



Mid-Year Business Plan & Operating Budget Update

Fiscal Year 2022-23

Don Cavier

Chief Deputy Director

Ellen Martin

Director of Business Development and Stakeholder Relations

Kate Ferguson

Director of Multifamily Program

Rebecca Franklin

Director of Enterprise Risk Management and Compliance

SERVE PEOPLE

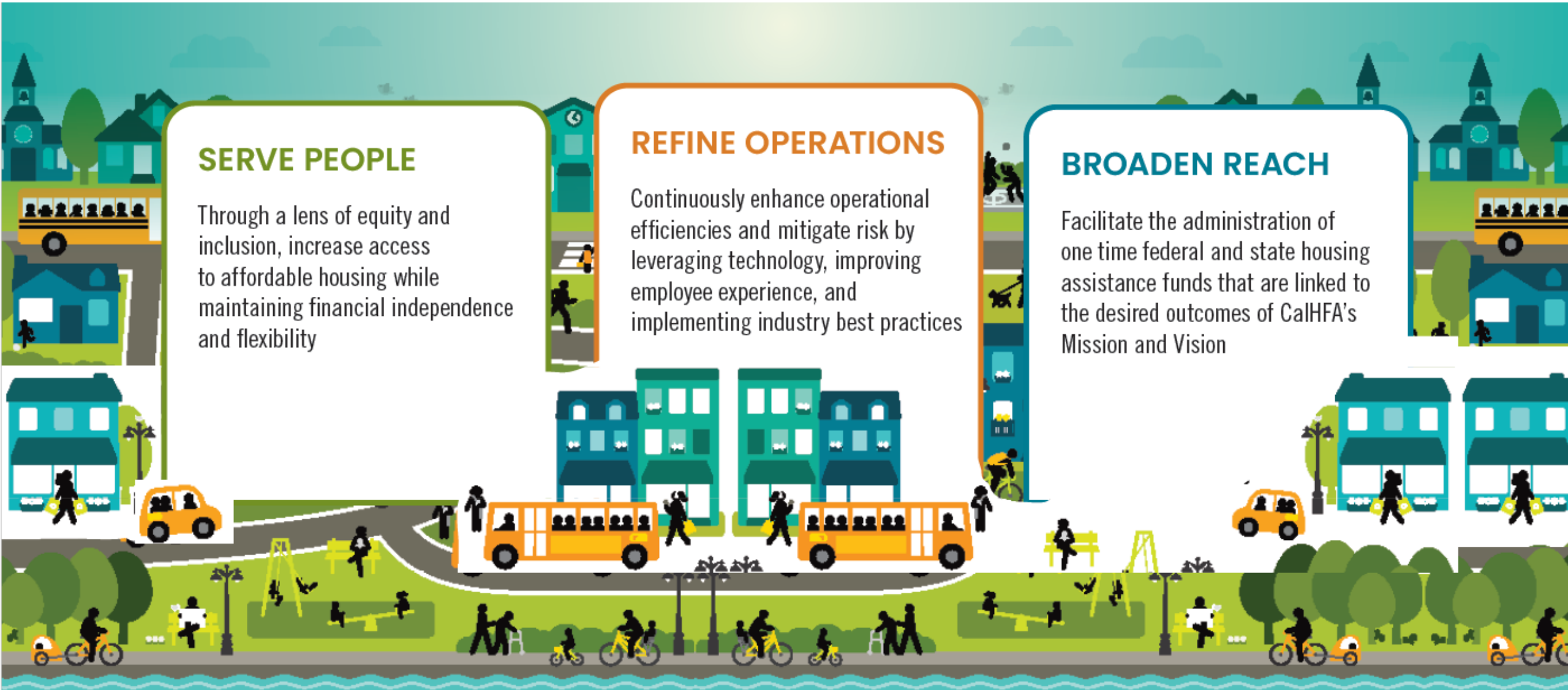
Through a lens of equity and inclusion, increase access to affordable housing while maintaining financial independence and flexibility

REFINE OPERATIONS

Continuously enhance operational efficiencies and mitigate risk by leveraging technology, improving employee experience, and implementing industry best practices

BROADEN REACH

Facilitate the administration of one time federal and state housing assistance funds that are linked to the desired outcomes of CalHFA's Mission and Vision



Key Accomplishments at Mid-Year



- Fully allocated \$88M for the Forgivable Equity Builder Loan program.
- Fully committed the \$100M for the Accessory Dwelling Unit grant.
- Preservation of \$251 million of tax-exempt bond volume cap.
- Established a new bond indenture for financing Multifamily transactions.
- Retained over \$80 million in MBS (FNMA/GNMA) at coupon rates of 6.5% and 7.0% generating significant investment income.
- CalHFA certifies as a Great Place to Work.
- Finalized and published the Agency's Racial Equity Action Plan.
- CalHFA started deploying the One Machine to staff and the process of refreshing the internal SharePoint site and workflows.
- Successfully recruited and filled key positions for Comptroller and Deputy Director of Multifamily Programs.
- Successfully established a Project Management Office (PMO) within ERM and hired the PMO Manager.
- NMS Counseling program hit an important milestone in serving over 50,000 households, with the majority below 80% AMI.



Key Accomplishments at Mid-Year



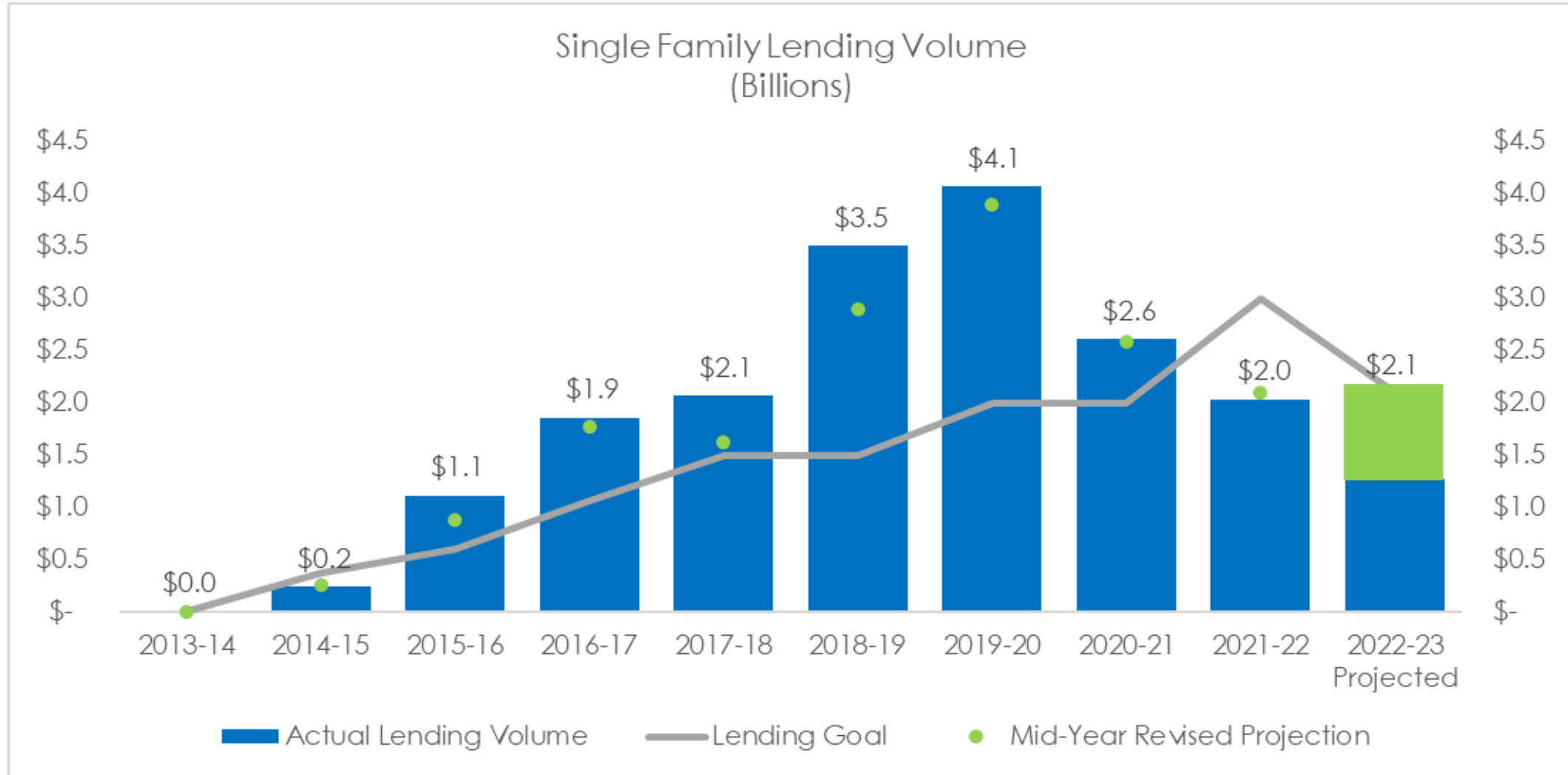
CalHFA was upgraded by S&P Global Ratings to “AA”

