



# CalHFA **BOARD OF DIRECTORS**

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California Housing Finance Agency

**Board Meeting**  
**August 13, 2020**  
**10:00 a.m.**

## **Video and Teleconference Meeting**

Click on the link to register:

<https://attendee.gotowebinar.com/register/56596669962459660>

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\*Members of the public are not able to provide public comment or address the Board when participating by teleconference.

*Agenda items may be taken out of order. Members of the public will be provided an opportunity to address the Board during the meeting.*

1. Roll Call
2. Approval of the minutes of the July 9, 2020 Board of Directors meeting ..... 1
3. Chairman/Executive Director comments
4. Discussion, recommendation, and possible action regarding approval of the implementation of the National Mortgage Settlement Housing Counseling Program: (Kathy Phillips, Claire Tauriainen) ..... 8  
**Resolution No. 20-15** ..... **16**
5. Discussion, recommendation, and possible action to increase the Executive Director's delegated approval authority pertaining to Multifamily lending: (Kate Ferguson) ..... 19  
**Resolution No. 20-16** ..... **21**
6. Review and discussion for possible Board action to take a position on pending legislation (Francesc Martí)

7. Reports:

A. Asset Management Quarterly Portfolio Report .....	25
B. Conduit Issuance Program Update .....	29
C. Single Family Loan Production Update .....	32

8. Discussion of other Board matters

9. Public comment: Opportunity for members of the public to address the Board on matters within the Board's authority

10. Adjournment

**NEXT MEETING DATE:**

November 10, 2020 – Board Meeting

## MINUTES

### California Housing Finance Agency (CalHFA)

#### Board of Directors Meeting

July 9, 2020

Meeting noticed on June 29, 2020

#### 1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at **10:08 a.m.** by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Patterson, Ma, Gallagher, Gunning, Prince, Sotelo, Gallagher, Avila Farias, Russell, Johnson Hall, Hunter, Velasquez, Gunn (for Imbasciani), Campbell (for Gordon), Li (for Bosler) Castro Ramírez

MEMBERS ARRIVING AFTER ROLL CALL: None

MEMBERS ABSENT: None

STAFF PRESENT: Claire Tauriainen, Melissa Flores, Ruth Vakili, Kate Ferguson, Tim Hsu, Francesc Martí, Stephen Beckman, Don Cavier

GUEST SPEAKER: Judith Blackwell, Executive Director, *California Debt Limit Allocation and Tax Credit Allocation Committees*

#### 2. APPROVAL OF MINUTES – May 14, 2020

The minutes were approved by unanimous consent of all members in attendance.

#### 3. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chairman comments:

- Acting Chair Gunning thanked everyone for attending and reported that due to confirmed cases of COVID-19 in several members and staff at the Capitol, the

Assembly and Senate will delay convening by two weeks, returning on July 27.

Executive Director Patterson comments:

- CalHFA is a proud participant in the 2020-21 Capitol Collaborative on Race and Equity (CCORE) program. CCORE is a 15-month, multiagency program designed to increase racial equity in institutional culture, policies, and practices.
- The Keep Your Home California (KYHC) program is officially closed out. Created in 2010 and administered by CalHFA, KYHC was allocated \$2.2B in funding to help over 79,000 households in California remain in their homes.
- As part of the Governor's 2020-21 budget, CalHFA has been allocated \$300M from the National Mortgage Settlement fund to provide complimentary housing counseling services from HUD-certified counselors and mortgage assistance to qualified households. The program will roll out in two phases, with staff seeking Board approval for Phase One Counseling Services at the August Board meeting.
- CalHFA continues to monitor and advocate for federal relief from Congress that is needed to stabilize the housing space during the COVID-19 pandemic.
- Francesc Martí has been promoted to Director of Policy and Legislation due to his integral role in developing policy at the state and federal level, including his work on the IRS regulatory relief rule change that was just passed and will allow the Agency's tax credit programs to run more efficiently.
- The State Legislature recently passed, and the Governor signed, the 2020-21 budget. The budget reflects the current economic conditions due to the pandemic, however, some resources for affordable housing remained, including \$500 million in state tax credits and some of the low- and moderate-income funds for CalHFA.
- CalHFA and Braeburn Capital, Inc., a subsidiary of Apple, have entered into a credit facility agreement that allows CalHFA to create the first tax-exempt bond volume cap recycling program in California using \$250M in total loan commitment funds from Apple to finance affordable housing in the state. The bond recycling program is expected to be a critical tool in preserving and producing affordable housing in California.

4. **Final Loan Commitment for Frishman Hollow II, No. 19-069-A/X/N for 68 Units in Truckee/Nevada – Resolution No. 20-12**

*Presented by Vakili*

On a motion by Prince, the Board approved staff recommendation for **Resolution No. 20-12**. The votes were as follows:

AYES: Avila Farias, Gallagher, Gunn (for Imbasciani), Gunning, Hunter, Ma, Johnson Hall, Velasquez, Prince, Russell, Castro Ramírez

NOES: None

ABSTENTIONS: Sotelo

ABSENT: None

5. **Final Loan Commitment for Parkway Apartments, No. 19-070-A/X/N for 72 Units in Folsom/Sacramento – Resolution No. 20-13**

*Presented by Vakili*

On a motion by Ma, the Board approved staff recommendation for **Resolution No. 20-13**. The votes were as follows:

AYES: Avila Farias, Gallagher, Gunn (for Imbasciani), Gunning, Hunter, Ma, Johnson Hall, Velasquez, Prince, Russell, Castro Ramírez, Sotelo

NOES: None

ABSTENTIONS: None

ABSENT: None

6. **Final Loan Commitment for Fancher Creek Senior, No. 19-076-A/X/N, for 180 Units in Fresno/Fresno – Resolution No. 20-14**

*Presented by Beckman*

On a motion by Hunter, the Board approved staff recommendation for **Resolution No. 20-14**. The votes were as follows:

AYES: Avila Farias, Gallagher, Gunn (for Imbasciani), Gunning, Hunter, Ma, Johnson Hall, Velasquez, Russell, Castro Ramírez

NOES: None

ABSTENTIONS: Sotelo, Prince

ABSENT: None

7. **Report back from May 10, 2018 Board meeting regarding Executive Director's loan limit authority for financing multifamily housing: for discussion and Board direction**

*Presented by Ferguson*

Director of Multifamily Programs Kate Ferguson reported back information requested by the Board at the May 2018 meeting related to a discussion regarding the Executive Director's delegated authority for approving multifamily loans. Ferguson provided data showing an upward trend over the past five years in the number of projects that have required Board approval. The Small Loan Program has been discontinued and once the remaining small legacy loans are cleared, all projects will require Board approval. Multifamily staff plan to present a recommendation to the Board for a potential increase in the Executive Director's delegated authority for multifamily loans at the next Board meeting. Johnson Hall expressed confidence in delegating increased authority to the Executive Director. Gallagher and Russell agreed, but stated the need for continued Board oversight. Sotelo suggested staff incorporate a regular report back to the Board containing data about projects, including underwriting details, to ensure oversight is maintained.

8. **State Budget and Legislative Update**

*Presented by Martí and Guest Speaker Blackwell*

CalHFA's Director of Policy and Legislation, Francesc Martí, gave an overview of the current state and federal landscape:

- Federal COVID-19 legislation enacted to date includes only one bill with housing relief provisions – the CARES Act.
- The House passed the HEROES Act, which contains additional housing relief, and the Senate has indicated they will introduce a relief bill, with a focus on direct payment assistance to households and liability protection for businesses but open to including provisions for state and local aid.
- The Federal budget is not likely to be passed before the start of the federal Fiscal Year and a continuing Resolution is expected to fund the government through the election.
- The state budget was passed and CalHFA funding from AB 101 was reduced from \$95M to \$50M, with triggers that will restore funding if \$14B in unrestricted federal aid is allocated to the state by October.
- The budget allocated \$300M from the \$330M National Mortgage Settlement Fund to CalHFA to create and administer a housing counseling and assistance program.
- The funding for the State Low-Income Housing Tax Credit program remained untouched by the budget shortfall, with \$500M allocated for the 20-21 budget, of which, up to \$200M is reserved for CalHFA's Mixed-Income Program.

