.88%	1
Total liquid investments	<u>\$83.84</u>	<u>43.75%</u>	<u>\$83.84</u>	<u>100.00%</u>	<u>\$0.00</u>	<u>1</u>	<u>0.50%</u>	<u>1</u>
Agency Bonds	\$107.77	56.25%	\$107.56	99.82%	-\$0.22	1,382	1.34%	937
Certificate of Deposits (FDIC)	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0	0.00%	0
Total core investments	<u>\$107.77</u>	<u>56.25%</u>	<u>\$107.56</u>	<u>99.82%</u>	<u>-\$0.22</u>	<u>1,382</u>	<u>1.34%</u>	<u>937</u>
Total liquid and core investments	\$191.61	100%	\$191.40	99.90%	-\$0.22	777	0.93%	527

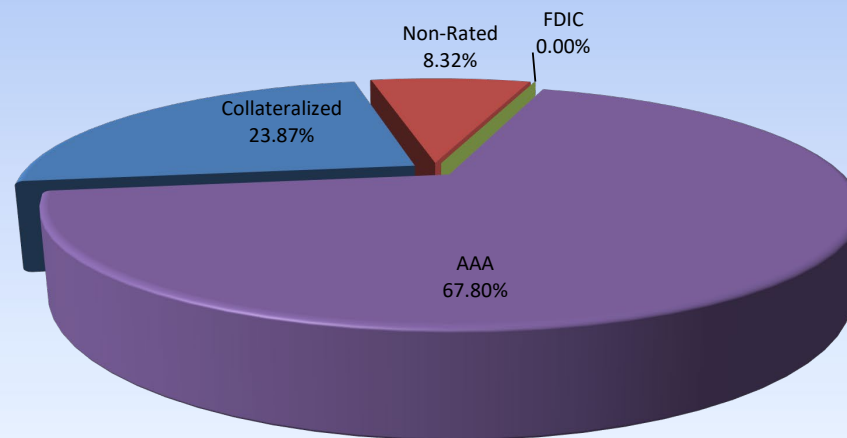
Current Portfolio Effective Duration **1.36 Years**