- Autonomy of the management team and independence from federal, gubernatorial, and legislative elections
- Comprehensive approach to new programs
- Multifamily Policies and Procedures
- Fiscal Policies and Procedures that resulted in a clean audit
- Adoption by the Board of Directors of financial policies that elevated the level of oversight for key areas
- Execution of the 2022 Swap Termination Initiative
- Hedging for higher interest rates in January 2022 through the Multifamily Lending Hedge Initiative

Dream For All

- Revolving, shared appreciation loan program
- Increase access to homeownership for low- and moderate-income
- Established initial program design parameters
- Conducted Public Listening Sessions and convened an advisory Working Group
- Developed term sheets, legal documents, consumer marketing, outreach strategy, and homebuyer education approach

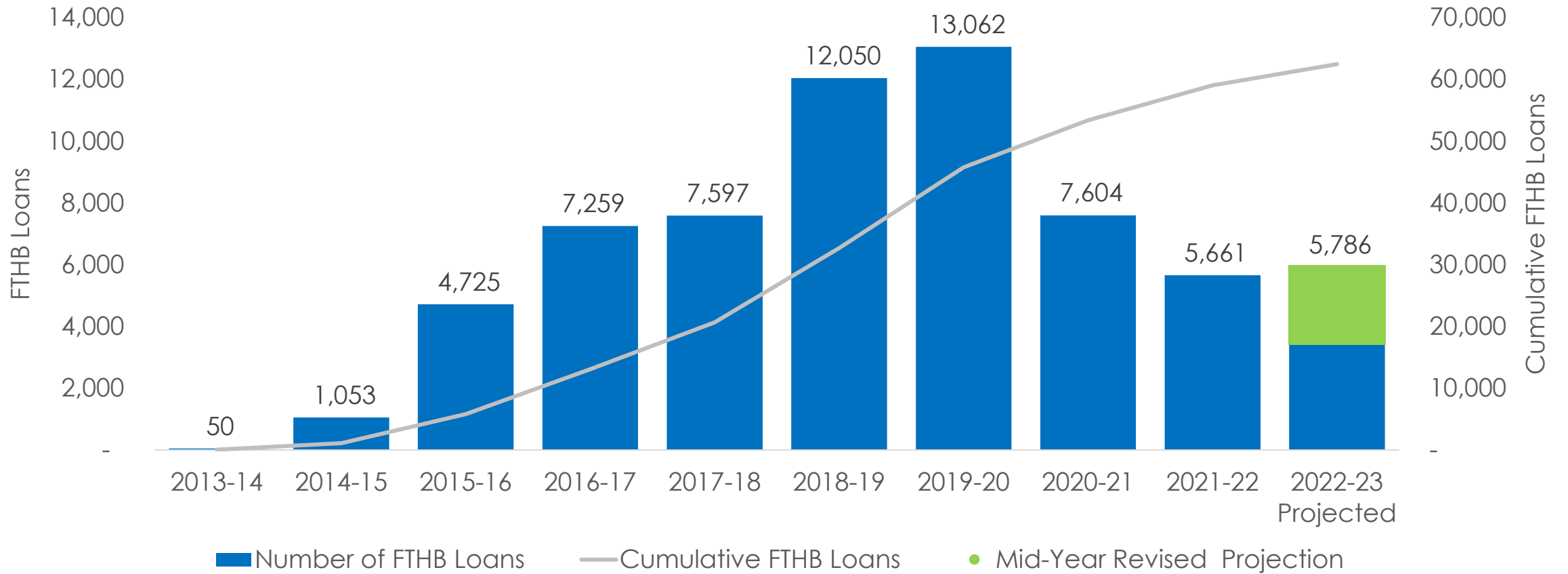
Single Family Lending Volume





Single Family - Number of First Time Homebuyers Served

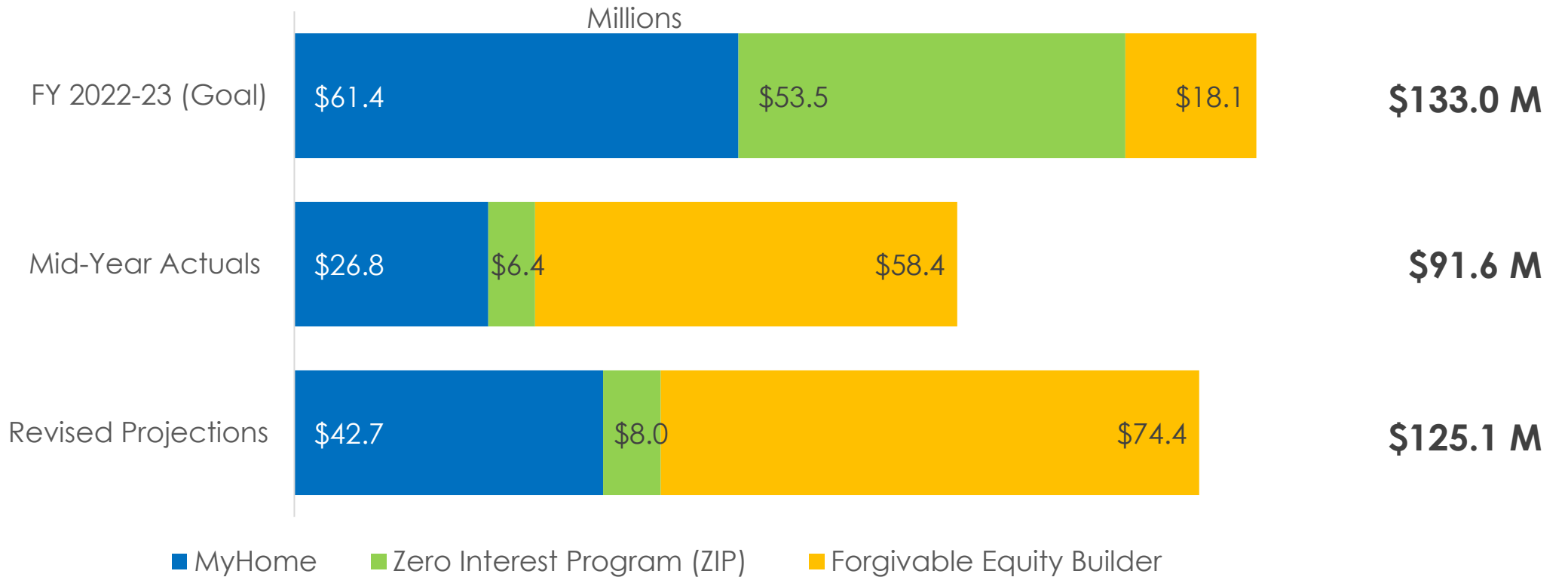
Number of First Time Homebuyers Served





Lending Volume

Single Family (Subordinate Lending Volume)