Guest Speaker Blackwell provided the Board with update of activity at CDLAC and TCAC:

- AB 83 includes proposed regulatory changes to improve the CDLAC scoring system, which Blackwell provided several different examples of how current regulations are aligned with the legislature's proposed changes.
- CDLAC and TCAC have engaged in various outreach efforts over the past year to engage external and internal stakeholders in discussions and soliciting feedback regarding proposed regulatory changes. Both agencies have filled key positions and hired support staff needed to address the project backlog within each agency.
- AB 101 was signed into law in summer 2019, increasing the state low-income housing tax credits by \$500M and by April 2020, nearly all credits have been allocated to qualified projects.
- Housing production data shows annual increases in the number of units produced over the past four years, with this year's production volume on-track to continue the upward trend.

- Provisions are in place to begin allocating \$98M in 9% tax credits from the Housing Disaster Tax Credit program for 13 counties affected by recent wildfires. The program is 2.5X oversubscribed, indicating the demand for the program is high.

Patterson cited the 2019 Joint-Cost Study issued by CalHFA, TCAC, CDLAC, and the housing agencies for the states of Oregon and Washington, that showed little variation in the construction costs for developments financed with Low-Income Housing Tax Credits compared to market-rate developments. The study found public benefits added to affordable housing projects increase the production cost of affordable units. This is due to lack of operating subsidies for the projects. The affordable housing projects are forced to capitalize the operating cost and gather resources from a variety of public sources, a time consuming process, which further increases the cost of each unit.

## **9. Keep Your Home California Program Close Out Presentation**

*Presented by Hsu*

Tim Hsu, Director of Single Family Programs, provided a final report to the Board regarding the Keep Your Home California program that was officially ended in May 2020. The positive outcome rate for households who participated, based on available tracking data, is over 97%, meaning 97% of participants either sold their home or remained in their home. Over 77,000 households participated in the program, which began in 2010. Hunter, Johnson Hall, and Sotelo sat on the California Mortgage Assistance Corporation (CalMAC) Board, which was created to administer the program, and spoke highly of the program and all the staff who worked on it over the past decade.

## **10. Update on implementation of Bond Recycling Program**

Patterson provided the Board with the bond recycling program update during her opening remarks.

## **11. Reports**

Acting Chair Gunning asked if there were any comments or questions regarding the reports and there were none.

**12. Discussion of other Board matters:**

Acting Chair Gunning asked if there were other matters to discuss and there were none.

**13. Public Comment:**

Acting Chair Gunning asked if there were any comments or questions from the public. The following attendee provided comment on Agenda Item #5:

- Caleb Roupe, The Pacific Companies

**14. Adjournment:**

As there was no further business to be conducted, Acting Chair Gunning adjourned the meeting at 11:53 a.m.

**MEMORANDUM****To:** CalHFA Board of Directors**Date:** August 13, 2020


**From:** CALIFORNIA HOUSING FINANCE AGENCY  
Kathy Phillips, Director of Marketing and Communications

**Subject:** RESOLUTION 20-15: DISCUSSION, RECOMMENDATION, AND POSSIBLE ACTION REGARDING APPROVAL OF THE IMPLEMENTATION OF THE NATIONAL MORTGAGE SETTLEMENT HOUSING COUNSELING PROGRAM

**EXECUTIVE SUMMARY**

The Governor's 20/21 budget allocated CalHFA \$300 million from the National Mortgage Settlement fund for the purpose of providing housing counseling services by HUD-certified counselors to homeowners, former homeowners, or renters and to provide mortgage assistance to qualified California households, including mortgage assistance for owners of residential properties with one to four units.

Deployment of the \$300 million will take a phased approach. In Phase 1, CalHFA will allocate \$50 million through HUD-approved Intermediaries, to up to ninety-seven (97) potential HUD-certified Housing Counseling Agencies located in California, to compensate them for providing free housing counseling services to households struggling to pay their rent, mortgage and living expenses.

While these counseling services will assist all California families in need, the program is designed to ensure outreach to disadvantaged, underserved, and ethnically diverse communities.

Additionally, the program is designed to not only help those in need of services now, but also to solidify and help strengthen California's housing counseling network, so that it can continue to successfully provide these vital services.

## RECOMMENDATION

Agency staff supports adoption of the accompanying Resolution (1) approving acceptance of \$300,000,000 in NMS Funds allocated by the Department of Finance to implement programs consistent with AB 83 and (2) approving the Counseling Services Program as proposed herein and allocating up to \$50,000,000 of NMS Funds for such purpose.

## DISCUSSION

### **Background**

The State of California, represented by the California Attorney General, entered a national multistate settlement with the country's five largest loan servicers. This agreement, the National Mortgage Settlement ("NMS"), stemmed from successful resolution of federal court action (Consent Judgment, United States v. Bank of America (No. 1:12-cv-00361, Banzr. D.C. Apr. 4, 2012)).

The NMS is broad ranging, with California's share of this settlement estimated to be up to \$18,000,000,000. Of this amount, approximately \$410,000,000 came directly to the state in costs, fees, and penalty payments.

Pursuant to AB 83 (Budget Committee, Chapter 15, Statutes of 2020 ), California Government Code section 12531 ("Section 12531") created the National Mortgage Special Deposit Fund in the State Treasury, which is continuously appropriated and subject to allocation by the Department of Finance, for the receipt of moneys from the NMS.

Section 12531 further provides that \$300,000,000 in the National Mortgage Special Deposit Fund ("NMS Funds") shall be allocated to CalHFA for the purposes of (1) providing housing counseling services that are certified by the federal Department of Housing and Urban Development ("HUD") to homeowners, former homeowners, or renters; and (2) providing mortgage assistance to qualified California households.

Currently, COVID-related mortgage relief protections are in place that shield many homeowners from foreclosure. Many of those protections are in effect for up to one year. Accordingly, CalHFA plans to administer the NMS Funds, subject to a 5% administrative fee, in two phases determined by the urgency of public need and the speed in which the assistance can be responsibly deployed to struggling Californians.

### **Phase 1: Housing Counseling Services**

The Agency will fund HUD-certified housing counseling services, which are needed most urgently. More specifically, the Agency will allocate \$50,000,000 in NMS Funds to be allocated through certain HUD-approved Intermediaries to potentially ninety-seven (97) HUD-certified housing counseling agencies located in California to compensate them for providing free financial, credit and housing counseling services to Californian households who are struggling to pay their rent, mortgage and living expenses.

While these HUD-certified counseling services may assist all families in need, the program is designed to ensure efforts to reach disadvantaged, underserved, and ethnically diverse communities.

Additionally, the program is designed to not only help those in need of services now, but also to solidify and help strengthen California's housing counseling network, so that it can continue to successfully provide these vital services.

Notably, the NMS Funds are not federally derived. HUD has no formal role in the use of these funds. Nevertheless, the legislation provides that the Agency must allocate the NMS Funds for HUD-certified housing counseling services. This enables the Agency to tap into a well-established federal program together with objective criteria of whom to consider for purposes of program delivery and design. For example, as part of its certification process, HUD may require the adoption of housing counseling and education standards, including content and activities, training, and testing. In this way, CalHFA is able to ensure that NMS Funds are being used according to industry standards.

### Phase 2: Mortgage Assistance

The Agency will focus on developing various types of mortgage assistance in the next 12-18 months. Phase 2 will align with market need and may require significantly more time to begin operations, depending on the types of assistance necessary. While there is speculation regarding what the needs may be, there is very little empirical data available to assist in determining the actual need or level of assistance required.

Research is currently underway to try and acquire the data needed to develop a mortgage assistance program that will enable this limited resource to help Californians affected by the current crisis.

It is understood that Agency staff will seek guidance and formal approval of the aforementioned Phase 2 programs.

### **Counseling Services Program Development**

At the federal level, HUD operates its own Housing Counseling Program governed by the provisions of the HUD Counseling Program Handbook 7601.1, 24 CFR Part 214 Final Rule, and applicable mortgagee letters (collectively, the "Handbook"). More specifically, HUD's Housing Counseling Program uses a network of HUD-approved Intermediaries to allocate funds to HUD certified Housing Counseling Agencies in accordance with the Handbook. Intermediaries go through a rigorous vetting process by HUD. In turn, both HUD and Intermediaries further vet HCAs for purposes of delivering housing counseling services. The Handbook outlines requirements for program eligibility and approval, the delivery of comprehensive counseling services, program record keeping and reporting, performance monitoring, and the grant application process itself. It is this Handbook that CalHFA staff has used to model and further refine its own Counseling Services Program.