PORTFOLIO CREDIT QUALITY* BY QUARTER

December 31, 2021



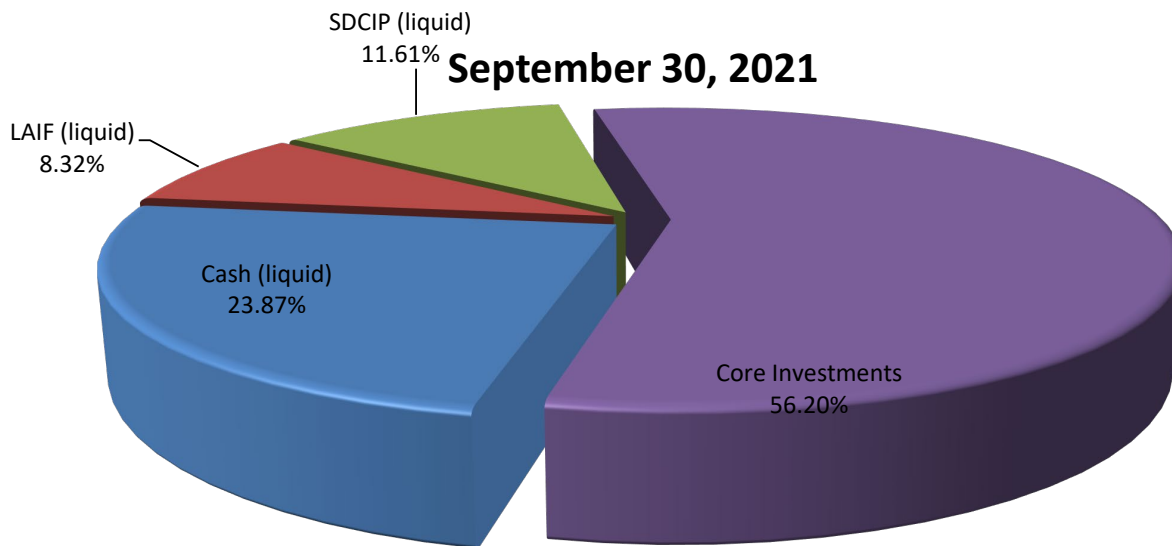
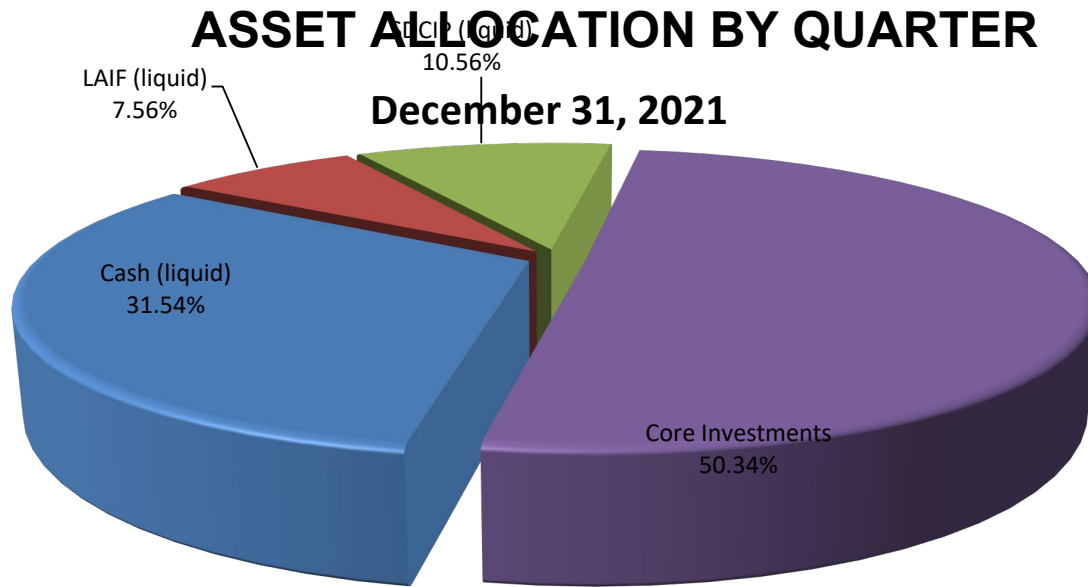
September 30, 2021



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 SDHC's 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



