



INFORMATIONAL REPORT

DATE ISSUED: March 24, 2022 **REPORT NO:** HCR22-058

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of April 1, 2022

SUBJECT: Status of Loan Portfolio – Fiscal Year 2022 Second Quarter

COUNCIL DISTRICT: Citywide

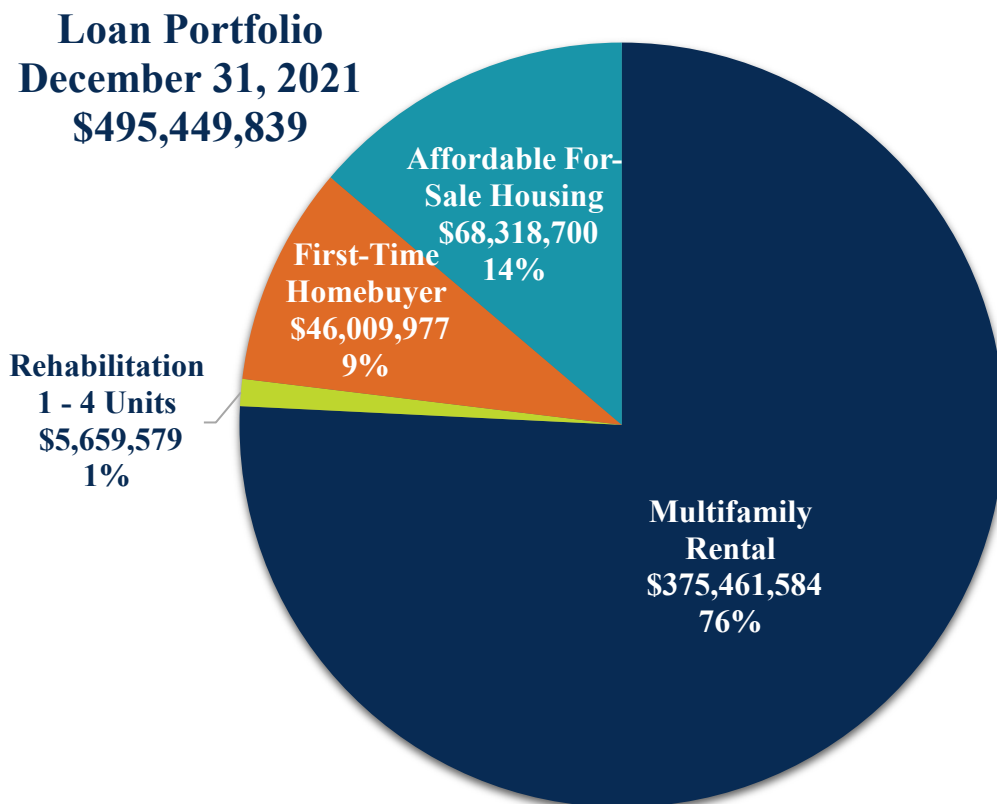
NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

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



FY22 Q2	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 375,461,584	\$ 61,762,762	21	105	126
Rehabilitation 1 - 4 Units	\$ 5,659,579	\$ 86,355	7	360	367
First-Time Homebuyer	\$ 46,009,977	\$ 4,964,455	4	1,098	1,102
Affordable For-Sale Housing	\$ 68,318,700	\$ -	0	283	283
TOTAL	\$ 495,449,839	\$ 66,813,572	32	1,846	1,878

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.

In addition to the loan portfolio above, SDHC also services loans on behalf of 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.

FY22 Q2	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 870,800	\$ 384,143	10

In addition to the loan portfolio above, SDHC also services loans on behalf of the County of San Diego. The loans were funded by the County; there was no investment on the part of the Housing Commission. The Housing Commission has an agreement with County of San Diego to perform servicing activities.

FY22 Q2	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 20,330,599	\$ 6,803,846	679

2. LOANS AND GRANTS FUNDED*

During the period of October 1, 2021 – December 31, 2021, the Housing Commission recorded the following loans.

FY22 2nd Quarter	
First-Time Homebuyer	
Households Assisted	15
Closing Cost Assistance Grants	\$ 145,220
Deferred Payment Loans	\$ 1,286,387
TOTAL	\$ 1,431,607
Affordable For Sale	
<i>There were no financial closings for any Affordable For Sale Properties in the FY22 2nd Quarter.</i>	
Multifamily	
<i>There were no financial closings for any Multifamily projects in the FY22 2nd Quarter.</i>	
TOTAL AWARDED	\$ 1,431,607

*Loans funded are not necessarily indicative of loans disbursed.

The Housing Commission also administers the County of San Diego’s First-time Homebuyer (FTHB) program. The loans were funded by the County; there was no investment on the part of the Housing Commission.

FY22 Q2	Assistance Provided	Total Loans
San Diego County FTHB Loans	\$ 181,725	2

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of October 1, 2021 – December 31, 2021. The Housing Commission received 41 payoffs, which generated \$1,732,007 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	10	\$ 144,239	\$ 12,953	\$ -	\$ -	\$ 157,192
First-Time Homebuyer	31	\$ 1,261,250	\$ 305,381	\$ 6,300	\$ 1,885	\$ 1,574,816
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	41	\$ 1,405,488	\$ 318,334	\$ 6,300	\$ 1,885	\$ 1,732,007

*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 October 1, 2021 – December 31, 2021.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 26,235	\$ 343,942	\$ 370,178
Rehabilitation	\$ 23,383	\$ 8,104	\$ 31,487
First-Time Homebuyer	\$ 170,698	\$ 38,339	\$ 209,038
TOTAL	\$ 220,317	\$ 390,386	\$ 610,703

5. LOANS AND GRANTS WRITTEN-OFF / FORGIVEN

Below is a summary of the loans and grants written-off or forgiven during the period of October 1, 2021 – December 31, 2021.

Loan Type	\$ Forgiven Principal <i>Per Terms of Loan</i>	\$ Written Off Principal	Total
Multifamily Rental	\$ 305,556	\$ -	\$ 305,556
Rehabilitation 1 - 4 Units	\$ -	\$ -	\$ -
First-Time Homebuyer	\$ -	\$ -	\$ -
Affordable For-Sale	\$ -	\$ -	\$ -
TOTAL	\$ 305,556	\$ -	\$ 305,556

**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 December 31, 2021, the loans in default are as follows:

FY22 Q2	# 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	0.09%	1	0
First-Time Homebuyer	2	\$ 51,800	0.11%	2	0
Affordable For-Sale Housing	0	\$ -	0.00%	0	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
TOTAL	3	\$ 56,800	0.01%	3	0

Respectfully submitted,

Sujata Raman

Sujata Raman
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Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
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.