Importantly, CalHFA staff has previous experience deploying federal grant funds through the Neighborhood Reinvestment Corporation (also known as "NeighborWorks") to the Rural Communities Assistance Corporation, a HUD-approved Intermediary ("RCAC"), to provide

foreclosure intervention counseling in an expedited fashion during the Financial Crisis of 2008. Similarly, CalHFA staff supported the CalHFA Mortgage Assistance Corporation in deploying federal funds through RCAC for the Keep Your Home California Program to provide foreclosure intervention counseling, preserve homeownership by reducing delinquencies and foreclosures, and assist in the stabilization of California communities in an expedited fashion. Although in the present situation, federal funds are not being used and HUD is playing no formal role, use of NMS Funds and the basic framework for how the NMS Funds will be deployed remains the same.

In addition, CalHFA has investigated market conditions and best practices through in-depth discussions with many housing counseling professionals, localities, U.S. Department of Housing and Urban Development, the California Department of Finance, and the California Department of Fair Employment and Housing. Throughout these conversations, three priorities consistently emerged—to truly help Californians, not only in the short term but in the future, the NMS Funds should: (1) be used to build the state’s counseling capacity; (2) provide adequate compensation; and (3) be tracked through consistent, efficient reporting structures.

1. Upfront funds for operational costs, program-related costs, and capacity building

- Housing Counseling Agencies are funded primarily by grants. Those we spoke to report that HUD is delinquent by as much as a year on expected grant payments.
- Most HCAs are lacking in technology advancements, especially vital during the COVID-19 pandemic where virtual meetings are a necessity.
- There is currently an increased demand to hire and train additional counselors and support staff and to update technology to meet client needs.

2. Adequate compensation for services rendered

- Past counseling grant programs have grossly underfunded the actual cost of services provided, offering less than \$500 in some cases. CalHFA’s research found that the cost of services can range from \$600 to \$1,800 per household.

3. Simplified and consistent reporting requirements

- Complex federal reporting requirements are inconsistent with the HCA’s standard reporting obligations and add unnecessary time and costs, further impeding the ability to serve more households.

Taking the three aforementioned priorities into consideration and using HUD’s own program as a model, CalHFA staff has developed initial guidelines for the Counseling Services Program as more particularly described in Attachment A hereto. Attachment A is incorporated herein and while it is meant to be sufficiently detailed for the Board to consider authorization and approval of the program, CalHFA staff expects the guidelines to be amended from time to time as we learn more about what works and what does not. Nevertheless, the overall program design and guidelines will not depart from the language or original intent of the enabling legislation.

### **Counseling Services Program Impact**

The primary focus of the program is to ensure services are known and available to the underserved, diverse and hard-to-reach communities across the state. CalHFA has selected Intermediaries with plans that ensure those communities are reached via marketing efforts both on their own and in coordination with CalHFA's marketing campaign. Further, marketing and outreach plans will target the African American, Latinx, Asian American/Pacific Islander, and Native American populations.

With the current compensation structure, the program could serve 30,000-40,000 Californians struggling during this time. Additionally, the upfront investment into building capacity for the HCAs will improve and extend the life of the counseling services by ensuring that HCAs modernize their technology to accommodate more virtual meetings, that they have adequate staffing to improve customer service, that they can expand the availability of languages offered, and that they have a sufficient number of trained counselors available.

## ATTACHMENT A

### COUNSELING SERVICES PROGRAM GUIDELINES

#### Program Summary

Pursuant to California Government Code section 12531, CalHFA will allocate \$50 million through HUD-approved Intermediaries, to up to 97 potential HUD-certified Housing Counseling Agencies (“HCA”) located in California, to compensate them for providing free housing counseling services to households struggling to pay their rent, mortgage and living expenses.

While these counseling services will assist all California families in need, the program is designed to ensure efforts are made to reach disadvantaged, underserved, and ethnically diverse communities.

Additionally, the program is designed to not only help those in need of services now, but also to solidify and help strengthen California’s housing counseling network, so that it can continue to successfully provide these vital services.

#### Program Roles and Responsibilities

The applicable parties below shall be and remain certified at all times by HUD in accordance with the provisions of the HUD Counseling Program Handbook 7601.1, 24 CFR Part 214 Final Rule, and applicable Mortgagee letters (collectively, the “Handbook”). In addition to the certifications required pursuant to the Handbook, the general responsibilities shall be as follows:

- **CalHFA** – shall administer National Mortgage Settlement Funds (“NMS”), subject to a 5% administrative fee of the total amount of NMS Funds allocated to the program.
- **HUD-approved Intermediaries** – shall distribute NMS Funds to its network of HUD-certified Housing Counseling Agencies (“HCAs”), provide oversight of HCA counseling services, compliance monitoring, as well as invoicing and reporting to CalHFA
- **HUD-certified Housing Counseling Agencies** – shall provide Approved Counseling Services in accordance with the Handbook to clients

In addition to the foregoing, the following guidelines, as may be amended from time to time by the Agency, shall apply and form the basis for the program (hereinafter referred to as the “Counseling Services Program”):

#### HUD Intermediary Applicant Requirements

- Applicant must have capacity to perform counseling services within the State of California, and have office(s) located in California
- Applicant must work with the HUD-certified HCAs listed on HUD’s website
- Applicant must have sufficient organizational stability and capacity to carry out the necessary housing counseling activities for administering funds granted
- Applicant has operated as housing counseling administrators for a minimum of two years

prior to the date of application

- Applicant certifies it has the financial stability to administer the funds granted
- Applicant demonstrates the ability to reach underserved and ethnically diverse communities

### **HUD Intermediary Applicant Commitment of Responsibility**

- Applicant certifies having the authority to operate a business in California and sub-grantees are all properly licensed in areas of operation
- Applicant certifies the authority to undertake the activities applied for and meets the Applicant Requirements
- Applicant possesses legal authority to apply for the allocation and to execute the Application and all legal documents
- The Applicant and sub-grantees do not have any unresolved audit findings for prior HUD- or federally funded housing or community development projects or programs
- There are no pending lawsuits that would impact the implementation of this Program
- Applicant can perform the duties for the activities applied for
- Maintain complete and accurate records of all Program disbursements to ensure adherence to proper accounting procedures for counseling, which may be verified in a future fiscal and programmatic audit

### **Program Support Funds (capacity building, marketing, program setup and support)**

Each selected HUD-approved Intermediary and their network of Counseling Agencies will receive a portion of their total grant allocation upfront to be used for oversight, program support, and capacity building.

- 10% to **Intermediaries** for operational, oversight and compliance to be distributed as such:
  - 30% paid upfront for program-related support
  - 70% paid quarterly in equal installments through December 31, 2022
- 15% paid upfront to **HCA**s for capacity building, if needed per their capacity building plan, program-related support and other housing related services

Per the legislation, CalHFA will retain 5% for program development and administrative fees and set aside an additional 5% for enhanced marketing and coordination of other housing related services to ensure the Housing Counseling Agencies' ability to reach and serve disadvantaged, underserved, and ethnically diverse communities.

### **Approved Counseling Services**

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Financial, Budgeting, and Credit Workshops
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Predatory Lending Education Workshops

- Pre-purchase Counseling
- Post-purchase Counseling
- Rental Housing Counseling
- Rental Housing Workshops
- Resolving/Preventing Mortgage Delinquency Workshops
- Reverse Mortgage Counseling
- Services for Homeless Counseling

In addition, an HCA is encouraged to develop other services, subject to the approval of CalHFA, including collaboration with other HCAs or service providers for tenant services such as legal advocacy or legal services.

### **Compensation for Services Rendered**

- HCAs will be compensated in the amount of \$750 for a client’s first one-on-one, personalized counseling session.
- An additional \$750 will be allowed if the same client returns for a second one-on-one session or a more in-depth level of counseling is needed (i.e. loan modification assistance).
- There will be a \$1,500 maximum per household limit.

### **Quality Control and Compliance**

- HUD-approved Intermediaries are responsible for ensuring quality control and compliance through onsite monitoring, desk monitoring by phone, collecting and reviewing reports and risk assessments, in accordance with HUD requirements.
- CalHFA will require program reporting and will seek client-level data to review demographic and geographic distribution and to substantiate invoicing. At the end of the program, when funds are exhausted, a final report from the Intermediaries will be required to gauge program performance.