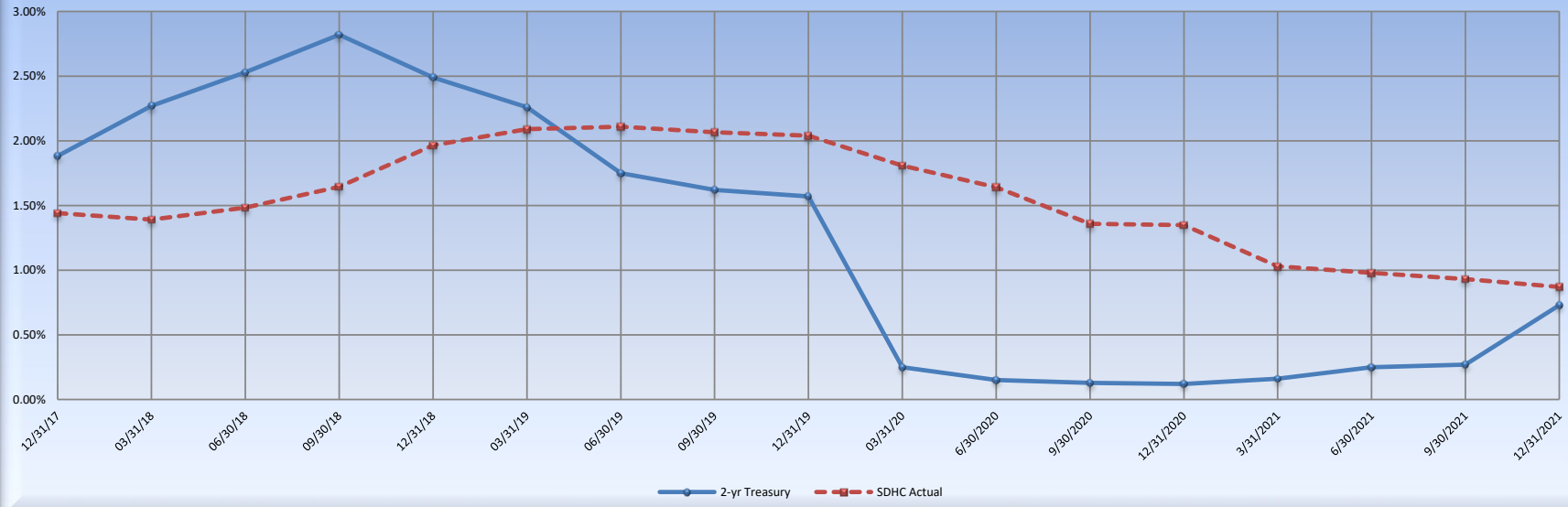
Market Value in Millions			
	09/30/21	12/31/21	Variance
Cash (liquid)	\$ 45.69	\$ 66.48	\$ 20.79
LAIF (liquid)	\$ 15.93	\$ 15.94	\$ 0.01
SDCIP (liquid)	\$ 22.22	\$ 22.26	\$ 0.04
Core Investments	\$ 107.56	\$ 106.10	\$ (1.46)
Total	\$ 191.40	\$ 210.78	\$ 19.38

* Based on Market Value of Assets

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	66.48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66.48
LAIF	15.94	-	-	-	-	-	\$ 15.94
SDCIP	22.26	-	-	-	-	-	\$ 22.26
Agency Bonds	1.76	16.67	13.79	40.25	19.55	14.08	\$ 106.10
CD (FDIC)	-	-	-	-	-	-	\$ -
Total	\$ 106.43	\$ 16.67	\$ 13.79	\$ 40.25	\$ 19.55	\$ 14.08	\$ 210.78
Percent	50.49%	7.91%	6.54%	19.10%	9.28%	6.68%	100.00%

