



# INFORMATIONAL REPORT

**DATE ISSUED:** March 30, 2023

**REPORT NO:** HCR23-032

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of April 6, 2023

**SUBJECT:** Status of Loan Portfolio – Fiscal Year 2023 Second Quarter

**COUNCIL DISTRICT:** Citywide

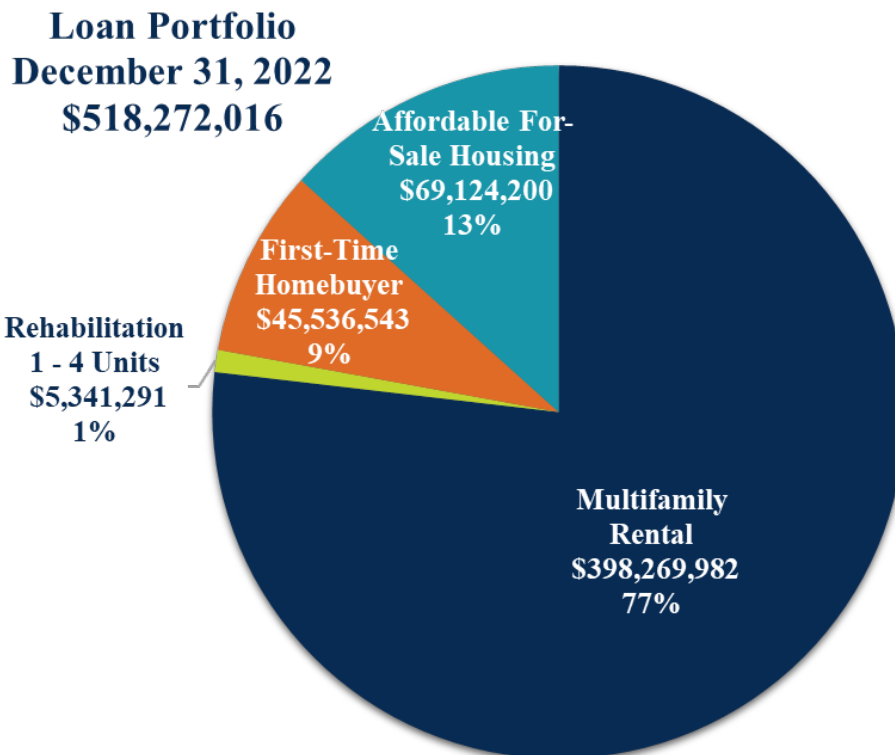
**NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION**

## 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  | 5) Loans and Grants Written Off/Forgiven |
| 2) Loans and Grants Funded | 6) Defaults                              |
| 3) Loans Paid in Full      |  |
| 4) Loan Payments           |  |

## 1. LOAN PORTFOLIO SUMMARY



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Status of Loan Portfolio – Fiscal Year 2023 Second Quarter (October 1, 2022 – December 30, 2022)

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FY23 Q2	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 398,269,982	\$ 66,786,854	21	108	129
Rehabilitation 1 - 4 Units	\$ 5,341,291	\$ 113,149	4	334	338
First-Time Homebuyer	\$ 45,536,543	\$ 5,126,391	4	1,045	1,049
Affordable For-Sale Housing	\$ 69,124,200	\$ -	0	284	284
<b>TOTAL</b>	<b>\$518,272,016</b>	<b>\$72,026,394</b>	<b>29</b>	<b>1,771</b>	<b>1,800</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.

In addition to the loan portfolio above, the Housing Commission 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.

FY23 Q2	Principal	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 940,800	\$ 438,601	11

The Housing Commission 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.

FY23 Q2	Principal	Accrued Interest	Total Loans
San Diego County Loans	\$ 18,686,649	\$ 6,778,145	644

## 2. LOANS AND GRANTS FUNDED\*

During the period of October 1, 2022– December 31, 2022, the Housing Commission recorded the following loans.

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Status of Loan Portfolio – Fiscal Year 2023 Second Quarter (October 1, 2022 – December 30, 2022)

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FY23 2nd Quarter	
First-Time Homebuyer	
Households Assisted	4
Closing Cost Assistance Grants \$	39,113
Deferred Payment Loans \$	396,100
<b>TOTAL \$</b>	<b>435,213</b>
Affordable For Sale	
<i>There were no financial closings for any Affordable For Sale Properties in the FY23 2nd Quarter.</i>	
Multifamily	
<i>There were no financial closings for any Multifamily Properties in the FY23 2nd Quarter.</i>	
<b>TOTAL AWARDED \$</b>	<b>435,213</b>

\* 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.

FY23 Q2	Assistance Provided	Households Assisted
San Diego County FTHB Loans	\$ 86,840	1

### 3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of October 1, 2022 – December 31, 2022. The Housing Commission received 17 payoffs, which generated \$296,077 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	7	\$ 21,974	\$ 8,431	\$ -	\$ -	\$ 30,405
First-Time Homebuyer	10	\$ 222,814	\$ 42,858	\$ -	\$ -	\$ 265,672
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>17</b>	<b>\$ 244,788</b>	<b>\$ 51,289</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 296,077</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 development’s available cash flow. Below is a summary of the residual receipts payments, fixed payments and voluntary payments collected during the period of October 1, 2022 – December 31, 2022.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 17,181	\$ 950,518	\$ 967,699
Rehabilitation	\$ 11,162	\$ 45	\$ 11,207
First-Time Homebuyer	\$ 122,797	\$ 28,314	\$ 151,111
<b>TOTAL</b>	<b>\$ 151,140</b>	<b>\$ 978,877</b>	<b>\$ 1,130,017</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 October 1, 2022 – December 31, 2022.

Loan Type	\$ Forgiven Principal Per Terms of Loan	\$ Written Off Principal	Total
Multifamily Rental	\$ 683,556	\$ -	\$ 683,556
Rehabilitation 1 - 4 Units	\$ -	\$ -	\$ -
First-Time Homebuyer	\$ -	\$ -	\$ -
Affordable For-Sale	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 683,556</b>	<b>\$ -</b>	<b>\$ 683,556</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 December 31, 2022, the loans in default are as follows:

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Status of Loan Portfolio – Fiscal Year 2023 Second Quarter (October 1, 2022 – December 30, 2022)

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FY23 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	2	\$ 48,505	0.91%	0	2
First-Time Homebuyer	1	\$ 17,966	0.04%	1	0
Affordable For-Sale Housing	1	\$ 210,340	0.30%	1	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
<b>TOTAL</b>	<b>4</b>	<b>\$ 276,811</b>	<b>0.05%</b>	<b>2</b>	<b>2</b>

Respectfully submitted,

*Sujata Raman*

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

Approved by,

*Jeff Davis*

Jeff Davis  
Interim President and 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](http://www.sdhc.org).