### **Anticipated Schedule of Performance**

<b>Program Milestones</b>	<b>Expected Completion Date</b>
Governor’s budget allocation	DONE – June 15, 2020
Research and program development	DONE - July/August 2020
Application deadline for Intermediaries to apply	DONE - August 4, 2020
Initial selection of Intermediaries	DONE - August 12, 2020
Program approved by CalHFA’s Board	August 13, 2020
CalHFA contract execution with Intermediaries	August 31, 2020
CalHFA onboarding of Intermediaries	August/September 2020
CalHFA outreach to HCAs	September 2020
Initial NMS funds released to Intermediaries	September 2020
CalHFA launches marketing campaign to public	Beginning October 2020
<b>HCAs begin delivering counseling services</b>	<b>Beginning October 2020</b>
Quarterly reports due from Intermediary	Beginning January 1, 2021
Exhaustion of NMS Funds and Counseling Services Program Final Report	Anticipated date – January 1, 2023

1 BOARD OF DIRECTORS  
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

3  
4 RESOLUTION NO. 20-15

5  
6 RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO  
7 ALLOCATE FROM THE NATIONAL MORTGAGE SPECIAL  
8 DEPOSIT FUND AN AMOUNT OF UP TO FIFTY MILLION  
9 DOLLARS (\$50,000,000) FOR THE PURPOSE OF PROVIDING  
10 HOUSING COUNSELING SERVICES PURSUANT TO  
11 CALIFORNIA GOVERNMENT CODE SECTION 12531  
12

13 WHEREAS, the State of California, represented by the California Attorney General,  
14 entered a national multistate settlement with the country's five largest loan servicers. This  
15 agreement, the National Mortgage Settlement (the "NMS"), stemmed from successful resolution  
16 of federal court action (Consent Judgment, United States v. Bank of America (No. 1:12-cv-  
17 00361, Banzr. D.C. Apr. 4, 2012));  
18

19 WHEREAS, the NMS is broad ranging, with California's share of this settlement  
20 estimated to be up to eighteen billion dollars (\$18,000,000,000). Of this amount, approximately  
21 four hundred ten million dollars (\$410,000,000) came directly to the state in costs, fees, and  
22 penalty payments;  
23

24 WHEREAS, California Government Code section 12531 ("Section 12531") created the  
25 National Mortgage Special Deposit Fund in the State Treasury, which is continuously  
26 appropriated and subject to allocation by the Department of Finance, for the receipt of moneys  
27 from the NMS;  
28

29 WHEREAS, Section 12531 further provides that three hundred million dollars  
30 (\$300,000,000) in the National Mortgage Special Deposit Fund (the "NMS Funds") shall be  
31 allocated to the California Housing Finance Agency for the purposes of (a) providing housing  
32 counseling services that are certified by the federal Department of Housing and Urban  
33 Development ("HUD") to homeowners, former homeowners, or renters; and (b) providing  
34 mortgage assistance to qualified California households;  
35

36 WHEREAS, currently, federal and state mortgage relief protections are in place that  
37 shield homeowners from foreclosure. Most of these relief packages are in effect for up to one  
38 year. In consideration of the foregoing, the Agency plans to administer the NMS funds in two  
39 phases, as dictated by market demand;  
40

41 WHEREAS, in Phase 1, the Agency shall stand up a program in order to provide housing  
42 counseling services in accordance with Section 12531 (the "Counseling Services Program").  
43 More specifically, the Agency will allocate up to fifty million dollars (\$50,000,000) in NMS  
44 funds through certain HUD-approved intermediaries to potentially ninety-seven (97) HUD-  
45 certified housing counseling agencies located in California to provide free financial, credit, pre-  
46 purchase, and other housing counseling services to Californian households who are struggling to  
47 pay their rent, mortgage and living expenses. While these NMS funds may assist all families in

1 need, the Counseling Services Program will ensure efforts are made to reach disadvantaged,  
2 underserved, ethnically diverse communities and communities that were hardest hit by the  
3 mortgage crisis; and  
4

5 WHEREAS, in Phase 2, the Agency shall establish one or more various types of  
6 mortgage assistance programs in accordance with Section 12531 to be developed in the next 12-  
7 18 months. Phase 2 will align with market need and may require significantly more time to set  
8 up depending upon the types of assistance necessary at the time. Notwithstanding the foregoing,  
9 it is understood that Agency staff will seek guidance and formal approval of the aforementioned  
10 Phase 2 programs.  
11

12 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the  
13 California Housing Finance Agency as follows:  
14  
15

16 1. The Board hereby accepts that the above recitals are accurate and have served  
17 together with the staff report accompanying this Resolution and incorporated in this Resolution  
18 by this reference ("Staff Report") and the additional information the Board has been provided at  
19 the meeting as the basis for the approvals and directives set forth in this Resolution;  
20

21 2. The Board hereby acknowledges and authorizes the Executive Director or her  
22 designee to accept all NMS funds allocated by the Department of Finance to the Agency and to  
23 administer said funds as soon as practicable in accordance with Section 12531; and  
24

25 3. The Board hereby approves of the Counseling Services Program, as more  
26 particularly described in the Staff Report, and authorizes the Executive Director or her designee  
27 to implement said program by allocating up to fifty million dollars (\$50,000,000) in NMS Funds  
28 as soon as practicable, and to execute all agreements, amendments and ancillary documents, and  
29 to make any changes to said program reasonably necessary, to effectuate the intent of Section  
30 12531.  
31  
32

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 20-15 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13th day of August 2020, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 13th day of August 2020.

ATTEST:

\_\_\_\_\_  
CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency

**MEMORANDUM****To:** CalHFA Board of Directors**Date:** August 13, 2020**From:** CALIFORNIA HOUSING FINANCE AGENCY  
Kate Ferguson, Director of Multifamily Programs**Subject:** RESOLUTION 20-16: DISCUSSION, RECOMMENDATION, AND POSSIBLE ACTION TO INCREASE EXECUTIVE DIRECTOR'S DELEGATED APPROVAL AUTHORITY PERTAINING TO MULTIFAMILY LOANS**SUMMARY**

At the July 9, 2020 California Housing Finance Agency Board of Directors Meeting, staff presented Agenda Item 7, "Report back from May 10, 2018 Board meeting regarding Executive Director's loan limit authority for financing multifamily housing for discussion and Board direction." The discussion focused on the concept of increasing the Executive Director's current \$4 million dollar lending limit for approving loans defined as "Small Projects." Multiple board members, including Johnson-Hall, Russell, Gallagher, Sotelo, and Gunning offered comments in support of an increase, provided a certain percentage of projects would still be presented to the CalHFA Board of Directors for oversight purposes. Thirty percent (30%) of projects was offered as a threshold figure by Johnson-Hall and affirmed by others. Multiple Board members requested that the Board receives regular reports on projects approved under the increased authority. Staff agreed to prepare a recommendation for a new loan lending authority for the Executive Director based on an analysis of projects in the CalHFA lending pipeline. A recap of the discussion can be found in the meeting minutes of the July 9, 2020 Board Meeting or a complete transcript can be found in the video archives located on the CalHFA website.

**RECOMMENDATION**

**CalHFA staff recommends that the CalHFA Board of Directors approve raising the Executive Director's loan lending authority to \$15 million.**

Raising the Executive Director's loan lending authority to \$15 million will ensure the Board continues to review and consider for approval a significant portion of the CalHFA Multifamily projects. Staff analyzed the first-lien permanent loan amounts in the current project pipeline, as well as the permanent loan amounts for all Mixed-Income Program (MIP) projects in the pipeline. Out of a total of twenty-four (24) projects, eleven (11) projects have first-lien

permanent loans that exceed \$15 million. If the Board were to raise the Executive Director's loan lending authority to \$15 million, 46% of the projects included in this analysis would continue to be presented before the Board for their review and consideration, well over the 30% threshold that was suggested during the July 9 Board meeting.

During the Board presentation, staff shared that the average loan amount for CalHFA Permanent lending projects has increased each year over the past three years (2018: \$7.8 million, 2019: \$8.1 million, 2020 YTD: \$8.6 million). These averages include legacy small loan commitments which skew the averages lower than actual first lien loans on new construction projects. Staff provided capital structures data for projects participating in the Agency's 2019-2020 Mixed-Income Program. Based on an analysis of this data, the average first lien permanent loan size for these new construction loans was \$26.6 million. This is a strong indicator of the permanent loan sizes CalHFA can reasonably expect to see in the future. As part of this recommendation, staff plans to bring an annual review of the Executive Director's delegated loan lending authority before the Board, so adjustments can be made when necessary.

In her comments during the discussion of Item 7, CalHFA Executive Director Tia Boatman Patterson stated that the intent of the lending authority increase is to improve efficiency by not requiring the majority of projects to come before the Board when they meet the program guidelines that have already been approved by the Board. Executive Director Boatman Patterson agreed to continue bringing any projects that deviated from adopted program guidelines to the Board for their review and consideration, regardless of loan size.