2-Year Treasury Note vs. SDHC Actual Yield



San Diego Housing Commission

Portfolio Holdings Detail

As of
December 31, 2021

Investments - Liquid Cash Accounts	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
SDHC Operating Account	U.S. Bank	\$54.26	25.74%	\$54.26	100.00%	\$0.00	1	0.30%	1
Belden FNMA LLC Operating	U.S. Bank	\$0.69	0.33%	\$0.69	100.00%	\$0.00	1	0.30%	1
Belden FNMA LLC Security Deposit	U.S. Bank	\$0.11	0.05%	\$0.11	100.00%	\$0.00	1	0.30%	1
Belden FNMA LLC Res. (10002)	Greystone	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.05%	1
Central FNMA LLC Operating	U.S. Bank	\$0.64	0.30%	\$0.64	100.00%	\$0.00	1	0.30%	1
Central FNMA LLC Security Deposit	U.S. Bank	\$0.14	0.07%	\$0.14	100.00%	\$0.00	1	0.30%	1
Central FNMA LLC Res. (10003)	Greystone	\$0.07	0.03%	\$0.07	100.00%	\$0.00	1	0.05%	1
North FNMA LLC Operating	U.S. Bank	\$0.48	0.23%	\$0.48	100.00%	\$0.00	1	0.30%	1
North FNMA LLC Security Deposit	U.S. Bank	\$0.09	0.04%	\$0.09	100.00%	\$0.00	1	0.30%	1
North FNMA LLC Res. (10004)	Greystone	\$0.03	0.01%	\$0.03	100.00%	\$0.00	1	0.05%	1
Central FHA LLC Operating	U.S. Bank	\$1.11	0.53%	\$1.11	100.00%	\$0.00	1	0.30%	1
Central FHA LLC Security Deposit	U.S. Bank	\$0.17	0.08%	\$0.17	100.00%	\$0.00	1	0.30%	1
Central FHA LLC Res. (0538)	PNC Bank	\$0.47	0.22%	\$0.47	100.00%	\$0.00	1	0.05%	1
Northern FHA LLC Operating	U.S. Bank	\$0.85	0.40%	\$0.85	100.00%	\$0.00	1	0.30%	1
Northern FHA LLC Security Deposit	U.S. Bank	\$0.12	0.06%	\$0.12	100.00%	\$0.00	1	0.30%	1
Northern FHA LLC Res. (0539)	PNC Bank	\$0.28	0.13%	\$0.28	100.00%	\$0.00	1	0.05%	1
Southern FHA LLC Operating	U.S. Bank	\$1.57	0.75%	\$1.57	100.00%	\$0.00	1	0.30%	1
Southern FHA LLC Security Deposit	U.S. Bank	\$0.21	0.10%	\$0.21	100.00%	\$0.00	1	0.30%	1
Southern FHA LLC Res. (0540)	PNC Bank	\$0.57	0.27%	\$0.57	100.00%	\$0.00	1	0.05%	1
Hotel Sandford Rep. Res. (7828)	U.S. Bank	\$0.26	0.12%	\$0.26	100.00%	\$0.00	1	0.30%	1
Hotel Sandford Operating Savings (7836)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.30%	1
Town & Country Operating	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Town & Country Security Deposits	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Town & Country Savings	Wells Fargo	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
FSS Escrow	U.S. Bank	\$0.65	0.31%	\$0.65	100.00%	\$0.00	1	0.30%	1
SDHC Building Opportunities	Bank of California	\$0.47	0.22%	\$0.47	100.00%	\$0.00	1	0.40%	1
Red Loan Courtyard	Red Mortgage	\$0.01	0.00%	\$0.01	100.00%	\$0.00	1	0.40%	1
For Benefit of the County of SD		\$0.16	0.08%	\$0.16	100.00%	\$0.00	1	0.40%	1
PMCO operating accounts		\$0.44	0.21%	\$0.44	100.00%	\$0.00	1	0.40%	1
PMCO security deposits		\$0.52	0.24%	\$0.52	100.00%	\$0.00	1	0.40%	1
SDHC PM Operating Reserve		\$1.86	0.88%	\$1.86	100.00%	\$0.00	1	0.40%	1
SDHC PM Replacement Reserve		\$0.24	0.11%	\$0.24	100.00%	\$0.00	1	0.40%	1
Village North Senior Res	Red Mortgage	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
Village North Senior Operating Savings (9747)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.30%	1
Village North Senior Security Dep. (9788)	U.S. Bank	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.30%	1
Total Cash Accounts		\$66.48	31.54%	\$66.48	100.00%	\$0.00	1	0.30%	1
Investments - Liquid Pooled Investments	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Local Agency Investment Fund	State of CA	\$15.94	7.56%	\$15.94	100.00%	\$0.00	1	0.21%	1
San Diego Foundation	TSDf	\$0.00	0.00%	\$0.00	100.00%	\$0.00	1	0.40%	1
SD County Investment Pool	County of SD	\$22.26	10.56%	\$22.26	100.00%	\$0.00	1	0.71%	1
Total Pooled Investments		\$38.19	18.12%	\$38.19	100.00%	\$0.00	1	0.50%	1
Investments - Core Bond Investments (CUSIP)	Issuer	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity

**San Diego Housing Commission
Portfolio Holdings Detail**

As of
December 31, 2021

Agency MBS										
31381TS43	FNMA P	\$0.39	0.18%	\$0.39	99.98%	\$0.00	1402	2.85%	121	
3136AEGQ4	FNA	\$0.31	0.15%	\$0.32	102.16%	\$0.01	1623	2.88%	361	
3136AEGQ4	FNA	\$0.31	0.15%	\$0.32	102.76%	\$0.01	1624	2.87%	361	
31381VFW00	FNMA P	\$0.73	0.34%	\$0.73	100.19%	\$0.00	1400	2.89%	182	
3136A4M55	FNA	\$0.17	0.08%	\$0.17	99.95%	\$0.00	1229	2.88%	25	
3138LCVX0	FNMA P	\$1.00	0.47%	\$1.00	99.99%	\$0.00	1534	3.01%	335	
3136A8G61	FNA	\$0.22	0.11%	\$0.23	100.51%	\$0.00	1344	2.95%	145	
3137AYCE9	FHMS	\$1.04	0.49%	\$1.05	101.46%	\$0.02	1488	3.04%	298	
3137B1BS0	FHMS	\$1.00	0.47%	\$1.01	101.66%	\$0.02	1486	3.03%	329	
3136A77K2	FNA	\$0.13	0.06%	\$0.13	100.06%	\$0.00	1430	3.10%	268	
3137BLUR7	FHMS	\$0.79	0.37%	\$0.79	100.44%	\$0.00	1333	2.98%	176	
3137AZXHP1	FHMS	\$0.99	0.47%	\$1.00	101.25%	\$0.01	1410	3.12%	268	
31381TKC3	FNMA P	\$1.59	0.75%	\$1.59	99.99%	\$0.00	1142	3.06%	1	
3137B1BS0	FHMS	\$1.50	0.71%	\$1.52	101.61%	\$0.02	1460	3.03%	329	
3136AMM48	FNA	\$0.13	0.06%	\$0.13	100.31%	\$0.00	1312	2.84%	206	
3137AVXN2	FHMS	\$0.96	0.45%	\$0.97	100.82%	\$0.01	1309	2.78%	206	
3138EKQW8	FNMA P	\$0.50	0.23%	\$0.50	101.33%	\$0.01	1477	2.76%	397	
3138L8XW9	FNMA P	\$0.88	0.42%	\$0.90	101.16%	\$0.01	1446	2.71%	366	
3137FKK88	FHMS	\$0.86	0.41%	\$0.88	102.19%	\$0.02	1378	2.62%	359	
3138L42J1	FNMA P	\$1.72	0.81%	\$1.75	101.59%	\$0.03	1599	2.55%	609	
3138L1UV9	FNMA P	\$0.81	0.38%	\$0.82	100.62%	\$0.01	1252	1.92%	335	
31381UHN0	FNMA P	\$0.80	0.38%	\$0.80	99.98%	\$0.00	1008	1.93%	91	
3138EH3A8	FNMA P	\$0.26	0.12%	\$0.26	98.75%	\$0.00	977	2.01%	91	
3138LC5B7	FNMA P	\$2.01	0.95%	\$2.03	100.86%	\$0.02	1253	1.83%	397	
3138L1YR4	FNMA P	\$1.22	0.58%	\$1.23	100.85%	\$0.01	1231	2.02%	335	
31381URW9	FNMA P	\$0.64	0.30%	\$0.64	100.01%	\$0.00	978	1.86%	152	
3138LCQN8	FNMA P	\$1.01	0.48%	\$1.03	101.32%	\$0.01	1523	2.03%	700	
3140JAU97	FNMA P	\$0.24	0.12%	\$0.25	100.63%	\$0.00	1288	1.87%	486	
3137BWWD2	FHMS	\$1.27	0.60%	\$1.29	101.75%	\$0.02	1550	1.90%	755	
3138LOEU1	FNMA P	\$0.60	0.28%	\$0.60	100.18%	\$0.00	1008	1.84%	213	
3138L3PR0	FNMA P	\$0.94	0.44%	\$0.95	100.87%	\$0.01	1312	1.85%	517	
31381UK48	FNMA P	\$0.47	0.22%	\$0.47	99.98%	\$0.00	868	2.00%	91	
3140HULZ7	FNMA P	\$1.53	0.72%	\$1.53	99.98%	\$0.00	1683	2.15%	913	
31381UB89	FNMA P	\$0.63	0.30%	\$0.63	99.99%	\$0.00	856	1.90%	91	
3138L7JV9	FNMA P	\$0.95	0.45%	\$0.96	101.56%	\$0.01	1713	1.95%	1005	
3138L5EA4	FNMA P	\$1.14	0.54%	\$1.14	100.66%	\$0.01	1371	1.77%	670	
3136AJLC8	FNA	\$0.45	0.21%	\$0.44	97.76%	-\$0.01	1428	1.43%	755	
3137B5JM6	FHMS	\$0.75	0.35%	\$0.76	101.17%	\$0.01	1215	1.44%	571	
3137B5KW2	FHMS	\$0.35	0.17%	\$0.36	101.16%	\$0.00	1246	1.43%	602	
3137FBTA4	FHMS	\$1.04	0.49%	\$1.03	99.19%	-\$0.01	1548	0.81%	967	
3136AJLC8	FNA	\$0.76	0.36%	\$0.73	95.70%	-\$0.03	1304	0.73%	755	
3138L4QU0	FNMA P	\$1.04	0.49%	\$1.03	99.48%	-\$0.01	1127	0.90%	578	
3138L1SZ3	FNMA P	\$0.43	0.20%	\$0.43	99.73%	\$0.00	854	0.66%	305	
3136ARTB4	FNA	\$0.11	0.05%	\$0.11	96.99%	\$0.00	970	1.19%	421	
3136AMST7	FNA	\$0.91	0.43%	\$0.89	97.76%	-\$0.02	1578	0.70%	1029	
3138L4CW1	FNMA P	\$0.96	0.45%	\$0.95	99.37%	-\$0.01	1066	0.73%	517	
3136AY6S7	FNA	\$1.00	0.47%	\$0.99	98.38%	-\$0.02	1588	0.66%	1060	

