



Guam Housing Corporation

Kotporasion Ginima' Guahan

Citizen-Centric Report

Fiscal Year 2023 (October 01, 2022 to September 30, 2023)

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ABOUT US

Guam Housing Corporation was created through Public Law 8-80 on August 21, 1965. Our mandate is to help individuals and families secure mortgage financing who cannot otherwise qualify as borrowers through conventional means. We are authorized to engage in housing activities including development of residential subdivisions and construction of housing for rental or resale. As part of our programs, GHC owns 124 houses in Dededo and 24 apartment units in Yigo providing rental opportunities for low to moderate income families.

EXECUTIVE

Patricia M.Q Kier

ADMINISTRATION

Cassandra Santos
Tina Tainatongo

RENTAL

John Potter
Diana Duenas

ACCOUNTING

Alysia Leon Guerrero
Robert Sabang
Mel Aldrian Baldoz
Christine Torres

LOAN

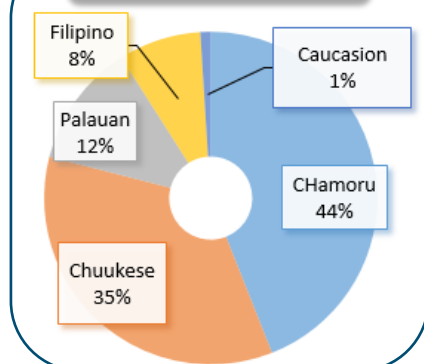
Mary Guerrero
Emily Flores
Susymae Santos
Linda Charfauros
Andrew Molo
Flora Cruz

MAINTENANCE

Randy Barcinas
Brian Asuncion
Edward Aguan
Albert Molo

DEMOGRAPHICS	FY 21	FY 22	FY 23	% CHANGE
# of employees	24	23	22	(4%)
# of loans at end of fiscal year	318	300	289	(4%)
# of rental units	148	148	148	0%
# of active tenants	95	89	100	12%
Average interest rate for first mortgage closed	4.50	4.60%	5.53%	20%

ACTIVE TENANT COMPOSITION



Guam Housing Corporation—Kotporasion Ginima' Guahan



<https://guamhousing.org>



patricia.kier@ghc.guam.gov



Edith C. Pangelinan
President



Angela M. Camacho
Manager

OUR MISSION:

To create and preserve sustainable communities through innovative financing and the development of affordable housing in our community.

OUR GOALS:

- Increase the number of first-time, low to moderate income families realizing their dream of homeownership.
- Secure lower interest rates, infrastructure needs, and pursue newer technologies in home construction.
- Pursue the research and planning of the development of affordable homes.

BOARD OF DIRECTORS:

Francisco Florig
Chairman

Tomas L.G. Flores
Vice-Chairman

Lanita B. Tiong
Secretary

Sandra F. Bordallo
Member

Mark A. Duarte
Member

Cecilia G. Mantanona
Member



Main Office: 590 South Marine Corps Drive, ITC Building Suite 514, Tamuning, Guam 96913 // Telephone: (671) 647-4143
Rental Office: #370 Lada Avenue, Lada Gardens Dededo, Guam 96929 // Telephone: (671) 632-5660