Additionally, CalHFA staff will develop regular reports for the Permanent lending projects, similar to the reports the Board currently receives for the Conduit Issuance Program and the Mixed-Income Program, to ensure the Board of Directors continue to have a comprehensive view of Multifamily lending activities.

1 BOARD OF DIRECTORS  
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

3  
4 RESOLUTION NO. 20-16

5  
6 EXECUTIVE DIRECTOR'S AUTHORITY TO ENTER INTO  
7 MULTIFAMILY LOAN COMMITMENTS  
8

9 WHEREAS, Resolution 01-37 adopted November 8, 2001 granted the Executive Director  
10 the ability to create an expedited small project process, pursuant to which loan commitments for  
11 certain small projects, as defined therein, may be approved by the Executive Director, or in  
12 absence of the Executive Director, the Chief Deputy Director or the Director of Multifamily  
13 programs;  
14

15 WHEREAS, Resolution 01-37 further granted the Executive Director the ability to  
16 include within such small project process any loans made under existing multifamily lending  
17 programs, that do not exceed, in aggregate, the sum of \$4,000,000 for any single project. After  
18 approval of a small project loan or loans by the Executive Director, the aggregate amount of such  
19 loans for a single project may not be increased by an amount that exceeds \$4,000,000 by more  
20 than seven percent (7%), without the further approval by the Board of Directors;  
21

22 WHEREAS, Resolution 01-37 further established that the small project process  
23 established by the Executive Director shall not include loans made under newly developed  
24 multifamily lending programs that have not previously been presented to the Board of Directors.  
25 Newly developed multifamily lending programs were defined as any multifamily lending  
26 program that did not otherwise exist at the time of the Resolution;  
27

28 WHEREAS, the Agency's Multifamily Programs have changed in response to market  
29 needs since the adoption of Resolution 01-37. The multifamily lending programs have  
30 discontinued making individual project loans which are less than \$5,000,000. The primary focus  
31 of multifamily lending programs is currently its first lien permanent loan program with larger  
32 loan amounts.  
33

34 WHEREAS, loans exceeding \$4,000,000 have constituted an increasing percentage of  
35 total new production and pipeline for the Agency's Multifamily programs with average loan size  
36 in each of the last three years increasing (2018: \$7.8 million, 2019: \$8.1 million, 2020 YTD: \$8.6  
37 million).  
38

39 WHEREAS, at the Board of Directors Meeting on July 9, 2020 multifamily staff  
40 requested direction on potentially modifying the Executive Director's Lending Authority.  
41 General support was received from the Board with feedback indicating support for an increase in  
42 the Executive Director's Lending Authority to a level that would translate to Board of Director  
43 approval of 30% of total loan commitments;  
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WHEREAS, at the July 9<sup>th</sup>, 2020 meeting Agency staff presented information that based on the project capital structures for projects participating in the Agency’s 2019-2020 Multifamily Mixed Income Program, the average first lien permanent loan amount was \$26.6 million.

WHEREAS, staff and management have continued to develop strong underwriting, credit, asset management and loan administration capabilities;

WHEREAS, granting the Executive Director the authority to approve higher loan Commitments up to \$15,000,000 will help streamline and expedite the Agency’s first lien permanent lending approval and closing process; and

WHEREAS, such expedited processing of Agency loan approval and closing will potentially improve Agency’s competitive position in the first lien permanent lending market;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the “Board”) of the California Housing Finance Agency as follows:

1. Loan commitments under the Multifamily First Lien Permanent Loan Program, may be approved by the Executive Director, or in the absence of the Executive Director, the Chief Deputy Director.

2. The Executive Director may include within this approval authority any loans made under existing multifamily lending programs, that do not exceed, in the aggregate, the sum of \$15,000,000 for any single project. After approval of a project loan or loans by the Executive Director, the aggregate amount of such loans for a single project may not be increased by an amount that exceeds \$15,000,000 by more than seven percent (7%), without the further approval by the Board of Directors.

3. Any loans for a newly developed program that has not previously been presented to the Board, which does not otherwise exist at the time of this Resolution, and that, in the opinion of the Executive Director, is significantly different from existing programs in any material legal, financial, or public purpose aspect must be presented to the Board before loans for such program may be included by the Executive Director under this approval authority.

4. At each regular Board meeting, the Director of Multifamily Programs will report to the Board in writing a list of any loans approved by the Executive Director under this approval authority, since the preceding regular Board meeting. The Chairman of the Board may instruct the Director of Multifamily Programs to make full loan presentations to the Board for approximately ten percent of the loans approved by the Executive Director in any fiscal year. Such presentations shall be made in order to keep the Board informed on an ongoing basis as to the nature of the loans previously approved under this program. Prior to any Board meeting at which such a full presentation shall be made, the Chairman shall identify the loans for which a presentation is required.

1           5.       The Board shall review the Executive Director's approval authority at a regularly  
2 scheduled Board meeting on an annual basis.

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## SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 20-16 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13<sup>th</sup> day of August 2020, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 13<sup>th</sup> day of August 2020.

ATTEST:

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CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency

State of California

## MEMORANDUM

**To:** Board of Directors

Date: July 21, 2020

**From:** Andre Massey, Deputy Director of Multifamily Programs  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

The CalHFA Asset Management Portfolio is comprised of 727 projects with a balance of \$1.208 billion in financing as of June 30, 2020. The CalHFA portfolio consists of 17,939 affordable home units throughout the State of California.

The portfolio is broken down by type of program as follows:

64	Section 8 Housing Program
95	Risk Share
219	80/20 financing loans - CalHFA Financed Program
181	Mental Health Services Act/Special Needs Housing Program
43	Conduit
16	Section 811 Housing
115	School Facility Fee Reimbursement Program
<u>727</u>	<u>Total</u>

The portfolio has a low delinquency rate of 0.35% which includes four projects. There are three projects on the Watch List for various issues such as untimely submission of annual reports, lack of compliance with the regulatory agreement, or pending completion of physical improvements recommended at time of inspection.

### Preservation Strategy

There are 62 Loans scheduled to mature within the next five years. The Multifamily Program has initiated a preservation strategy of the existing portfolio in an effort to extend affordability of the CalHFA financed projects.

The goals of the Multifamily Asset Management Program are to increase and preserve the supply of affordable housing, assure the maintenance of a quality living environment, assure the projects are financially sound and sustainable, and to cooperate with local jurisdictions to advance affordable housing throughout the State.

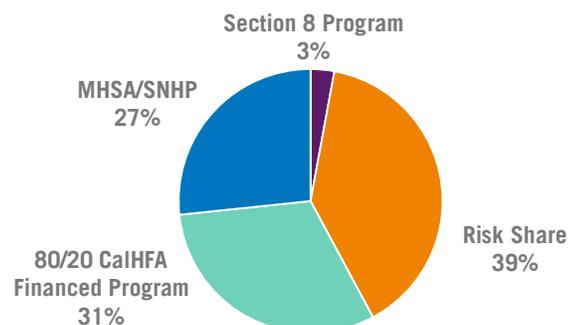
# ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

As of June 30, 2020

## PROGRAMS

Type	# Projects	UPB	%
Section 8 Program	64	\$34,958,340	3%
Risk Share	95	\$474,693,539	39%
80/20 CalHFA Financed Program	219	\$376,996,264	31%
MHSA/SNHP	181	\$322,241,668	27%
Conduit	43	-	0.0%
Section 811	16	-	0.0%
School Facility Fee Reimbursement Program	115	-	0.0%
<b>TOTAL*</b>	<b>727</b>	<b>\$1,208,889,812</b>	

## UNPAID PRINCIPAL BALANCE (UPB) BY PROJECT TYPE



\* The unpaid principal balance is based on 486 existing projects with loan balances. The portfolio continues to maintain projects without loan balances for purposes of affordability requirements and compliance. 241 projects are being reviewed and maintained for compliance purposes only.