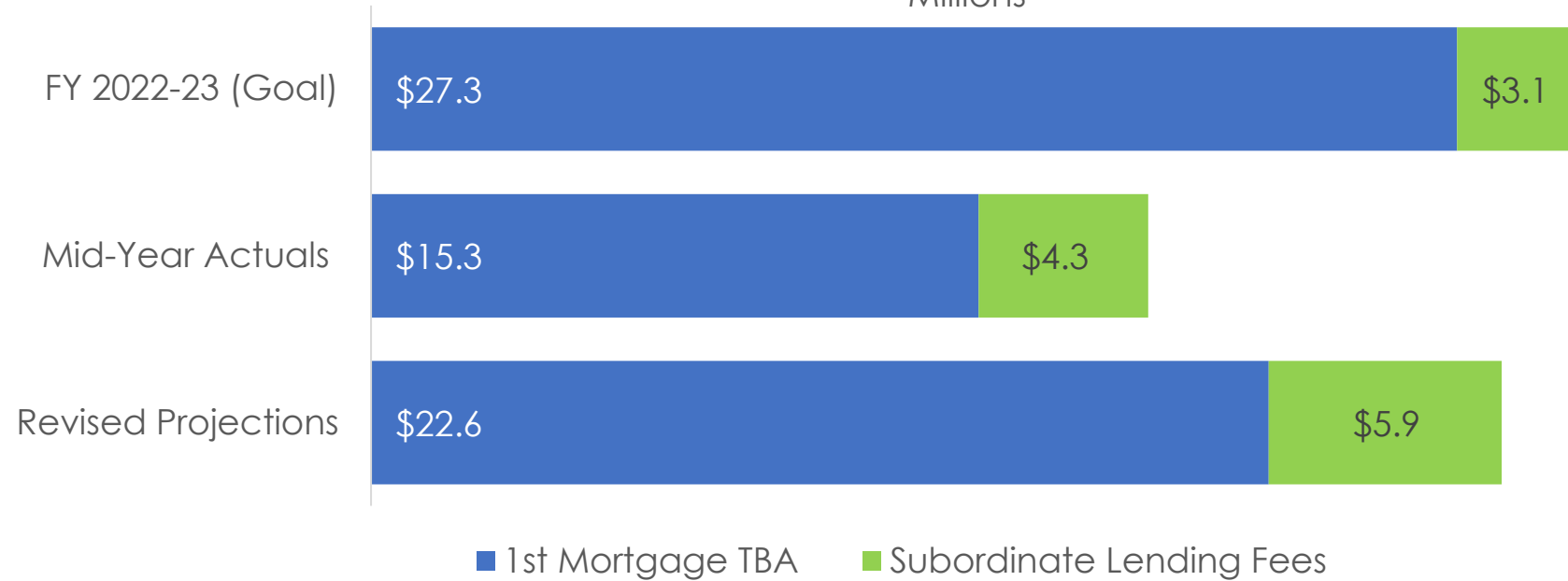




Single Family Revenues

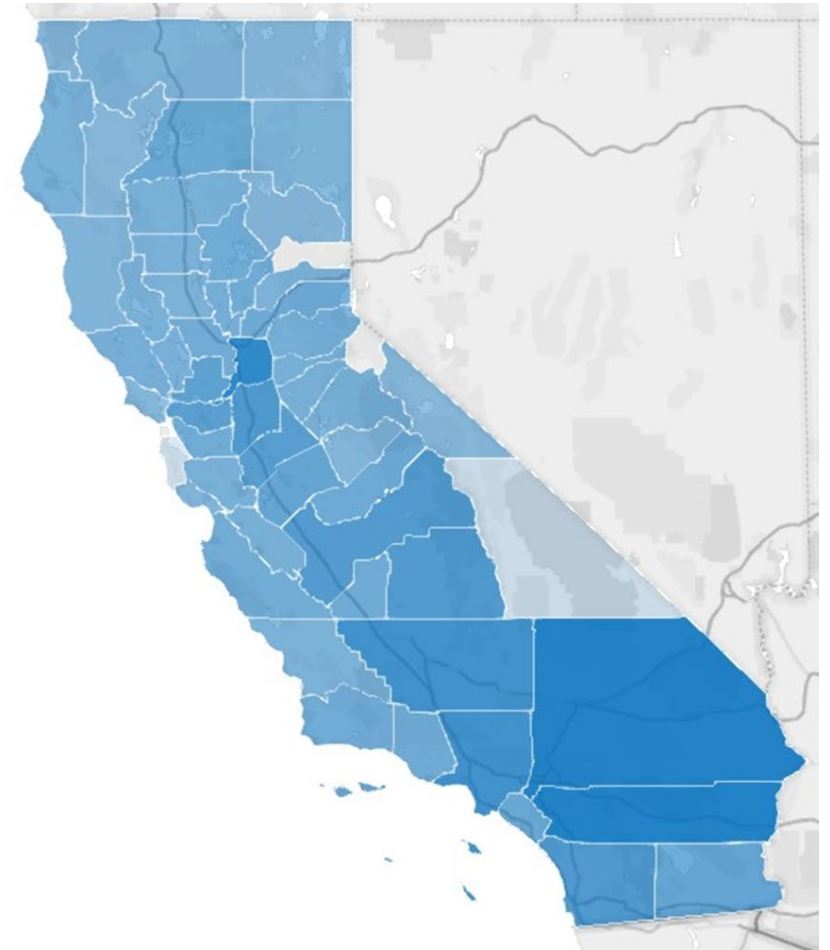
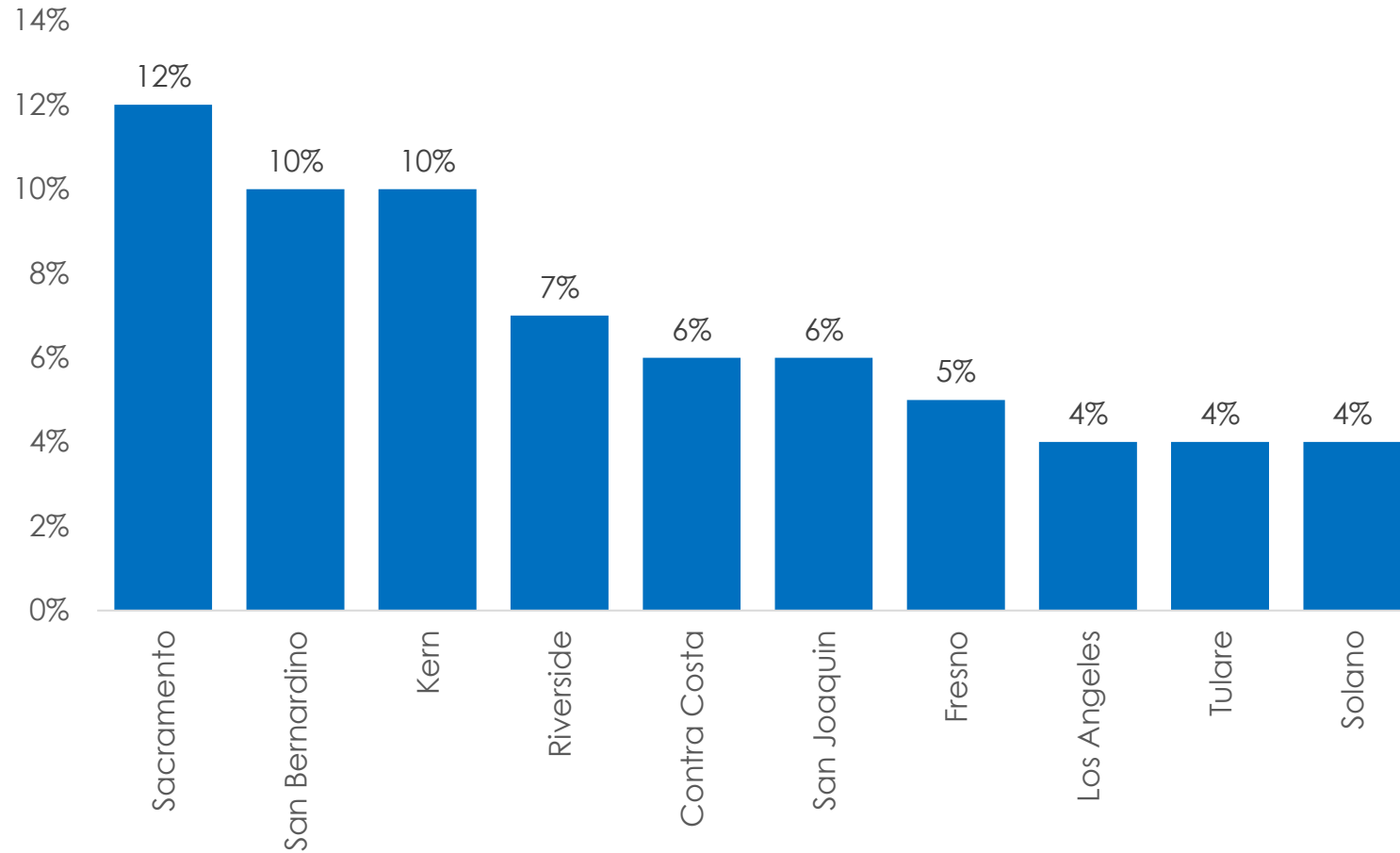
Single Family Lending (Net Revenues)