**San Diego Housing Commission
Portfolio Holdings Detail**

As of
December 31, 2021

3138L9A44	FNMA P	\$0.86	0.41%	\$0.85	98.15%	-\$0.02	1646	0.71%	1128
3138L8KW3	FNMA P	\$0.87	0.41%	\$0.86	98.37%	-\$0.01	1584	0.71%	1066
3138LA5W5	FNMA P	\$1.90	0.89%	\$1.87	98.78%	-\$0.02	1570	0.89%	1066
30312XAE7	FRESB	\$1.59	0.75%	\$1.55	98.03%	-\$0.03	1584	0.81%	1090
3138LKL39	FNMA P	\$1.39	0.66%	\$1.37	98.18%	-\$0.03	1460	1.31%	975
3136AJLC8	FNA	\$0.58	0.27%	\$0.55	94.23%	-\$0.03	1225	0.50%	755
3136AJLC8	FNA	\$0.77	0.36%	\$0.73	94.41%	-\$0.04	1213	0.52%	755
3140HTNM7	FNMA P	\$2.05	0.97%	\$2.03	98.68%	-\$0.03	1279	1.68%	822
3136AK2E2	FNA	\$1.36	0.64%	\$1.34	98.61%	-\$0.02	1406	0.60%	968
3136AY6S7	FNA	\$0.77	0.36%	\$0.76	98.07%	-\$0.01	1496	0.58%	1060
3138L8K45	FNMA P	\$1.83	0.86%	\$1.80	98.27%	-\$0.03	1562	0.83%	1128
3136AKXV0	FNA	\$0.91	0.43%	\$0.88	97.29%	-\$0.02	1364	0.51%	937
3136AMMF3	FNA	\$1.07	0.50%	\$1.04	97.64%	-\$0.03	1472	0.53%	1090
3136AKXV0	FNA	\$0.90	0.43%	\$0.88	97.68%	-\$0.02	1330	0.51%	937
3136AY6S7	FNA	\$1.53	0.72%	\$1.50	98.14%	-\$0.03	1442	0.51%	1060
3137BHCY1	FHMS	\$2.14	1.01%	\$2.09	97.66%	-\$0.05	1452	0.41%	1121
3137BFXT3	FHMS	\$1.01	0.48%	\$0.99	97.82%	-\$0.02	1421	0.41%	1090
3137FATE8	FHMS	\$2.13	1.00%	\$2.08	97.87%	-\$0.05	1290	0.40%	968
3137BLW95	FHMS	\$1.09	0.52%	\$1.07	97.50%	-\$0.03	1644	0.54%	1333
3137FATE8	FHMS	\$1.06	0.50%	\$1.04	97.91%	-\$0.02	1278	0.42%	968
3137FARE0	FHMS	\$1.60	0.75%	\$1.57	98.50%	-\$0.02	1234	0.53%	937
3137FEUA6	FHMS	\$1.08	0.51%	\$1.06	97.85%	-\$0.02	1421	0.66%	1121
30289VAG5	FRESB	\$0.65	0.31%	\$0.65	99.59%	\$0.00	865	0.77%	571