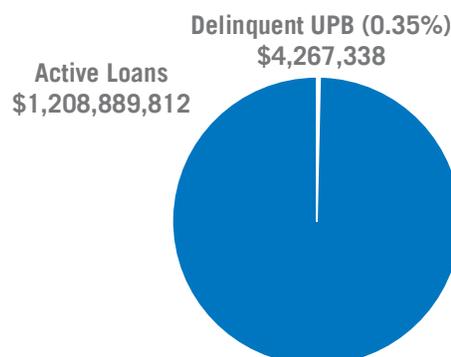
## PRESERVATION RISK INDICATORS

Type	# Projects	UPB	%
Projects to be Transferred to AM	72	\$1,999,710,919	
Regulatory Agreement Expires <= 5 yrs.	59	\$52,169,004	4.32%
Loans Mature <= 5 yrs.	62	\$51,300,654	4.24%
Yield Maintenance Requests (last quarter)	13	\$13,015,919	1.08%

## FINANCIAL RISK INDICATORS

Type	# Projects	UPB	%
Projects w/ DSCR < 1.0	15	\$26,073,253	2.16%
Watch List	3	\$4,191,976	0.35%
Delinquencies	4	\$4,267,338	0.35%

## DELINQUENCIES

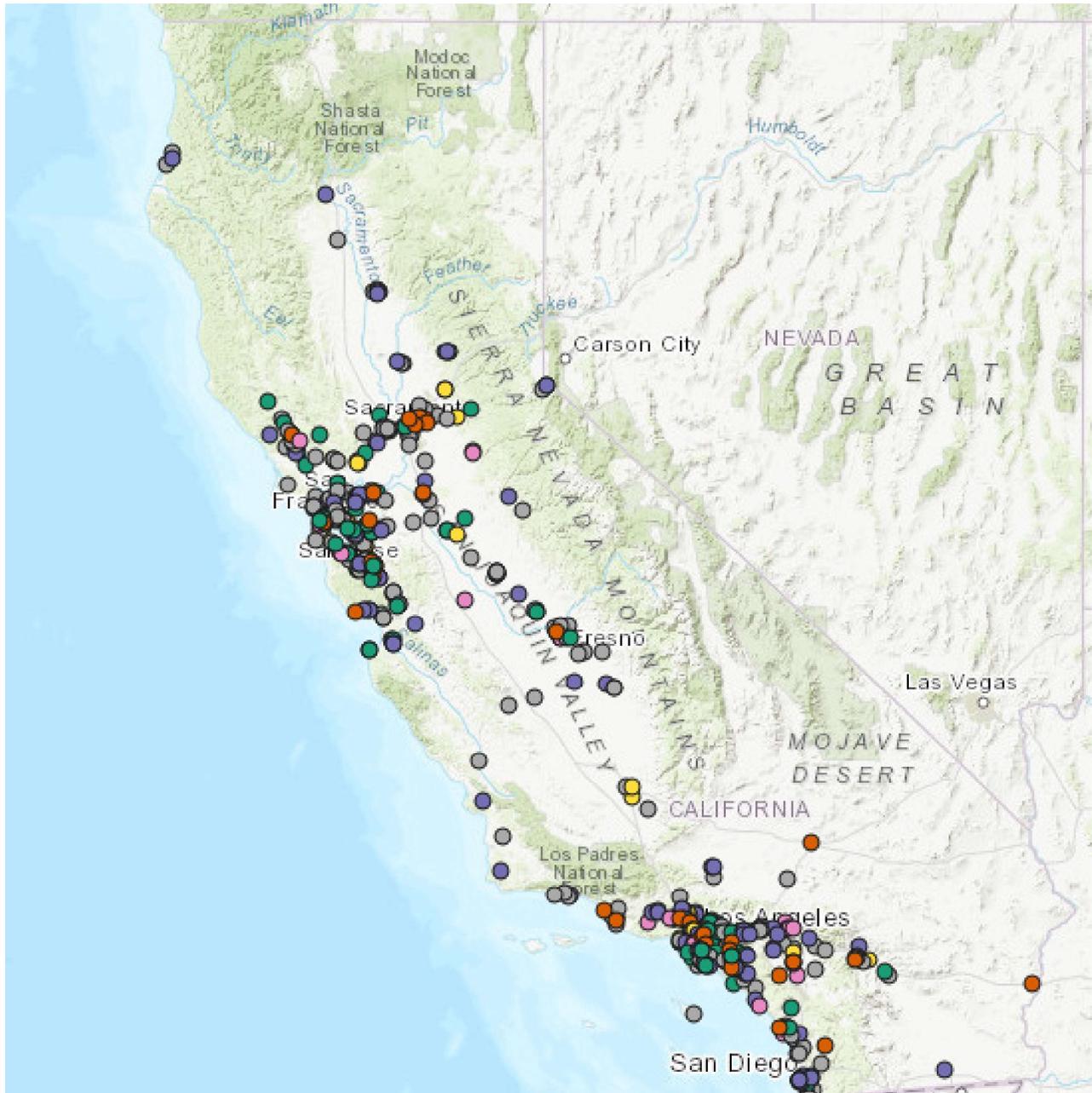




# ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

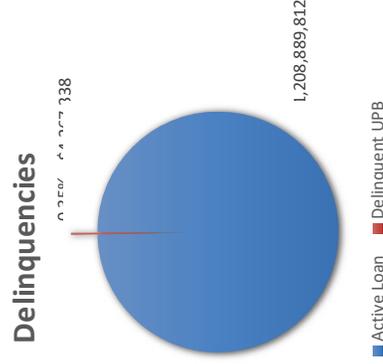
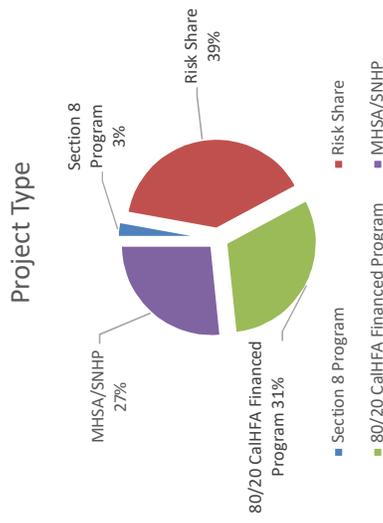
As of June 30, 2020

## MAP OF CALHFA MULTIFAMILY PROJECTS IN CALIFORNIA



## QUARTERLY ASSET MANAGEMENT PORTFOLIO REPORT as of June 30, 2020

Type	# of Projects	UPB	%
Section 8 Program	64	\$34,958,340	3%
Risk Share	95	\$474,693,539	39%
80/20 CalHFA Financed Program	219	\$376,996,264	31%
MHSA/SNHP	181	\$322,241,668	27%
Conduit	43	-	0%
Section 811	16	-	0%
School Facility Fee Reimbursement Program	115	-	0%
<b>TOTAL*</b>	<b>727</b>	<b>\$1,208,889,812</b>	
<b>Preservation Risk Indicators</b>			
Projects to be Transferred to AM	72	\$1,999,710,919	
Regulatory Agreement Expires <= 5 yrs.	59	\$52,169,004	4.32%
Loans Mature <= 5 yrs.	62	\$51,300,654	4.24%
Yield Maintenance Requests (last quarter)	13	\$13,015,919	1.08%
<b>Financial Risk Indicators</b>			
Projects w/ DCR < 1.0	15	\$26,073,253	2.16%
Watch List	3	\$4,191,976	0.35%
Delinquencies	4	\$4,267,338	0.35%



\* The unpaid principal balance is based on 486 existing projects with loan balances. The portfolio continues to maintain projects without loan balances for purposes of affordability requirements and compliance. 241 projects are being reviewed and maintained for compliance purposes only.

State of California

# MEMORANDUM

**To:** Board of Directors

Date: July 31, 2020

**From:** Kate Ferguson, Director of Multifamily  
CALIFORNIA HOUSING FINANCE AGENCY

**Subject:** UPDATE OF CONDUIT ISSUANCE PROGRAM

The CalHFA Conduit Issuer Program (Conduit Program) is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the program are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals.

The Strategic Business Plan and Operating Budget for FY 19-20 estimated \$320.7 million.

Actual conduit issuance amount for FY 19-20 was \$789.5 million. The breakdown between tax-exempt and taxable bond issuance is as follows:

- Tax-Exempt Conduit Issuance: \$785.6 Million
- Taxable Conduit Issuance: \$3.9 Million

The Strategic Business Plan and Operating Budget for FY 20-21 estimated \$713.9 million.