Millions



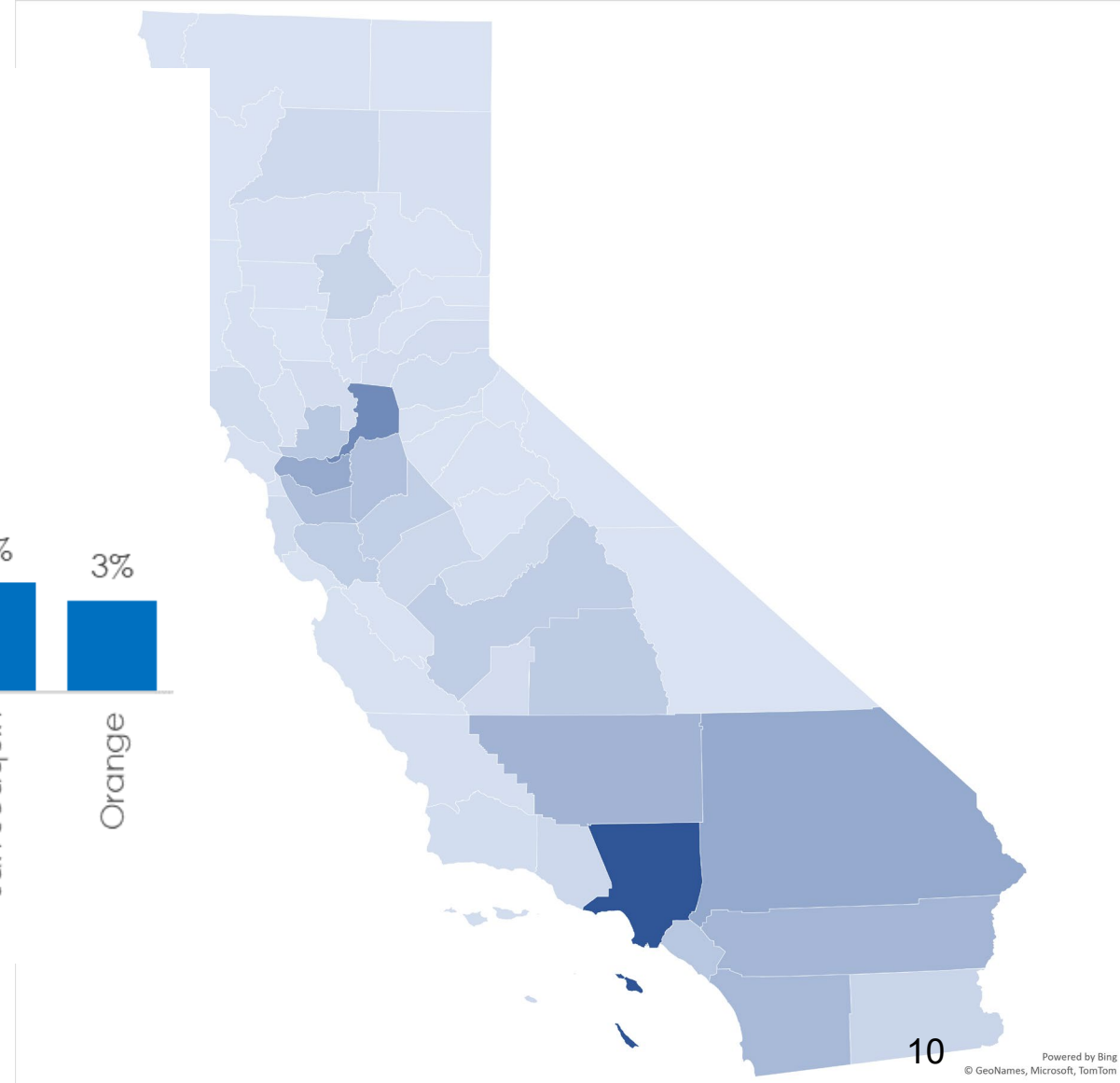
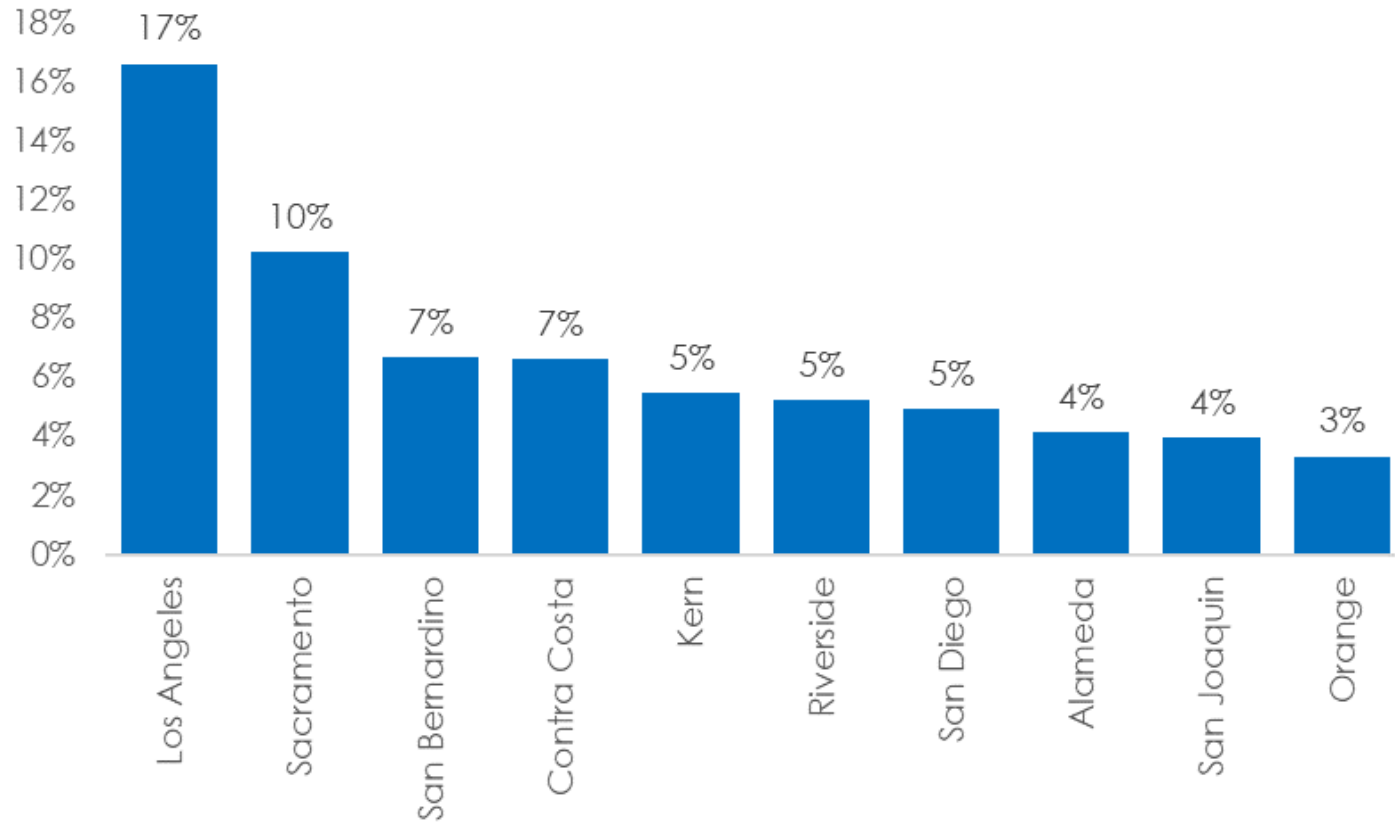
Where are our borrowers (excluding ADU)?

