AGENDA #8

STRATEGIC PLAN UPDATE

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FY 2024-25 STRATEGIC PLAN

STRATEGIC MEASURES – GOAL 1

LENDING IMPACT

Focus lending activities on broadening access to affordable housing opportunities for California's diverse population.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4
Increase Single Family first mortgage dollar lending volume and number of loans 5% by 2026.	**Volume** ≥ $1.550B $1.52B - $1.549B ≤ $1.51B				
	Loan Counts ≥ 3,971 loans 3,890 – 3,970 loans ≤ 3,889 loans				
Increase Multifamily dollar lending volume, unit production, and conduit issuer volume 5% by 2026.	**Conduit Issuer Volume** ≥ $1.194B $1.170B – $1.193B ≤ $1.169B				
	Volume ≥ $526M $515M – $525M ≤ $514M				
	Units ≥ 4,809 units 4,710 – 4,808 units ≤ 4,709 units				

FY 2024-25 STRATEGIC PLAN

GOAL 1 MEASURE – EXCEPTION REPORT

LENDING IMPACT

Focus lending activities on broadening access to affordable housing opportunities for California’s diverse population.

MEASURE	**Increase Multifamily dollar lending, unit production, and conduit issuer volume by 5% by 2026.**
DESIRED OUTCOME	$1.94B or more conduit issue volume in FY 2024-25.
CHALLENGES	**Final figure: $964,606,545** Due to current market conditions, many projects are experiencing closing delays. Ten projects that were scheduled to close in June 2025 have been delayed to Q1 FY 2025-26. The ten projects represent $885 million in conduit issuer volume, which would have exceeded the "On-Target" goal by more than $650 million, if the projects remained on their original schedule.

MITIGATION ACTIVITY	OWNER(S)	COMPLETION DATE
Active pipeline management, working with borrowers to manage and communicate target closing dates.	Director, Multifamily Program	Ongoing
The Weekly Multifamily Tracker will be kept up to date to communicate any closing date delays.	Director, Multifamily Program	Ongoing

FY 2024-25 STRATEGIC PLAN

GOAL 1 MEASURE – EXCEPTION REPORT

LENDING IMPACT

Focus lending activities on broadening access to affordable housing opportunities for California's diverse population.

MEASURE	**Increase Multifamily dollar lending, unit production, and conduit issuer volume by 5% by 2026.**
DESIRED OUTCOME	$526M or more volume (w/o conduit) in FY 2024-25.
CHALLENGES	**Final figure: $460,914,529** Ten delayed projects, plus three permanent conversion projects that were also delayed, represent $142 million in loan volume (w/o conduit), which would have exceeded the "On-Target" goal by nearly $80 million, if the projects remained on their original schedule. All thirteen projects are now scheduled to close in Q1 of FY 2025-26.

MITIGATION ACTIVITY	OWNER(S)	COMPLETION DATE
Active pipeline management, working with borrowers to manage and communicate target closing dates.	Director, Multifamily Program	Ongoing
The Weekly Multifamily Tracker will be kept up to date to communicate any closing date delays.	Director, Multifamily Program	Ongoing

FY 2024-25 STRATEGIC PLAN

GOAL 1 MEASURE – EXCEPTION REPORT

LENDING IMPACT

Focus lending activities on broadening access to affordable housing opportunities for California's diverse population.

MEASURE	**Increase Multifamily dollar lending, unit production, and conduit issuer volume by 5% by 2026.**
DESIRED OUTCOME	4,809 or more units in FY 2024-25.
CHALLENGES	**Final figure: 2,654 units** 1,842 units have been affected by the delay in the ten projects mentioned earlier which would have still been "Off-Target." This goal has been reported as "At-Risk" or "Off-Target" for multiple quarters now.

MITIGATION ACTIVITY	OWNER(S)	COMPLETION DATE
Active pipeline management, working with borrowers to manage and communicate target closing dates.	Director, Multifamily Program	Ongoing
The Weekly Multifamily Tracker will be kept up to date to communicate any closing date delays.	Director, Multifamily Program	Ongoing

FY 2024-25 STRATEGIC PLAN

STRATEGIC MEASURES – GOAL 2

FINANCIAL SUSTAINABILITY

Leverage opportunities and create innovative products that ensure CalHFA's financial sustainability and continued ability to serve the affordable housing market.