Actual conduit issuance amount for FY 20-21 is \$168 million. The breakdown between tax-exempt and taxable bond issuance is as follows:

- Tax-Exempt Conduit Issuance: \$168 Million
- Taxable Conduit Issuance: \$0

## FY 2019-20 Closed Projects

<b>Conduit Program - FY19-20:</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
<b>Conduit Pool Securitization Program</b>								
1	2019-1 Class A & X Certificates	Conduit - Citi	Various	Various	1,771	8/7/2019	\$171,632,062	-
2	2019-2 Class A & B Certificates	Conduit - Citi	Various	Various	5,426	12/19/2019	\$464,582,495	-
					1,771		\$636,214,557	-
<b>Multifamily Conduit Transactions</b>								
<i>(Closed)</i>								
3	Walnut Windmere	Conduit - Reg Only	Davis	Family	136	10/15/2019	\$17,750,000	\$1,000,000.00
4	Blackstone McKinley TOD	Conduit - PTO	Fresno	Family	88	11/6/2019	\$29,050,000	\$1,760,000.00
5	Noble Tower Apts	Conduit - Reg Only	Oakland	Family	195	11/15/2019	\$74,000,000	-
6	Market St - Supplemental	Conduit - PTO	Redding	Family	-	11/21/2019	\$5,502,227	-
7	Arena Senior Apts	Conduit - MIP	Sacramento	Senior	240	12/17/2019	\$35,770,000	-
8	Bermuda Gardens	Conduit - Reg Only	San Leandro	Family	80	12/19/2019	\$22,500,000	\$1,121,311.00
9	Villa Valley Apartments	Conduit - Reg Only	Los Angeles	Senior	146	12/23/2019	\$41,605,000	-
10	Bernal Dwellings	Conduit - PTO	San Francisco	Family	160	12/24/2019	\$58,425,000	-
11	Woodlake Terrace	Conduit - PTO	Woodlake	Family	31	1/16/2020	\$8,600,000	-
12	Golden West Tower	Conduit - Reg Only	Torrance	Senior	180	1/23/2020	\$71,000,000	-
13	Longshore Cove Apts	Conduit - Reg Only	Vallejo	Family/Senior	236	1/23/2020	\$44,000,000	-
14	Stone Pine Meadow	Conduit - PTO	Tracy	Family	72	1/23/2020	\$13,842,000	-
15	Glen Loma Ranch	Conduit - MIP	Gilroy	Individuals/Families	158	04/08/2020	\$48,000,000	-
16	Village at Burlingame	Conduit - MIP	Burlingame	Family/Senior	132	04/14/2020	\$63,000,000	-
17	Santa Ana Towers	Conduit - Reg Only	Santa Ana	Senior	199	04/16/2020	\$54,000,000	-
18	Coldstream Commons	Conduit - Reg Only	Truckee	Individuals/Families	48	04/30/2020	\$17,000,000	-
19	Courtyards at Kimball	Conduit - MIP	National City	Individuals/Families	131	05/01/2020	\$48,000,000	-
20	Hayes Valley South	Conduit - PTO	San Francisco	Family	110	06/25/2020	\$50,085,000	-
21	Antioch Senior & Family Apts	Conduit - MIP	Antioch	Family/Senior	394	06/29/2020	\$83,468,371	\$13,782,217
					2,736		\$ 785,597,598	\$ 17,663,528

## FY 2020-21 Pipeline as of July 31, 2020

<b>Conduit Program - FY20-21:</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
<b>Multifamily Conduit Transactions</b>								
<i>(Closed)</i>								
1	AJ Apartments (fka Revolve)	Conduit - Reg Only	Sacramento	Individuals/Families	332	07/24/2020	\$85,000,000	-
2	Meadow View Place	Conduit - Reg Only	Truckee	Individuals/Families	56	07/27/2020	\$18,000,000	-
3	CCBA Senior Garden Apts	Conduit - Reg Only	San Diego	Senior	45	07/28/2020	\$8,000,000	-
4	The Redwood Apartments	Conduit - MIP & PTO	Santa Rosa	Individuals/Families	96	07/28/2020	\$24,000,000	-
5	833 Bryant Street Apartments	Conduit - Reg Only	San Francisco	Individuals/Families	146	07/29/2020	\$33,282,714	-
					675		\$ 168,282,714	\$ -

## Upcoming Closings as of July 31, 2020

<b>Conduit Program - FY20-21:</b>								
<b>Q1 - 07/01/2020 - 09/30/2020</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
	Frishman Hollow II	Conduit - MIP & PTO	Truckee	Individuals/Families	68	08/07/2020	\$17,000,000	\$5,745,000
	Hayward Mission Apts	Conduit - MIP	Hayward	Family/Senior	140	08/07/2020	\$37,200,000	\$12,000,000
	Courtyards at Cottonwood	Conduit - Reg Only	Moreno Valley	Individuals/Families	81	08/07/2020	\$18,000,000	-
	Doragon at Chinatown	Conduit - PTO	Fresno	Family	57	08/07/2020	\$17,947,705	-
	Mission Gateway	Conduit - MIP	Los Angeles	Individuals/Families	352	08/14/2020	\$90,000,000	-
	The Parkway Apartments	Conduit - MIP & PTO	Folsom	Individuals/Families	72	08/14/2020	\$16,800,000	\$2,200,000
	Fancher Creek Senior Apartments	Conduit - MIP & PTO	Fresno	Senior	180	08/19/2020	\$18,500,000	\$3,163,675
	Granite Pointe Apts	Conduit - Reg Only	Oakland	Individuals/Families	99	08/27/2020	\$21,092,000	-
	Valencia Point	Conduit - MIP	San Diego	Individuals/Families	102	08/31/2020	\$22,820,884	\$11,519,185
	The Atchison	Conduit - MIP & PTO	Pittsburg	Individuals/Families	202	09/01/2020	\$47,100,000	\$25,850,000
	Heritage Common Phase III	Conduit - Reg Only	Dixon	Individuals/Families	44	09/01/2020	\$7,000,000	-
	Light Tree Two	Conduit - Reg Only	East Palo Alto	Individuals/Families	128	09/01/2020	\$55,785,000	\$28,212,853
	Light Tree Three	Conduit - Reg Only	East Palo Alto	Individuals/Families	57	09/01/2020	\$24,642,500	\$4,622,741
	Kawana Springs Apartments	Conduit - MIP & PTO	Santa Rosa	Individuals/Families	151	09/15/2020	\$38,250,000	\$16,500,000
	Santa Rosa Avenue Apartments	Conduit - MIP	Sana Rosa	Individuals/Families	154	09/22/2020	\$39,700,000	\$17,200,000
	Hope on Avalon	Conduit - Reg Only	Los Angeles	Individuals/Families	88	09/30/2020	\$27,926,322	-
					1,975		\$ 499,764,411	\$ 127,013,454
<b>Q2 - 10/01/2020 - 12/31/2020</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
	Arden Way Apartments	Conduit - MIP & PTO	Sacramento	Individuals/Families	119	10/01/2020	\$26,466,000	\$9,099,713
	Beacon Villa	Conduit - MIP & PTO	Pittsburg	Individuals/Families	54	10/09/2020	\$19,000,000	\$13,700,000
	Twin Oaks Senior Apts	Conduit - MIP	Oakley	Senior	130	10/09/2020	\$42,336,000	-
	One Lake Family Apartments	Conduit - MIP & PTO	Fairfield	Individuals/Families	188	10/13/2020	\$45,500,000	\$27,400,000
	1717 S Street	Conduit - MIP	Sacramento	Individuals/Families	159	10/13/2020	\$39,140,517	\$15,389,362
	Baywood Apts	Conduit - Reg Only	Oakland	Senior	77	10/14/2020	\$34,000,000	-
	Douglas Park Apts	Conduit - Reg Only	Compton	Individuals/Families	72	10/14/2020	\$19,400,000	\$3,600,000
	Ridgeview Commons	Conduit - Reg Only	Pleasanton	Individuals/Families	200	10/14/2020	\$44,333,758	-
	Lakehouse Commons Affordable Apartments	Conduit - PTO	Oakland	Family	91	10/30/2020	\$36,400,000	\$7,235,515
	Vintage at Woodman	Conduit - MIP	Los Angeles	Senior	239	10/30/2020	\$45,000,000	-
	Hayes Valley North	Conduit - Reg Only	San Francisco	Individuals/Families	84	12/01/2020	\$46,000,000	-
	Sacramento Manor	Conduit - Reg Only	Sacramento	Senior	260	12/09/2020	\$18,000,000	-
	Front & Beech Apts	Conduit - MIP	San Diego	Individuals/Families	78	12/31/2020	\$20,980,618	-
					1,751		\$ 436,556,893	\$ 76,424,590
<b>Q3 - 01/01/2021 - 3/31/2021</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
	1322 O Street	Conduit - Reg Only	Sacramento	Family/Senior	56	01/06/2021	\$8,699,564	\$721,895
	Baylands North	Conduit - Reg Only	San Francisco	Individuals/Families	67	01/11/2021	\$28,000,000	-
	Worthington Del Sol	Conduit - Reg Only	Imperial	Individuals/Families	48	01/13/2021	\$10,575,000	\$5,747,000
	921 Howard Street Apts	Conduit - MIP & PTO	San Francisco	Individuals/Families	203	02/01/2021	\$89,339,803	\$19,928,622
	Healdsburg Scattered Site	Conduit - Reg Only	Healdsburg	Individuals/Families	90	02/20/2021	\$22,000,000	-
					464		\$ 158,614,367	\$ 26,397,517
<b>Q4 - 04/01/2021 - 6/30/2021</b>								
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Units</b>	<b>Closing Date</b>	<b>Tax Exempt Loan Amount</b>	<b>Taxable Loan Amount</b>
	Gateway Apartments	Conduit - PTO	Menlo Park	Individuals/Families	140	05/12/2021	\$61,915,000	\$29,632,957
					140		\$ 61,915,000	\$ 29,632,957

