



**Financial Highlights**  
**Guam Housing Corporation Financial Audit**  
**Fiscal Year 2025**

June 5, 2026

The Guam Housing Corporation (GHC) received an unmodified (clean) opinion in its Fiscal Year (FY) 2025 financial statements from independent auditors Ernst & Young LLP (EY). There were no deficiencies identified in the Report on Internal Control Over Financial Reporting and on Compliance, and no management letter was issued.

GHC ended FY 2025 with an increase in net position (net gain) of \$104 thousand (K), bringing its cumulative net position to \$27.1 million (M), up from the net position of \$27M in FY 2024. The increase was primarily driven by the receipt of \$1M for the First-Time Homeowners Assistance Program (FTHAP) from the general fund in accordance with Public Law (P.L.) 37-135. Of these funds, \$504K was disbursed and expensed during the fiscal year, leaving a remaining balance of \$496K.

**Operating Revenues Increased by \$113K**

GHC's total operating revenues increased by \$113K, from \$2.7M in FY 2024 to \$2.8M in FY 2025. The increase was mainly due to:

- A \$63K gain on the sale of a foreclosed property located in Santa Rita in FY 2025.
- A \$54K increase in miscellaneous revenues, from \$120K in FY 2024 to \$174K in FY 2025, partially from the \$67K of American Rescue Plan Act (ARPA) funds for the FTHAP grants and for the Lada Gardens Phase II Renovations project; and
- A \$37K increase in interest income on loans receivable, from \$1.1M in FY 2024 to \$1.2M in FY 2025, due to an adjustment to decrease the reserve for loan losses and allowance for legal collectibles.

However, there was a \$24K decrease in rental income, from \$1.18M in FY 2024 to \$1.16M in FY 2025.

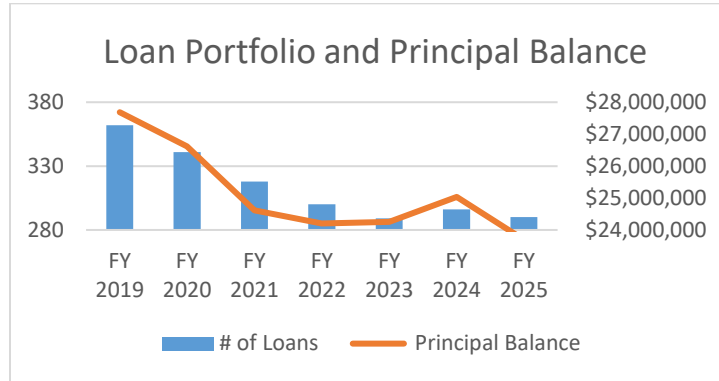
**Operating Expenses Increased by \$167K**

GHC's total operating expenses increased by \$167K, from \$3.5M in FY 2024 to \$3.7M in FY 2025. This was primarily driven by the increases on the following:

- Retiree supplemental and health benefits by \$443K from a credit balance of \$71K in FY 2024 to \$372K in FY 2025, due to changes in actuarial assumptions in both years that affected Other Post-Employment Benefits (OPEB) adjustments. These changes resulted in a \$301K decrease in expenses in FY 2024;
- Employee benefits, other than retirement, by \$66K, from \$164K in FY 2024 to \$230K in FY 2025. The employer's share for medical insurance under the Government of Guam's self-insured health insurance plan rose by 20% to 41%, depending on the plan, over the previous fiscal year;
- Salaries by \$36K, from \$1.4M in FY 2024 to \$1.5M in FY 2025, due to increments; and
- Professional services by \$18K, from \$55K in FY 2024 to \$73K in FY 2025 due to the legal expenses for the Phase I contract and increased audit expense estimates related to ARPA funds for the Lada Phase II renovations.

**Loan Portfolio Decreases**

GHC’s loan portfolio decreased by six (6) loan accounts, bringing the cumulative total from 296 in FY 2024 to 290 as of FY 2025. This decreased its loan portfolio amount by \$1.3M, going from \$25M in FY 2024 to \$23.7M in FY 2025.