Top 10 Counties



Where are our borrowers (including ADU)?

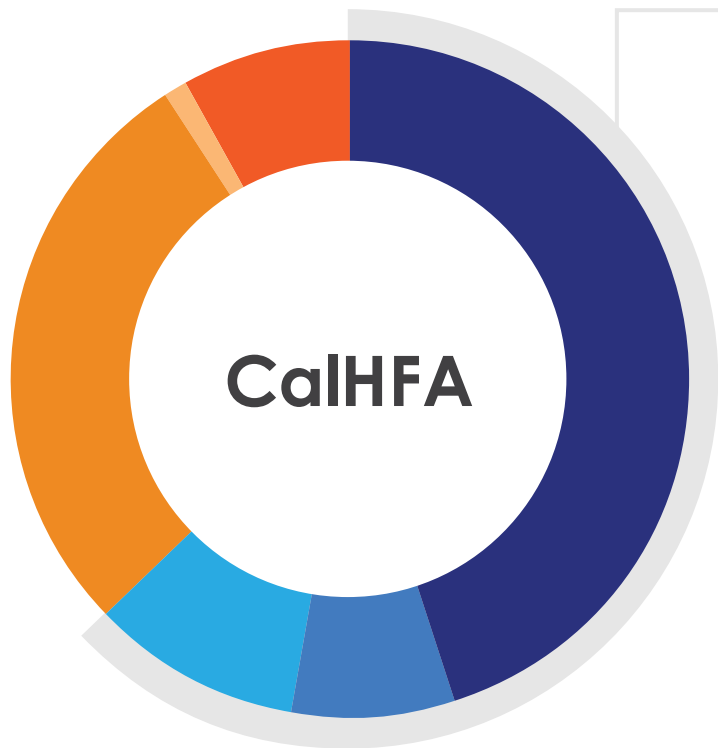
Top 10 Counties





Who are our borrowers?

63% of CalHFA Single Family loans went to Hispanic, African American, or Asian households



