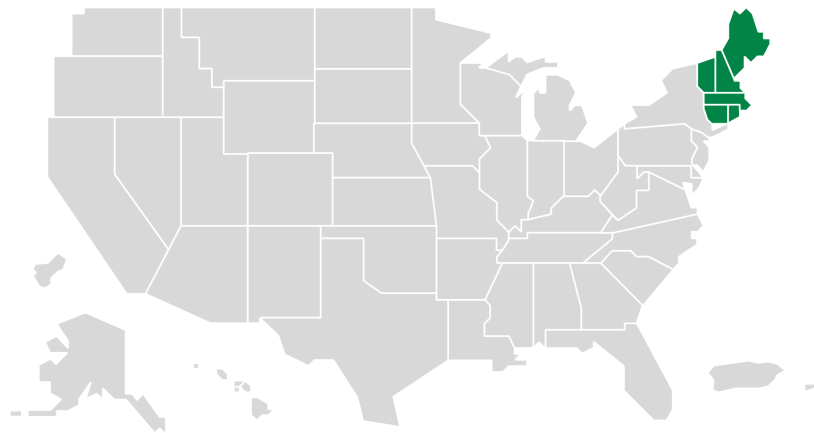


# ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



**8<sup>TH</sup> CONGRESSIONAL DISTRICT OF MASSACHUSETTS**  
SUB-STATE REPORT

# 8<sup>TH</sup> CONGRESSIONAL DISTRICT OF MASSACHUSETTS

## Rental, Home Construction and Rehabilitation Activities Economic Basis



**\$5.68** MILLION

### TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

**\$7.88** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$74.47** MILLION

### DEVELOPMENT COST

Development Cost refers to the cost of acquiring land or pre-existing housing units, demolition and/or relocation costs and any costs incurred while constructing, rehabilitating or redeveloping housing.

**\$101.59** MILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **21**

### PROJECTS

Projects refers to the distinct use of AHP funding for a specific acquisition, construction or rehabilitation of building(s) or housing unit(s).

 **826**

### TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

**Inflation-Adjusted** refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

# 8<sup>TH</sup> CONGRESSIONAL DISTRICT OF MASSACHUSETTS Home Purchase Activities

## Economic Basis



**\$1.59** MILLION

### TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

**\$1.84** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$25.23** MILLION

### FIRST MORTGAGES

First Mortgages refers to the volume and value of first-lien position mortgages financed by lenders in a home purchase activity.

**\$29.41** MILLION

### FIRST MORTGAGES INFLATION-ADJUSTED

 **155**

### TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

**Inflation-Adjusted** refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

# 8<sup>TH</sup> CONGRESSIONAL DISTRICT OF MASSACHUSETTS

## Rental, Home Construction and Rehabilitation Activities Economic Impact



**\$172.22** MILLION

### TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with rental, home construction and rehabilitation enhanced by AHP funding.



**972** JOBS

### JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced rental, home construction and rehabilitation activities.



**\$80.53** MILLION

### LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

**1.70**

### MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home construction and rehabilitation of affordable rental and housing units.

# 8<sup>TH</sup> CONGRESSIONAL DISTRICT OF MASSACHUSETTS Home Purchase Activities

## Economic Impact



**\$72.70** MILLION

### TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with home purchases, enhanced by AHP funding.



**439** JOBS

### JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced home purchase activities.



**\$19.05** MILLION

### LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

## 2.10

### MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home purchases of affordable housing units.

# A Long and Fruitful Partnership



Housing Solutions for Southeastern Mass. (formerly South Shore Housing) has had a long and fruitful partnership with the Federal Home Loan Bank of Boston's Affordable Housing Program (AHP). Specifically, AHP has been instrumental in the development of five affordable housing projects, which have housed hundreds of low-income residents.

The most recent of these projects was our Cranberry Manor-Carpenter's Glen project, which consisted of the refinancing of and capital improvements to a total of 56 units of affordable rental housing in two Housing Solutions properties: Cranberry Manor in West Wareham, with 24 units, and Carpenter's Glen in Taunton, with 32 units. Housing Solutions initially acquired and developed these properties—both of which were foreclosed and financially distressed at the time—in the mid-1990s with nine percent Low-Income-Housing Tax Credits and an array of public and private financing. When the 15-year LIHTC compliance for the projects ended, Housing Solutions pursued and saw through the refinance and renovation plan. AHP funds were among the first committed to the project and helped leverage the competitively allocated public funds.

AHP funds played a similarly critical part in our successful Brockton Family Life Center project. The project provides transitional housing to up to 20 formerly homeless families, with case management services provided by the Old Colony YMCA. The program model has evolved over the 15 years since the project was developed, and the Federal Home Loan Bank of Boston has been a flexible partner throughout.

AHP funds have played a critical role in Housing Solutions' ability to, as our tagline says, open doors and change lives.

**Carl Nagy-Koechlin**

**Executive Director, Housing Solutions for Southeastern Mass.**