GHC LOAN PROGRAMS

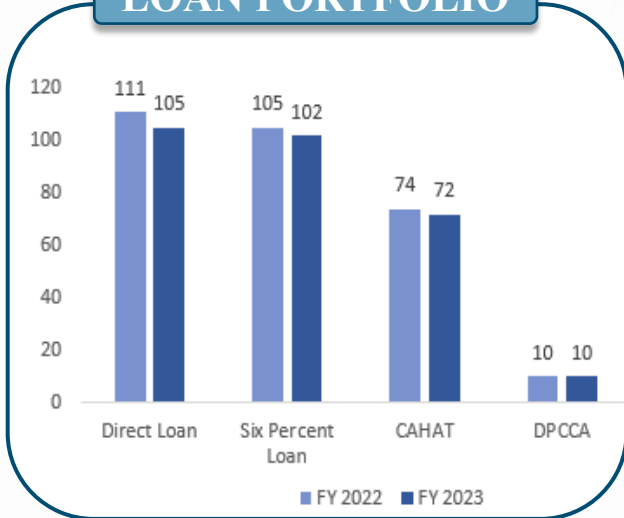
Regular Loan Program	The interest rate is the prevailing rate plus up to 2% for a term of up to 38 years.
Six Percent Program	The interest rate is no lower than 4% and no higher than 6% for a term up to 30 years.
Community Affordable Housing Action Trust (CAHAT) Program	An interest free rate on a second mortgage designed as a down payment assistance program for first-time homeowners for a term of up to 30 years.
First-Time Homeowner Assistance Program (FTHAP)	GHC is the Administrator of the FTHAP. Eligible recipients are provided a grant up to 4% of the total purchase price and/or construction cost of the home not to exceed \$420,000. The maximum grant is \$10,000. There are currently eleven (11) participating financial institutions, to include GHC. In fiscal year 2023, thirty-eight (38) families were awarded grants totaling \$365,899.

HOUSING MORTGAGE	FY 21	FY 22	FY 23	% CHANGE
# of mortgages processed	164	134	129	(4%)
# of mortgages approved	3	11	12	9%
# of mortgages closed	3	11	9	(18%)
# of FTHAP grants processed	48	74	58	(22%)
# of FTHAP grants approved	82	70	43	(39%)
# of FTHAP grants closed	71	69	38	(45%)
# of mortgage loan payoffs	25	30	20	(33%)
# of accounts resolved	2	6	1	(83%)
# of accounts foreclosed	0	1	0	(100%)
Mortgage delinquency rate	11%	13%	9%	(31%)



The GHC Loan Division took part in the Guam Association of Realtors Rise-Up Housing Empowerment Workshop at the Micronesia Mall. Educational material regarding the loan programs provided by GHC were passed out and Loan Division staff entertained inquiries from potential borrowers.

LOAN PORTFOLIO



RENTAL UNITS	FY 21	FY 22	FY 23	% CHANGE
# of applications processed	23	20	25	25%
# of evictions	3	2	5	150%
# of families placed on emergency housing	3	2	11	450%
# of units for major repairs	33	37	41	11%
# of maintenance work order requests	446	457	354	(23%)
# of delinquent accounts	58	50	57	14%
Vacancy Rate	29%	38%	38%	0%
Rental delinquency	9%	9%	7%	(22%)

Processed: Applications have been reviewed for eligibility.

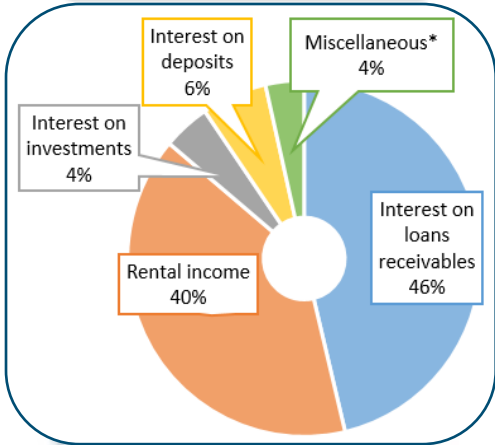
Approved: Applications that have been determined eligible, approved, and funds committed.

Closed: Documents that were completed, signed and funds disbursed.

What would you like to see reported on this page?

Please let us know by contacting Patricia Kier at patricia.kier@ghc.guam.gov.

REVENUES



Non-Operating revenues decreased by 66% mainly from:

The decrease in escheated funds in FY 2023. These funds were received from the Department of Administration.