45% Hispanic/Latino

8% African American/Black

10% Asian

28% White

1% Other

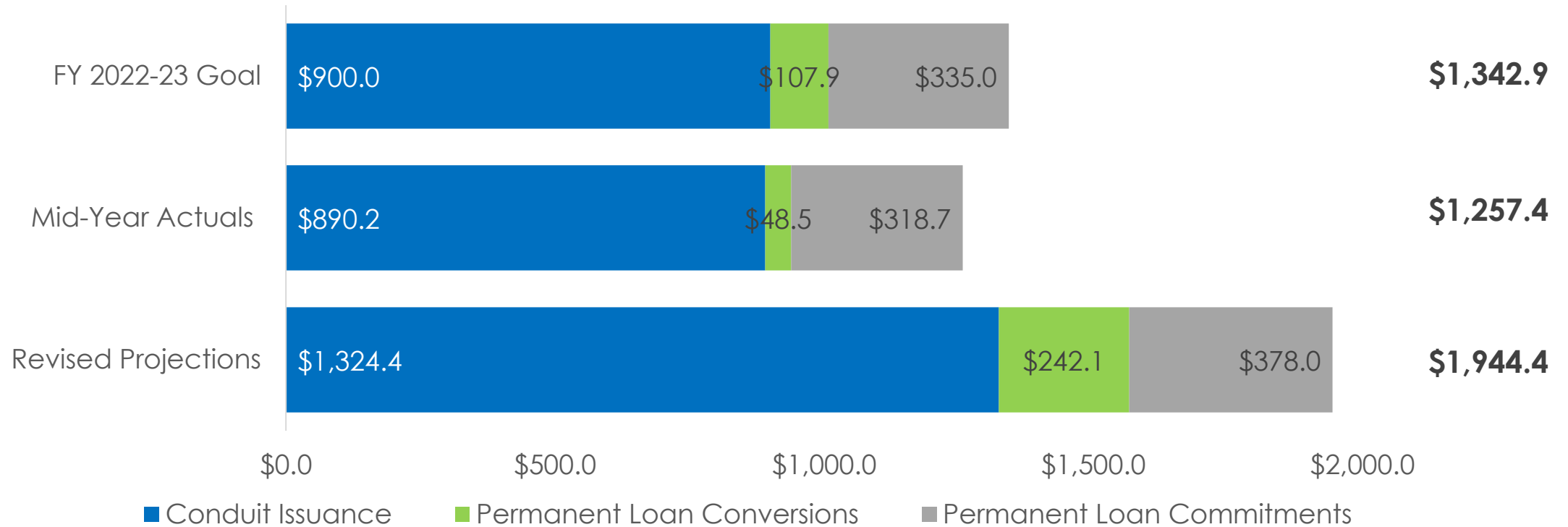
8% Unknown



Multifamily Lending Volume

Multifamily Lending Volume

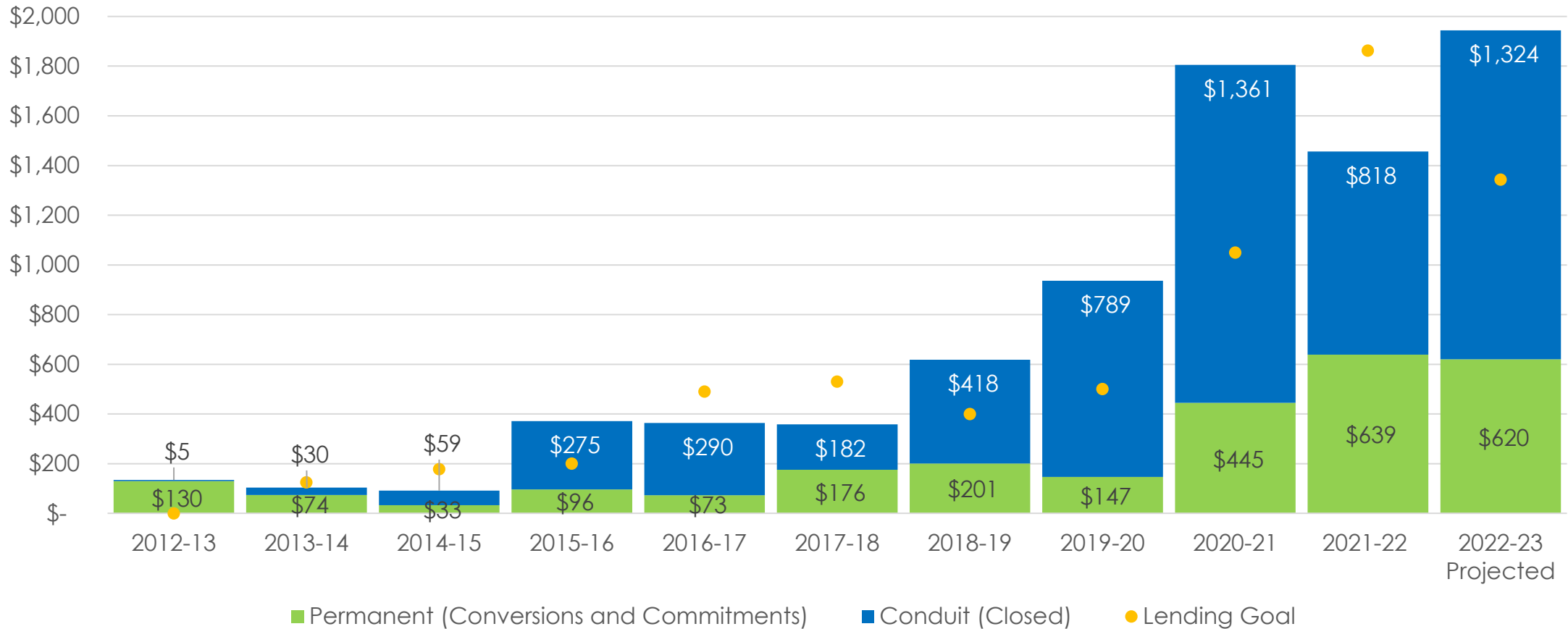
Millions





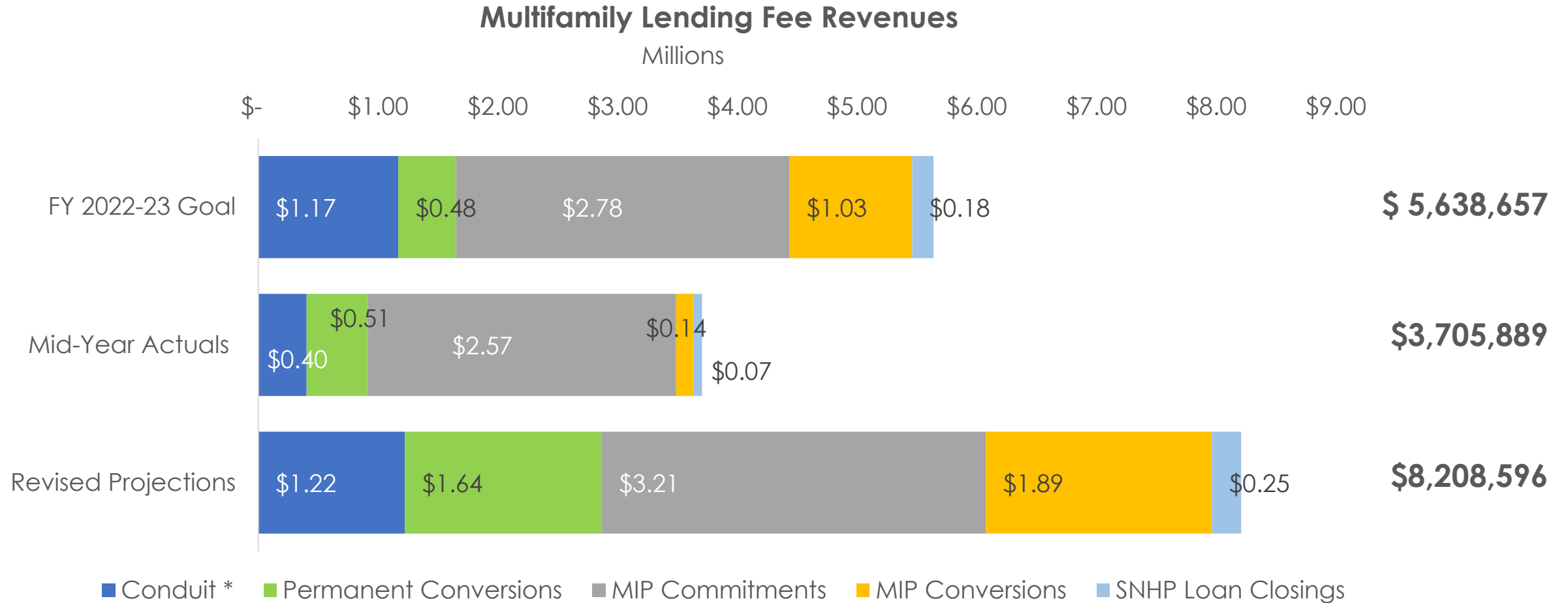
Multifamily Lending Activity

Multifamily Lending Activity
Lending Volume (Millions)