3140HTD55	FNMA P	\$1.06	0.50%	\$1.02	96.79%	-\$0.03	1821	1.42%	1545
313637TG5	FNMA P	\$2.12	1.00%	\$2.07	97.62%	-\$0.05	1670	1.52%	1394
3136AMMF3	FNA	\$1.42	0.67%	\$1.39	97.60%	-\$0.03	1394	0.63%	1090
30303HAE3	FRESB	\$0.49	0.23%	\$0.49	99.75%	\$0.00	1038	1.10%	755
3140HTD55	FNMA P	\$1.06	0.50%	\$1.02	96.83%	-\$0.03	1774	1.46%	1521
3137FJXQ7	FHMS	\$2.19	1.03%	\$2.16	98.37%	-\$0.04	1579	0.91%	1333
3137FJXQ7	FHMS	\$2.06	0.97%	\$2.00	97.48%	-\$0.05	1560	0.89%	1333
3137BHCX3	FHMS	\$0.95	0.45%	\$0.94	99.64%	\$0.00	1033	0.72%	815
3137BQYS0	FHMS	\$1.03	0.48%	\$1.00	97.76%	-\$0.02	1824	0.86%	1606
3138LLUA1	FNMA P	\$2.45	1.16%	\$2.40	97.60%	-\$0.06	1271	1.63%	1066
30294UAC9	FRESB	\$0.25	0.12%	\$0.25	99.23%	\$0.00	714	0.91%	510
3138L8X33	FNMA P	\$1.11	0.52%	\$1.08	97.80%	-\$0.02	1297	0.61%	1097
3138L3MX0	FNMA P	\$0.37	0.17%	\$0.36	98.05%	-\$0.01	1385	0.78%	1187
3138L52Q2	FNMA P	\$0.49	0.23%	\$0.48	98.03%	-\$0.01	1659	1.03%	1462
3138L5FA3	FNMA P	\$0.52	0.25%	\$0.51	98.04%	-\$0.01	1628	1.01%	1431
3140HSK67	FNMA P	\$1.08	0.51%	\$1.05	97.07%	-\$0.03	1689	1.66%	1493
3138LKL39	FNMA P	\$3.08	1.45%	\$3.04	98.85%	-\$0.04	1164	1.59%	975
3138LEUU3	FNMA P	\$0.40	0.19%	\$0.40	98.62%	-\$0.01	869	0.60%	700
3137BHCX3	FHMS	\$0.30	0.14%	\$0.30	99.94%	\$0.00	972	0.86%	815
3138LCZU2	FNMA P	\$0.53	0.25%	\$0.52	97.74%	-\$0.01	1618	0.92%	1462
3138LL6V2	FNMA P	\$0.15	0.07%	\$0.15	97.85%	\$0.00	1214	0.68%	1066
3136AJDU7	FNA	\$0.29	0.14%	\$0.28	97.57%	-\$0.01	867	0.69%	724
3136AKXVO	FNA	\$0.40	0.19%	\$0.40	98.08%	-\$0.01	1080	0.63%	937
3136AMKZ1	FNA	\$0.45	0.21%	\$0.44	97.79%	-\$0.01	1142	0.60%	999
3138LLY25	FNMA P	\$0.98	0.46%	\$0.96	97.88%	-\$0.02	1239	0.67%	1097

