

# GUAM HOUSING CORPORATION



## Kotporasion Ginima' Guahan Citizen-Centric Report

Fiscal Year 2024 (October 01, 2023 to September 30, 2024)



### 1. ABOUT US

### 2. PERFORMANCE

### 3. FINANCES

### 4. CHALLENGES



**Edith C. Pangelinan**  
*President*

#### BOARD OF DIRECTORS

- Francisco A. Florig**  
*Chairman*
- Sandra F. Bordallo**  
*Vice-Chairwoman*
- Lanita B. Tiong**  
*Secretary*
- Romeo A. Angel**  
*Member*
- Mark A. Duarte**  
*Member*
- Lillian O. Guerrero**  
*Member*
- Gustavo A. Morales**  
*Member*

#### EXECUTIVE

**Patricia M.Q. Kier**

#### RENTAL

**John Potter**  
**Diana Duenas**  
**Johana Taimanglo-Valenzuela**

#### MAINTENANCE

**Randy Barcinas**  
**Brian Asuncion**  
**Edward Aguon**  
**Albert Molo**

### ABOUT US

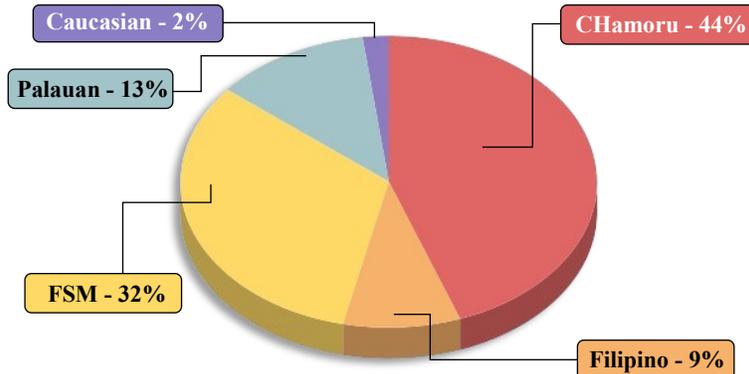
Guam Housing Corporation was created through Public Law 8-80 on August 21, 1965. Our mandate is to help individuals and families secure mortgage financing who cannot otherwise qualify as borrowers through conventional means. We are authorized to engage in housing activities including development of residential 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.

### MISSION STATEMENT

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

DEMOGRAPHICS	FY 22	FY 23	FY 24	% CHANGE
# of employees	23	22	23	5%
# of loans at end of fiscal year	300	289	296	2%
# of rental units	148	148	148	0%
# of active tenants	89	100	99	(1%)
Average interest rate for first mortgage closed	4.60%	5.53%	5.71%	3%

### ACTIVE TENANT COMPOSITION



CLICK THESE ICONS!



**Angela M. Camacho**  
*Manager*

### 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.

### ACCOUNTING

**Alysia Leon Guerrero**  
**Robert Sabang**  
**Mel Aldrian Baldoz**  
**Sheena Miranda**  
**Christine Torres**

### LOAN

**Mary Guerrero**  
**Emily Flores**  
**SusyMae Santos**  
**Linda Charfauros**  
**Andrew Molo**  
**Flora Cruz**

### ADMIN

**Cassandra Santos**  
**Athena Tenorio**

## LOAN PROGRAMS

### Regular Loan Program

The interest rate is the prevailing rate plus up to 2% to a maximum of 6% 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 38 years.

### Home Improvement Loan Program

The interest rate is at 5% for a term not to exceed 20 years.

### Community Affordable Housing Action Trust (CAHAT) Program

An interest free second mortgage designed as a down payment assistance program for first-time homeowners for a term of up to 30 years.