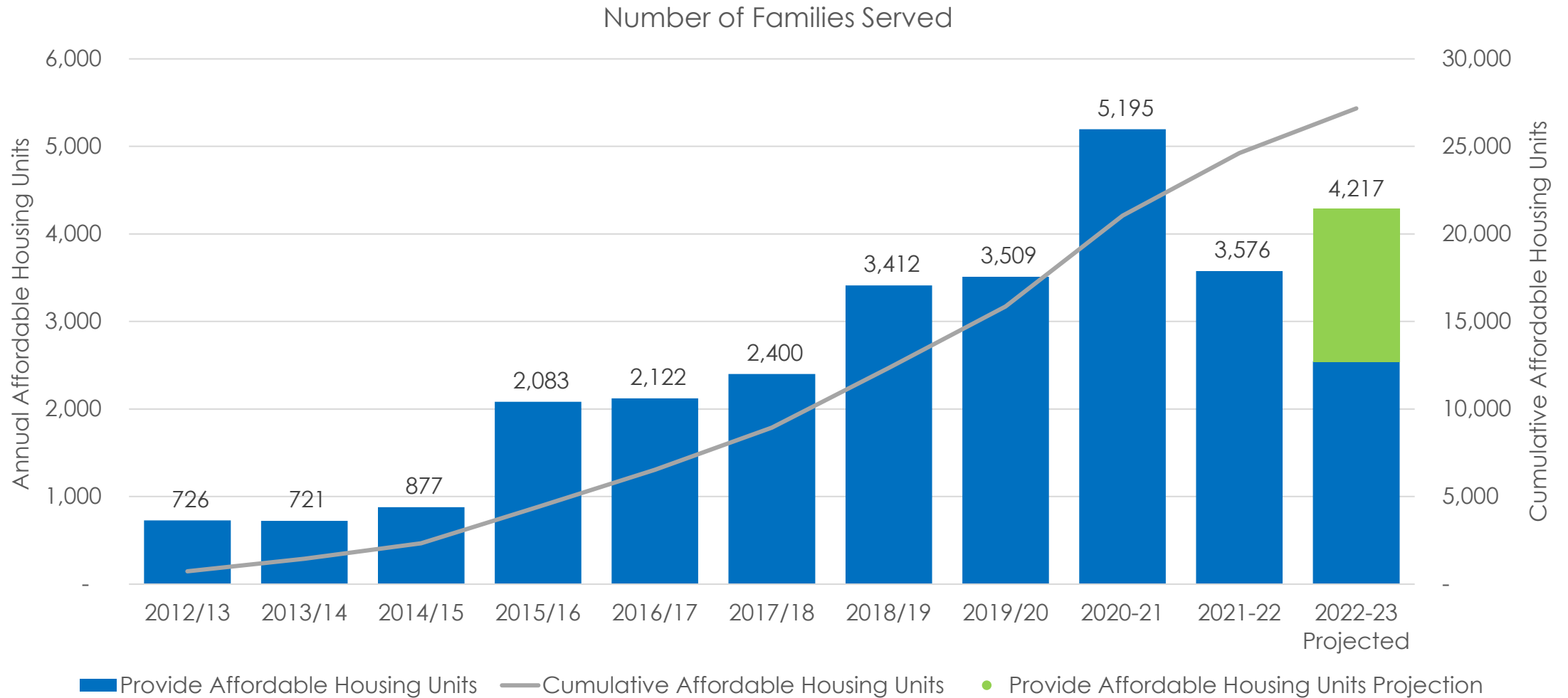
Multifamily Lending Fee Revenues



*** Revenue total for Tax-Exempt, Taxable, and Recycled Bonds issuances**



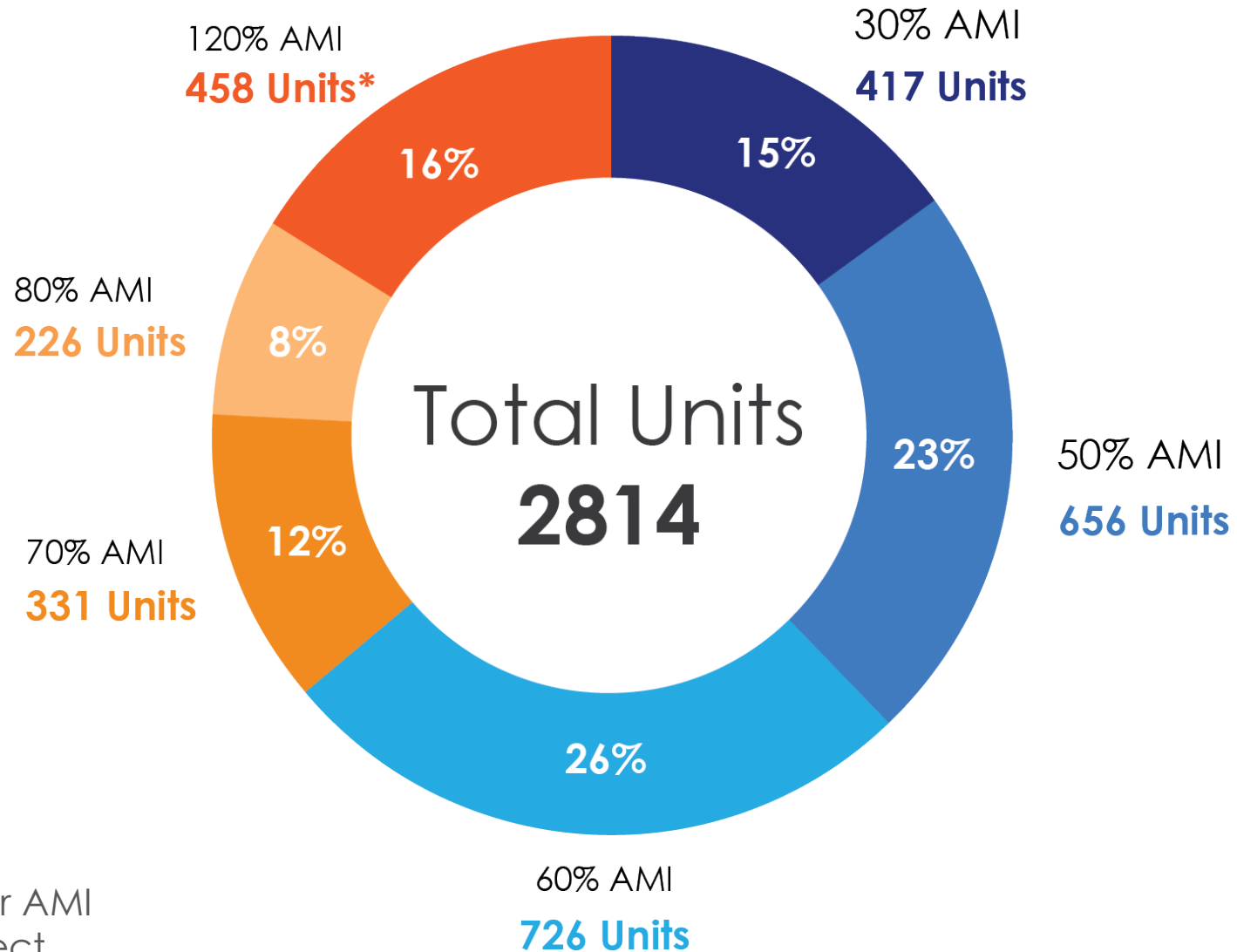
Multifamily Lending Activity



Unit Count Hierarchy for deals in multiple Programs: MIP, Perm, SNHP, Conduit



CalHFA Regulated Units

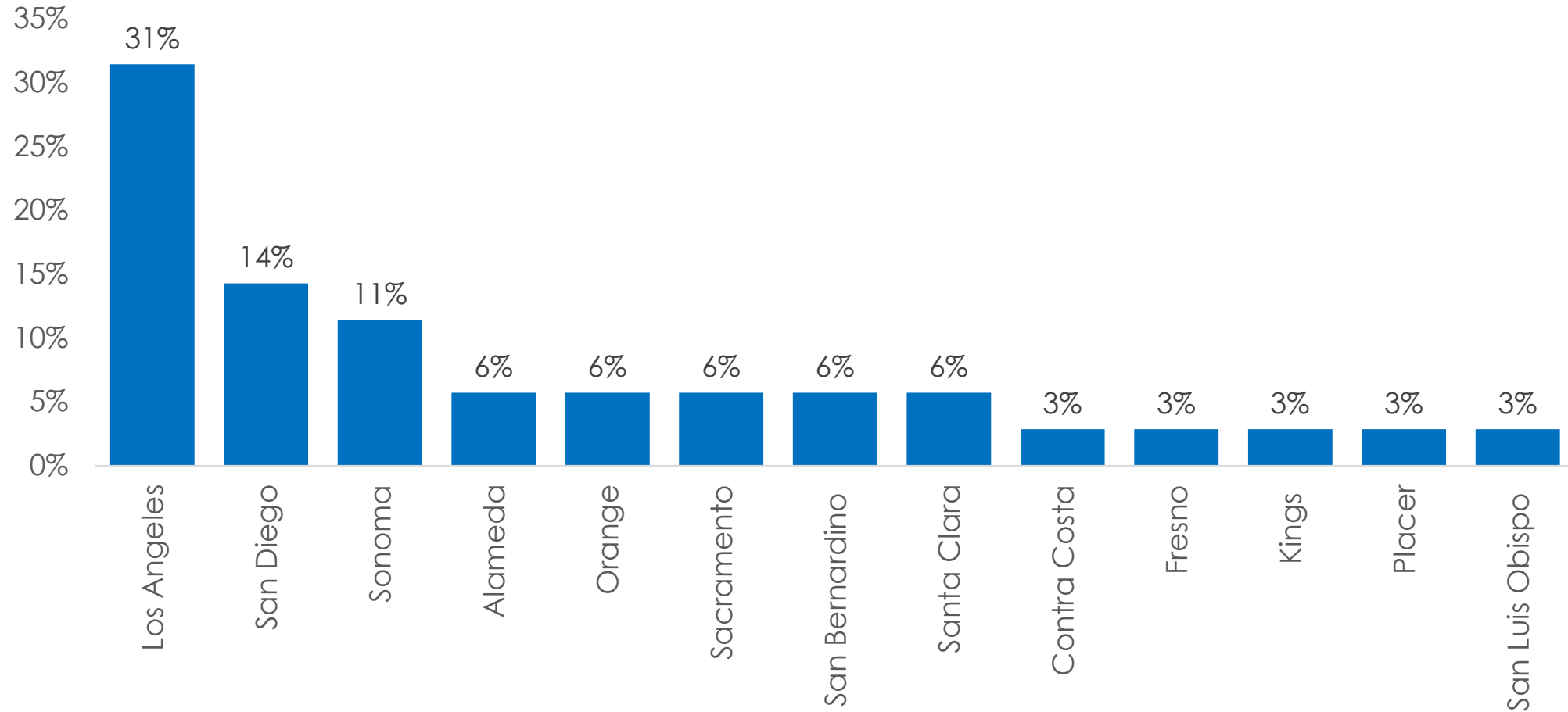


* May be regulated at a lower AMI by other financing in the project



Multifamily Counties Served

Multifamily Projects









FY 2023-26 Strategic Goals

GOAL 1 – LENDING IMPACT

Focus lending activities on broadening access to affordable housing opportunities for a diverse population.

GOAL 2: FINANCIAL SUSTAINABILITY

Leverage opportunities and create innovative products that ensure financial sustainability and continue to serve the affordable housing market.

GOAL 3 – TRUSTED ADVISOR

Affirm CalHFA as a trusted housing finance advisor that understands the needs of California's diverse communities.

GOAL 4 - OPERATIONAL EXCELLENCE

Invest in continuous improvement and cultivate an inclusive and highly qualified workforce.



Budget Update

Consolidated CalHFA Funds Operating Budget

(Dollars In Thousands)

	Budget Year 2022-23					
	Approved Budget	Mid-Year Budget	Mid-Year Actuals	Variance	Variance %	Projected 2022-23
RESOURCES						
Single Family Lending						
Lending Fees	\$ 27,300	\$ 13,650	\$ 15,273	1,623	11.9%	\$ 22,559
Interest Income	\$ 12,677	\$ 6,339	\$ 3,067	-3,272	-51.6%	\$ 5,521
Servicing Income	\$ 2,496	\$ 1,248	\$ 275	-973	-78.0%	\$ 550