GHC encourages individuals to continue their efforts to secure a contractor who can construct a dwelling within their prequalified amount. This remains a significant challenge for those who qualify for low-to-moderate loan amounts. The corporation continues to work with the CHamoru Land Trust Commission to refer clients for prequalification. Additionally, for those seeking to purchase an existing home, the inventory priced below \$250K remains limited.

In FY 2025, GHC interviewed 79 applicants, of whom only 10 pursued the application process, and 8 were approved, and 7 closed. During the fiscal year, GHC closed

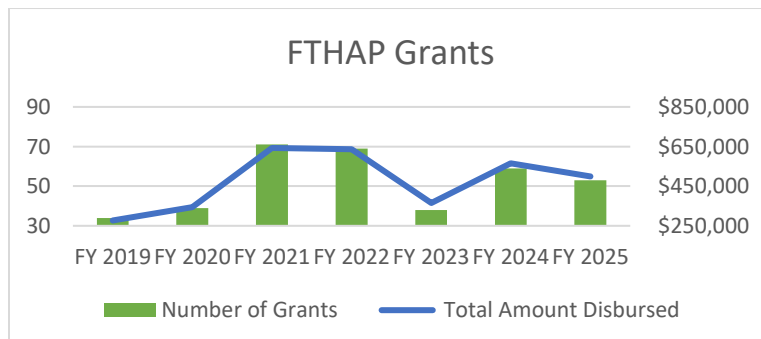
- One loan totaling \$141K under the Direct Loan Program;
- No loans under the Six Percent Loan Program; and
- Six loans totaling \$232K under the Community Affordable Housing Action Trust loan program.

**Decline in Loan Delinquencies**

GHC provides mortgage loans to qualified applicants who have been denied financing from conventional financial institutions for the construction or purchase of their new homes. Thus, GHC assumes a higher lending risk from the outset. Delinquent loans, 30 days and over, decreased by \$552K, from \$2M in FY 2024 to \$1.4M in FY 2025. Overall, loans delinquent for 30 days and over decreased from 8% in FY 2024 to 6% in FY 2025.

**FTHAP Grants Disbursements Decreased**

In FY 2025, FTHAP’s total number of disbursed grants decreased from 59 in FY 2024 to 53 in FY 2025. GHC received \$500K of ARPA funds in FY 2024 and an additional \$1M, in accordance with P.L. 37-135, in FY 2025. The program continues to be well-received by the general public.



## **Future Events**

Despite numerous challenges, GHC continues to pursue its mission. Their ability to secure lending capital at affordable rates is an immediate concern for achieving many of these goals.

To that end, GHC has established the following goals for completion in FY 2026:

1. Complete major renovations of 16 units identified under Phase II of the Lada Gardens Renovation Project utilizing \$1.5M in ARPA funds.
2. Submit a grant application to obtain funding for the installation of shutters for housing units at Lada Gardens under the Community Development Block Grant – Disaster Recovery program being administered by the Guam Housing and Urban Renewal Authority.
3. Continue partnering with the Guam Community College in the Youth Build Program with the goal of completing renovation of the “Living Lab” at Lada Gardens.
4. Partner with the Guam Department of Education in the construction of twenty (20) classrooms and the renovation of twenty-four (24) units at Guma As-Atdas to be used as a temporary campus for Simon Sanchez High School students, faculty, and staff while their school is rebuilt.
5. Continue partnering with the Guam Homeless Coalition in The Shelter Assistance for Elderly (SAFE) House Program to provide temporary, supportive shelter for elderly or disabled fully independent individuals who have been displaced from permanent housing or are transitioning out of medical facilities.
6. Continue working as a member of the Governor’s Interagency Council on Homelessness to examine challenges associated with homelessness and develop and implement strategies and programs for a coordinated, effective response.

For more details, refer to the GHC’s FY 2025 Financial Statements, Report on Internal Control Over Financial Reporting and on Compliance, and Auditor’s Communication With Those Charged with Governance at <https://www.opaguam.org/> and [www.guamhousing.org](http://www.guamhousing.org).