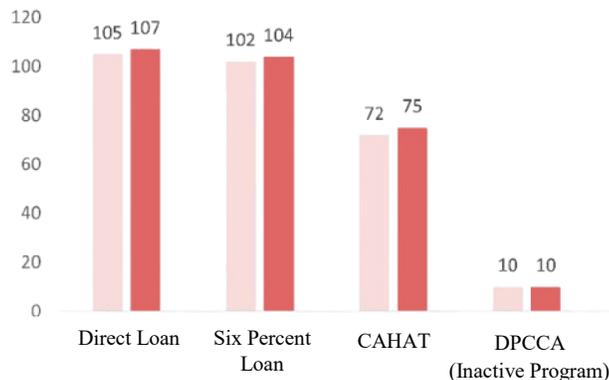
### First-Time Homeowner Assistance Program (FTHAP)

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 twelve (12) participating financial institutions, to include GHC. In fiscal year 2024, fifty-nine (59) families were awarded grants totaling \$565,688.

**NEED DETAILS? CLICK THE CLIPBOARD TO SEE THE REQUIREMENTS FOR EACH LOAN PROGRAM!**



## LOAN PORTFOLIO



HOUSING MORTGAGE	FY 22	FY 23	FY 24	% CHANGE
# of mortgages processed	134	129	98	(24%)
# of mortgages approved	11	12	11	(8%)
# of mortgages closed	11	9	13	44%
# of FTHAP grants processed	74	58	54	(7%)
# of FTHAP grants approved	70	43	39	(9%)
# of FTHAP grants closed	69	38	59	55%
# of mortgage loan payoffs	30	20	6	(70%)
# of accounts resolved	6	1	5	400%
# of accounts foreclosed	1	0	0	0%
Mortgage delinquency rate	13%	9%	8%	(11%)

**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.



The GHC Loan Division shared information regarding the various loan programs in partnership with the Guam Contractors Association during the 2024 GCA Industry Trade Fair and Expo.

RENTAL UNITS	FY 22	FY 23	FY 24	% CHANGE
# of applications processed	20	25	36	44%
# of evictions	2	5	7	40%
# of families placed in emergency housing	2	11	4	(64%)
# of units for major repairs	37	41	41	0%
# of maintenance work order requests	457	354	376	6%
# of delinquent accounts	50	57	40	(30%)
Vacancy Rate	38%	38%	29%	(24%)
Rental Delinquency	9%	7%	3%	(57%)

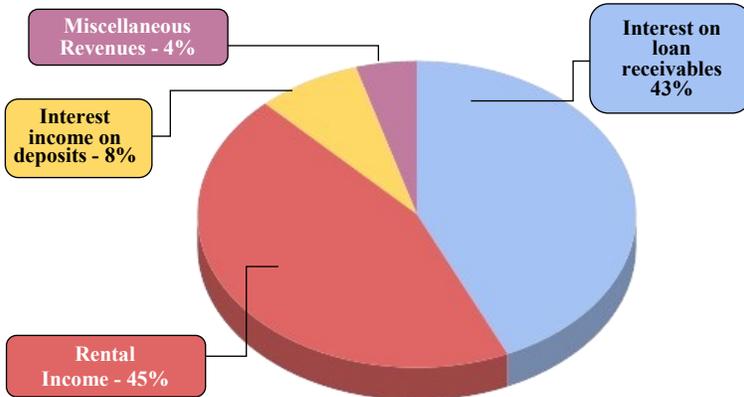
What would you like to see reported on this page?

Please let us know by contacting Patricia Kier at [patricia.kier@ghc.guam.gov](mailto:patricia.kier@ghc.guam.gov).

## REVENUES

	FY 22	FY 23	FY 24	% CHANGE
<b>OPERATING REVENUES</b>				
Interest on loan receivables	\$1,190,789	\$1,128,894	\$1,151,012	2%
Rental Income	821,831	973,044	1,188,358	22%
Interest income on deposits	16,694	145,960	204,388	40%
Miscellaneous	219,348	86,110	119,740	39%
Interest on investments	0	105,356	0	(100%)
<b>TOTAL</b>	<b>\$2,248,662</b>	<b>\$2,439,364</b>	<b>\$2,663,498</b>	<b>9%</b>
<b>NON OPERATING REVENUES</b>				
Transfer from Department of Administration	813,096	277,939	412,305	48%

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



Non-operating revenues increased by \$134K.

This increase is attributed to the receipt of \$500K in ARPA funds in FY 2024.

Operating revenues experienced a 9% increase, primarily attributed to the following factors:

\* **Rental Income** - This increase resulted from the completion of renovations for 23 units in March 2023.