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4
Maintain risk-adjusted rate of return on restricted assets.	Green: ≥ 5.3% Yellow: 4.5% – 5.2% Red: ≤ 4.4%	Green	Green	Green	Green
Identify and implement new revenue generating strategies.	Green: Yes Yellow: No Red: None Planned	Green	Green	Green	Green
Grow the Agency's balance sheet, increasing total assets by 5% by 2026.	Green: ≥ \$2.75B Yellow: \$2.70B - \$2.74B Red: ≤ \$2.69B	Green	Green	Green	Green
Maintain financial liquidity with a minimum of 20% of net assets as short-term investments	Green: Yes Red: No	Green	Green	Green	Green

FY 2024-25 STRATEGIC PLAN

STRATEGIC MEASURES – GOAL 3

TRUSTED ADVISOR

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

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4
Increase public presence and publications 10% by 2026.	≥ 67 appearances 58 – 66 appearances ≤ 57 appearances				
Partner, fund, and/or participate in housing finance data analytics reports.	Yes No None Planned				
Receive industry recognition and/or awards for CalHFA specific programs.	2 awards 1 award 0 award				

FY 2024-25 STRATEGIC PLAN

STRATEGIC MEASURES – GOAL 4

OPERATIONAL EXCELLENCE

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

STRATEGIC MEASURES	TOLERANCES	Q1	Q2	Q3	Q4
Implement informed decision-making tools and processes.	■ Training in place and tools being used ■ Tools being used for <25% of processes ■ No training in place				
Increase Great Place to Work certification score 5% by 2026.	■ ≥ 71% ■ 70% ■ ≤ 69%				
Fill 80% of all key positions.	■ ≥ 80% ■ 75% – 79% ■ ≤ 74%				

FY 2024-25 STRATEGIC PLAN
STATUS UPDATE – Q4

OVERALL OBJECTIVES PERFORMANCE STATUS

12 STRATEGIC OBJECTIVES

92%	**0%**	**8%**
11 - On-Target	At-Risk	1 – Off-Target

HIGHLIGHTS

CalHFA's annual report, the Annual Financial Comprehensive Report (AFCR), and its more public-facing companion report, the Popular Annual Financial Report (PAFR), each earned awards for Outstanding Achievement from the Government Finance Officers Association. This is the eighth consecutive year that both have been recognized for effectiveness and transparency in financial reporting.

CalHFA secured two new financial partners (Royal Bank of Canada and US Bank) to provide the $300 million Lines of Credit necessary to administer the Agency's Bond Recycling Program, which provides additional bond financing for affordable housing outside of the state's annual volume cap.

CalAssist MORTGAGE FUND

CalHFA launched the CalAssist Mortgage Fund, which provides grants up to $20,000 for homeowners whose homes were destroyed or left uninhabitable by recent California disasters such as the January 2025 L.A. wildfires.

FY 2024–25 STRATEGIC PLAN
STATUS UPDATE – Q4

SINGLE FAMILY PRODUCTION UPDATE

Assisted
6,956
homebuyers

$63M
Revenue generated

$3.1B
First Mortgage lending volume activity

MULTIFAMILY PRODUCTION UPDATE

Assisted
2,654
affordable housing units

$5.4M
Revenue generated

$1.4B
Lending volume activity

FY 2024-25 STRATEGIC PLAN

OPERATING EXPENDITURES – Q4

Operating Revenue

$91.1M

Operating Expenses

$40.3M

Net Operating Revenue

$50.8M

FY 2024-25 STRATEGIC PLAN

OPERATING REVENUE AND EXPENDITURES

	FISCAL YEAR ENDING JUNE 30, 2025		
OPERATING REVENUE	**ACTUAL**	**BUDGET**	**VARIANCE**
SINGLE FAMILY LENDING			
Lending Fees	$41,364	$17,500	$23,864
Loan Servicing	853	360	493
Interest	7,330	6,098	1,232
Admin Fees	13,805	13,500	305
SUB-TOTAL SINGLE FAMILY	$63,352	$37,458	$25,894
MULTIFAMILY LENDING			
Lending Fees	$6,454	$8,344	($1,889)
Loan Servicing	1,509	1,458	51
Interest	13,252	12,531	721
Admin Fees	6,571	5,465	1,106
SUB-TOTAL MULTIFAMILY	$27,786	$27,798	($11)
	$91,138	**$65,256**	**$25,883**
OPERATING EXPENDITURES			
Salaries and Benefits	$28,141	$31,233	$3,093
Consulting & Professional Services	3,334	4,911	1,577
General Expense	625	778	153
Communications	247	422	175
Travel	384	390	5
Training	83	266	183
Facilities Operation	2,737	3,122	385
Central Administrative Services	2,295	2,329	34
Information Technology	2,052	2,406	354
Equipment	403	445	42
TOTAL	$40,301	$46,302	$6,001
NET OPERATING REVENUE	**$50,837**	**$18,954**	**$19,882**