	FY 21	FY 22	FY 23	% CHANGE
OPERATING REVENUES				
Interest on loans receivables	\$1,251,958	\$1,190,789	\$1,128,894	(5%)
Rental Income	974,814	821,831	973,044	18%
Interest on investments	3,070	0	105,356	-
Interest on deposits	2,689	16,694	145,960	774%
Gain on sale of foreclosed asset	80,297	0	0	-
Miscellaneous*	164,050	219,348	86,110	(61%)
Total Operating Revenues	\$2,476,878	\$2,248,662	\$2,439,364	8%
NON-OPERATING REVENUES				
		813,096	277,939	(66%)

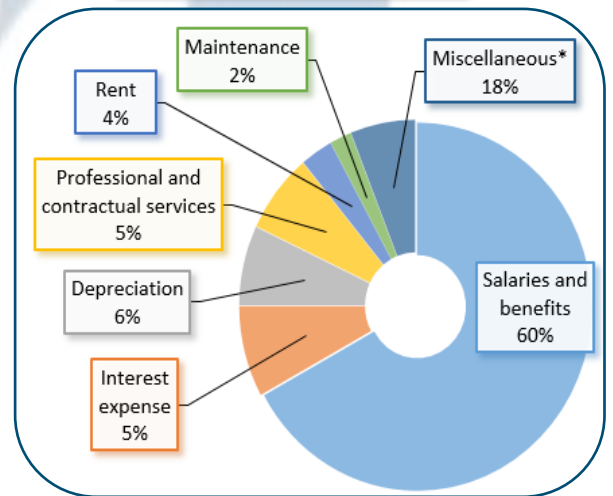
Total operating revenues increased by 8% mainly from:

- Rental income. The increase is due to the completion of major renovations for 23 units in March 2023.
- Interest on investment held by bond trustee. The rebate liability decreased in FY 2023.
- Interest on bank deposits. Interest rates for time certificate of deposits increased.

* Miscellaneous revenues include late fees, administrative fees, and other revenues.

	FY 21	FY 22 (Restated)	FY 23	% CHANGE
Salaries and benefits	\$1,767,395	\$1,551,688	\$1,774,803	14%
Interest expense	181,530	169,793	156,089	(8%)
Depreciation	149,584	150,733	190,057	26%
Professional and contractual services	187,886	169,136	143,820	(15%)
Office Rent	105,054	69,312	115,028	66%
Maintenance	37,348	48,049	50,018	4%
Retiree supplemental and benefits	(473,405)	(480,425)	(574,895)	20%
Miscellaneous*	87,960	847,189	518,359	(39%)
Total Expenses	\$2,043,352	\$2,525,475	\$2,373,279	(6%)

EXPENSES



Total operating expenses decreased by 6% mainly from:

- Other expenses. The number of FTHAP grants disbursed decreased due to the decrease in escheated funds received in FY 2023.
- Retiree supplemental, COLA and health benefits. The other post employment benefits liability decreased in FY 2023.

*Miscellaneous expenses include FTHAP grant disbursements, administrative expenses, loss on investment held by bond trust, amortization of right-of-use assets, equipment expendables, supplies, utilities, advertisements, emergency housing and other expenses.



CHALLENGES

AFFORDABLE HOUSING INVENTORY

There is a slew of reasons that affordable housing continues to be a challenge for applicants looking to purchase their first home. The rising cost of building materials, the shortage of skilled labor, and competition with military contracts all contribute to the scarcity of contractors willing to enter into contract to build attainable single family homes. Furthermore, the prices of homes on the market continue to increase. This coupled with higher interest rates have effectively priced many first-time homebuyers out of the turn-key purchase market.

RENTAL HOUSING MARKET

The availability of affordable rental units is an ongoing challenge for renters in the Guam market. Competition with the higher rents paid by the Military market in Guam have been identified as a contributing factor in the rise of market rental rates. Increases in the inventory of affordable rental units are needed to help address the obstacles of low to moderate income families face when trying to secure affordable rental housing.

RENOVATION FUNDING

While funds have been identified for Phase II renovations of Lada Gardens, Dededo rental units, the 24-unit apartment buildings at Guma As-Atdas, Yigo are also in need of complete renovation. GHC is challenged with securing the estimated \$2,600,000.00 in additional funding needed to begin and complete that renovation.