Other Administrative Fees	\$ 4,095	\$ 2,048	\$ 7,691	5,644	275.6%	\$ 12,109
TOTALS, Single Family	\$ 46,568	\$ 23,284	\$ 26,306	\$ 3,022	13.0%	\$ 40,739
Multifamily Lending						
Lending Fees	\$ 5,639	\$ 2,820	\$ 3,707	888	31.5%	\$ 7,969
Interest Income	\$ 16,140	\$ 8,070	\$ 6,762	-1,308	-16.2%	\$ 13,500
Servicing Income	\$ 1,252	\$ 626	\$ 728	102	16.3%	\$ 1,354
Other Administrative Fees	\$ 5,015	\$ 2,508	\$ 5,365	2,858	114.0%	\$ 6,400
TOTALS, Multifamily	\$ 28,046	\$ 14,023	\$ 16,562	\$ 2,539	18.1%	\$ 29,223
TOTALS, RESOURCES	\$ 74,614	\$ 37,307	\$ 42,868	\$ 5,561	14.9%	\$ 69,962
OPERATING BUDGET						
Salaries and Wages	\$ 17,984	\$ 8,992	\$ 8,032	-960	-10.7%	\$ 16,500
Temp	\$ 392	\$ 196	\$ 126	-70	-35.7%	\$ 240
Benefits	\$ 9,810	\$ 4,905	\$ 4,439	-466	-9.5%	\$ 9,700
General Expense	\$ 903	\$ 452	\$ 243	-209	-46.2%	\$ 550
Communications	\$ 419	\$ 210	\$ 150	-60	-28.4%	\$ 320
Travel	\$ 456	\$ 228	\$ 93	-135	-59.2%	\$ 275
Training	\$ 223	\$ 112	\$ 17	-95	-84.8%	\$ 120
Facilities Operation	\$ 2,941	\$ 1,471	\$ 1,252	-219	-14.9%	\$ 2,940
Consulting & Professional Services	\$ 4,584	\$ 2,292	\$ 982	-1,310	-57.2%	\$ 3,000
Central Administrative Services (ProRata)	\$ 2,024	\$ 1,012	\$ 1,182	170	16.8%	\$ 2,024
Information Technology	\$ 2,089	\$ 1,045	\$ 577	-468	-44.8%	\$ 1,800
Equipment	\$ 155	\$ 78	\$ 1	-77	-98.7%	\$ 75
Strategic Project Contracts	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -
TOTALS, EXPENDITURES	\$ 41,980	\$ 20,990	\$ 17,094	\$ (3,896)	-18.6%	\$ 37,544
NET OPERATING INCOME	\$ 32,634	\$ 16,317	\$ 25,774	\$ 9,457	58.0%	\$ 32,418



Questions