**San Diego Housing Commission
Portfolio Holdings Detail**

As of
December 31, 2021

3136AKQM8	FNA	\$0.57	0.27%	\$0.56	98.20%	-\$0.01	1048	0.70%	907
3136AKXVO	FNA	\$0.75	0.36%	\$0.74	98.08%	-\$0.01	1077	0.62%	937
3137BP4K2	FHMS	\$1.08	0.51%	\$1.05	97.19%	-\$0.03	1674	0.82%	1545
3138LDG982	FNMA P	\$1.51	0.71%	\$1.47	97.17%	-\$0.04	1650	0.87%	1521
3140HUET9	FNMA P	\$0.24	0.11%	\$0.24	98.84%	\$0.00	1008	0.84%	913
3140HWLN0	FNMA P	\$0.20	0.09%	\$0.20	97.78%	\$0.00	1282	0.72%	1187
3138L9YC0	FNMA P	\$0.25	0.12%	\$0.24	97.98%	-\$0.01	1343	0.82%	1248
3138LD4J9	FNMA P	\$1.43	0.67%	\$1.40	97.78%	-\$0.03	1707	0.99%	1613
3138LJPT1	FNMA P	\$0.26	0.12%	\$0.26	98.54%	\$0.00	1008	0.73%	913
3138L87L2	FNMA P	\$1.06	0.50%	\$1.04	98.17%	-\$0.02	1309	0.87%	1217
3138L4CW1	FNMA P	\$0.33	0.15%	\$0.32	99.46%	\$0.00	584	1.00%	517
3138L5FJ4	FNMA P	\$0.15	0.07%	\$0.15	99.08%	\$0.00	737	1.16%	670
3140HRPT4	FNMA P	\$0.41	0.19%	\$0.40	98.54%	-\$0.01	1772	1.39%	1705
3140HR4U4	FNMA P	\$0.51	0.24%	\$0.50	98.57%	-\$0.01	1680	1.43%	1613
3136AEGQ4	FNA	\$0.32	0.15%	\$0.32	99.69%	\$0.00	428	0.76%	361
3137BJQ71	FHMS	\$1.06	0.50%	\$1.05	98.97%	-\$0.01	1304	1.01%	1241
3137BLAC2	FHMS	\$0.32	0.15%	\$0.32	99.00%	\$0.00	1336	1.01%	1272
3136AQC99	FNA	\$0.72	0.34%	\$0.70	97.33%	-\$0.02	1537	0.83%	1425
3137FKWD4	FHMS	\$2.13	1.00%	\$2.09	97.91%	-\$0.04	1518	1.72%	1486
3137FKWD4	FHMS	\$2.10	0.99%	\$2.08	98.80%	-\$0.03	1489	1.87%	1486
Total Agency Bond Investments		\$107.33	50.34%	\$106.10	98.88%	-\$1.23	1,397	1.37%	909
Investments - Core Certificate of Deposit (CD)	Identifier	Book Value (millions)	Percent of Portfolio	Market Value (millions)	Market Price	Unrealized Gain/(Loss)	Original Term	Yield to Maturity	Days to Maturity
Issuer		\$0.00	0.00%	\$0.00		\$0.00	0		-44561
Total Certificate of Deposits		\$0.00	0.00%	\$0.00	0.00%	\$0.00	0	0.00%	0
Total Cash & Investments		\$212.00	100.00%	\$210.78	99.44%	-\$1.23	704	0.87%	458

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.

Suket Dayal

Executive V.P. Business Administration

December 31, 2021

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.