OUTLOOK

The following are upcoming projects and events for fiscal year 2024:

- Announce the Invitation for Bid and break ground for Phase II of the Lada Gardens Renovation Project which will encompass an additional 18 rental units undergoing major renovations.
- Begin the installation of typhoon shutters on Phase I and Phase II renovated rental units upon funding award through the Department of Homeland Security/Office of Civil Defense hazard mitigation grant.
- Enter into a Memorandum of Agreement with the Guam Department of Education for the lease of GHC owned property in Yigo for the construction of a temporary Simon Sanchez High School campus.
- Membership on the Attaining Housing Commission established through Executive Order No. 2024-02 which is tasked to make recommendations to the Governor of Guam regarding existing statutes and administrative rules, measures to mitigate and reduce potential nitrate pollution, measures to address high interest rates, measures to address the skilled labor shortage, and the development of potential consumer protection legislation. They are further tasked to gather input on specific housing issues from stakeholders, and to develop actionable recommendations focused on addressing Guam's housing needs.



GHC management and employees attended the annual Government of Guam Labor Day Picnic at the Governor Joseph Flores Beach Park.



GHC Staff participated in a day long assessment of the condition of GHC rental units in Lada Gardens and Sagan Linahan, Dededo and Guma As-Atdas in Yigo after the passage of Super Typhoon Mawar.



GHC Summer interns were awarded Certificates of Appreciation for their participation in the Governor's Summer Youth Employment Program.

We want to hear from you. Do you have any suggestions on how we can improve our report?
Please let us know by contacting Patricia Kier at patricia.kier@ghc.guam.gov.



Alysia Leon Guerrero <alysia.leonguerrero@ghc.guam.gov>

Guam Housing Corporation's FY 2023 CCR

3 messages

Alysia Leon Guerrero <alysia.leonguerrero@ghc.guam.gov>

Wed, Jul 17, 2024 at 12:16 PM

To: Benjamin Cruz <bjcruz@guamopa.com>, "speaker@guamlegislature.org" <speaker@guamlegislature.org>

Cc: Jerrick Hernandez <jhernandez@guamopa.com>, Frederick Jones <fjones@guamopa.com>, Edith Pangelinan

<edith.pangelinan@ghc.guam.gov>, Patricia Kier <patricia.kier@ghc.guam.gov>, Mel Baldoz <mel.baldoz@ghc.guam.gov>, Sheena

Miranda <sheena.miranda@ghc.guam.gov>

Honorable Benjamin J. F. Cruz,
Public Auditor
Office of the Public Auditor
Suite 401, DNA Bldg.
238 Archbishop Flores Street
Hagåtña, Guam 96910

Honorable Therese M. Terlaje
Speaker of the 37th Guam Legislature
163 Chalan Santo Papa
Hagåtña, Guam 96910

Pursuant to title 1 Guam Code Annotated, Chapter 19 subsection 1922(a), attached herewith is Guam Housing Corporation's FY 2023 Citizen-Centric Report.

Should you have any questions or concerns, please do not hesitate to contact me at the numbers listed below.

Sincerely,

Alysia I. Leon Guerrero
Controller
Guam Housing Corporation
Tel (671) 647-4143 ext. 130
Fax (671) 649-4144

 **Citizen-Centric Report FY2023.pdf**
2580K

Benjamin Cruz <bjcruz@guamopa.com>

Wed, Jul 17, 2024 at 1:48 PM

To: Alysia Leon Guerrero <alysia.leonguerrero@ghc.guam.gov>

Receipt acknowledged

Benjamin J. F. Cruz

Public Auditor

Office of Public Accountability – Guam

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Speaker Therese M. Terlaje <speaker@guamlegislature.org>
To: Alysia Leon Guerrero <alysia.leonguerrero@ghc.guam.gov>

Wed, Jul 17, 2024 at 7:19 PM

Håfa adai,

This confirms receipt of your email and the attached FY 2023 Citizen-Centric Report.

Si Yu'os ma'åse',
Patsy Cruz
Office Manager



Office of Speaker Therese M. Terlaje
Committee on Health, Land, Justice, and Culture
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Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910
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On Wed, Jul 17, 2024 at 12:17 PM Alysia Leon Guerrero <alysia.leonguerrero@ghc.guam.gov> wrote:
[Quoted text hidden]