\* **Interest income on bank deposits** - Higher interest rates on time certificates of deposit contributed to this increase.

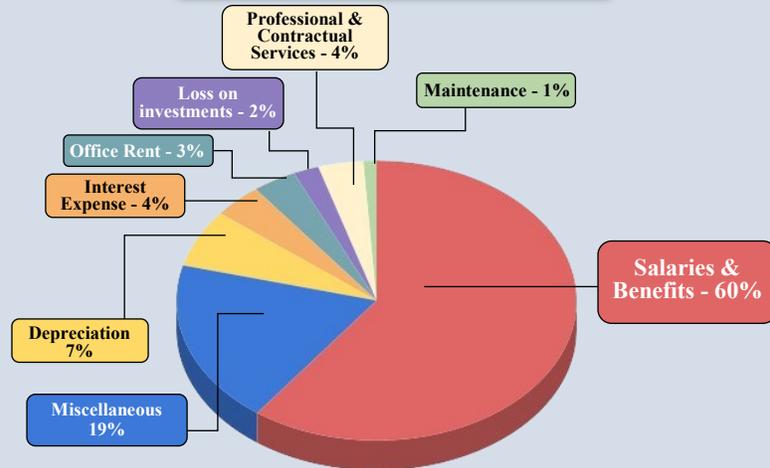
\* **Miscellaneous Revenues** - The disbursement of ARPA funds for the Lada renovations in FY 2024 accounted for this rise.

\* **Interest on Loan Receivables** - Growth in the interest-bearing loan portfolio lead to this increase.



**CLICK TO SEE FINANCIAL STATEMENTS!**

## EXPENSES



Operating expenses increased by 48% mainly due to:

\* **Retiree Supplemental & Health Benefits** - The other postemployment benefits adjustment decreased by \$771K and \$301K in fiscal years 2023 and 2024, respectively.

\* **Miscellaneous** - A greater number of FTHAP grants were disbursed in FY 2024.

\* **Salaries & Benefits:** A 22% salary adjustment for employees on the general pay plan in April 2023, the addition of one employee, increments in FY 2024 and the overall pension adjustments resulted in increased expenses during FY 2024.

	FY 22	FY 23	FY 24	% CHANGE
<b>OPERATING EXPENSES</b>				
Salaries and benefits	\$1,551,688	\$1,774,803	\$2,151,710	21%
Miscellaneous**	847,189	518,359	675,355	30%
Depreciation	150,733	190,057	238,281	25%
Retiree supplemental, cola & health benefits	(480,425)	(574,895)	(70,974)	88%
Interest Expense on borrowings	169,793	156,089	141,642	(9%)
Office Rent	69,312	115,028	127,062	10%
Loss on investments held by bond trustees	0	0	73,703	-
Professional & contractual services	169,136	143,820	130,875	(9%)
Maintenance	48,049	50,018	37,879	(24%)
<b>TOTAL</b>	<b>\$2,525,475</b>	<b>\$2,373,279</b>	<b>\$3,505,533</b>	<b>48%</b>

\*\*Miscellaneous expenses include FTHAP grant disbursements, administrative expenses, 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 continues 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 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 2025:

- Announce the Invitation for Bid and break ground for Phase II of the Lada Gardens Renovation Project which will encompass an additional 16 rental units undergoing major renovations.
- 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 temporary classrooms for Simon Sanchez High School.



Interns assigned to GHC as part of the Governor's Summer Youth Employment Program received certificates of appreciation on their final day of work



GHC Management, Staff, and their families took part in the 2023 Governor's "The Magic of Christmas" Parade.



GHC "Kept Women in the Picture" by wearing pink in support of Breast Cancer Awareness Month in October 2023.



GHC Oversight Chair Senator Roy Quinata, Senator Joe San Agustin, GHC Board Chairman Francisco Florig along with GHC Management and Staff were present as Governor Lou Leon Guerrero and Lt. Governor Joshua Tenorio presented 39 families with First Time Homeowner Assistance (FTHAP) certificates to assist with closing costs associated with the purchase of their first homes.

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](mailto:patricia.kier@ghc.guam.gov).