State of California

## MEMORANDUM

**To:** Board of Directors

**Date:** August 1, 2020



**From:** Timothy Hsu, Director of Single Family Programs  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** Single Family Loan Production Report (June 2020)

Highlights:

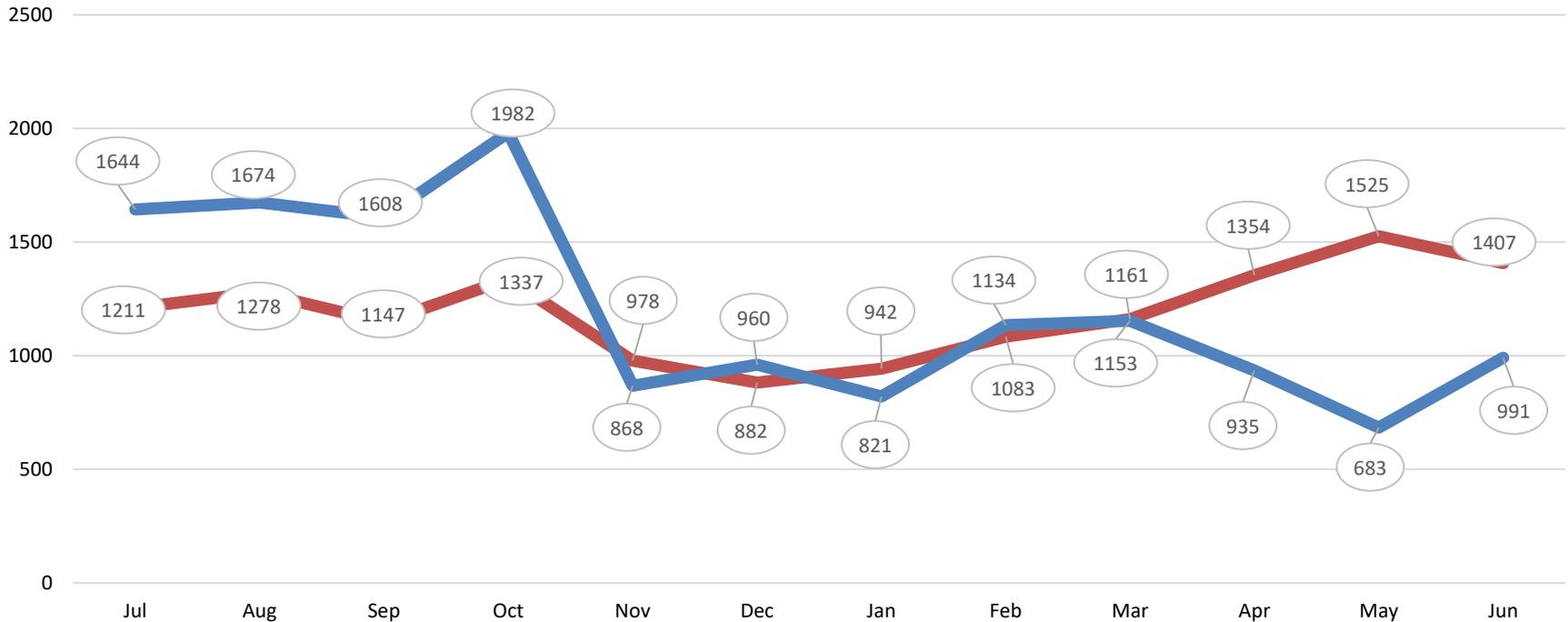
- Reservations Fiscal Year 2019-20: 14,000+
- Securitization Fiscal Year 2019-20: 13,000+ (\$4Bn)
- About 1/3 of our production are from 3 counties:
  - San Bernardino
  - Riverside
  - Sacramento

Reservations down from last year

TOTAL RESERVATIONS

July 2018 - June 2019

July 2019 - June 2020



<b>FY 2019/20 Totals:</b>		
<b>Conventional</b>	<b>2505</b>	<b>17%</b>
<b>FHA</b>	<b>11827</b>	<b>83%</b>
	<b>14332</b>	

**Totals:**

July 2018 - June 2019 = 14305

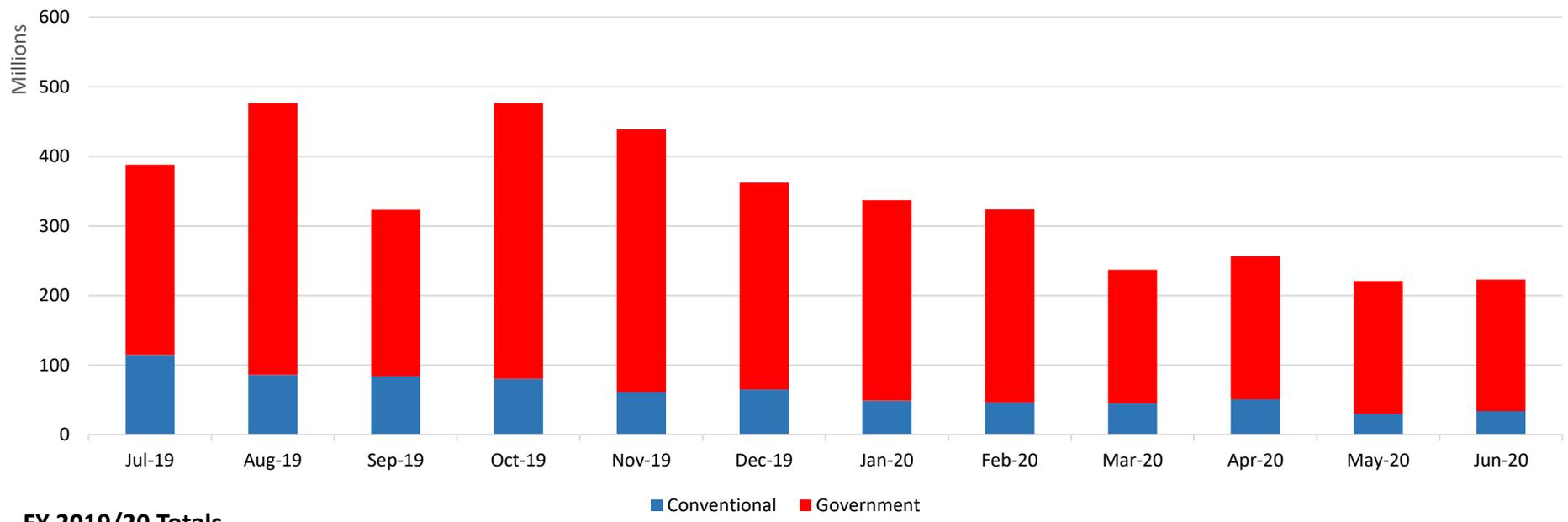
July 2019 - June 2020 = 14453

— 1st Mtg. Reservations July 2018 - June 2019

— 1st Mtg. Reservations July 2019 - June 2020

Expecting high volume of securitization

July-2019 - June-2020 Securitized



**FY 2019/20 Totals**

FHA with ZIP	9039	2,825,828,108	81%
FHA no ZIP	1583	472,625,038	
VA	53	19,456,590	
USDA	41	10,328,023	18%
Conventional with ZIP	747	250,884,657	
Conventional no ZIP	620	221,998,955	
LE Conventional with ZIP	714	196,642,456	
LE Conventional no ZIP	264	76,657,144	
<b>TOTAL</b>	<b>13061</b>	<b>4,074,420,971</b>	

# Where are our borrowers?

Top 10 Counties

