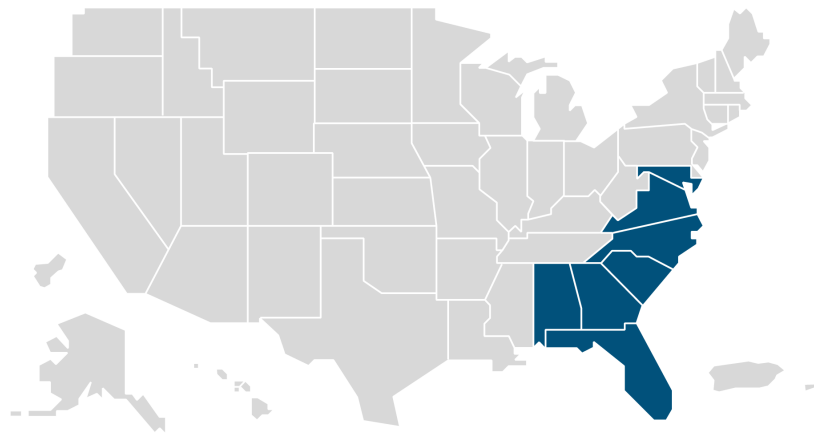


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



BIRMINGHAM-HOOVER, AL METRO AREA
SUB-STATE REPORT

BIRMINGHAM-HOOVER, AL METRO AREA Rental, Home Construction and Rehabilitation Activities Economic Basis



\$16.72 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.

\$19.73 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$81.83 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.

\$109.88 MILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **765**

PROJECTS

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

 **1,762**

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.

BIRMINGHAM-HOOVER, AL METRO AREA Home Purchase Activities

Economic Basis



\$946.32 THOUSAND

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.

\$1.13 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$15.98 MILLION

FIRST MORTGAGES

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

\$19.39 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED

 **200**

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.

BIRMINGHAM-HOOVER, AL METRO AREA Rental, Home Construction and Rehabilitation Activities Economic Impact



\$229.61 MILLION

TOTAL ECONOMIC BENEFITS

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



1,694 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.



\$85.88 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.

2.09

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.

BIRMINGHAM-HOOVER, AL METRO AREA Home Purchase Activities

Economic Impact



\$45.06 MILLION

TOTAL ECONOMIC BENEFITS

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



280 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.



\$10.22 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.

2.12

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.

COLLABORATING FOR AFFORDABLE HOUSING SUCCESS



The Low Income Housing Coalition of Alabama (LIHCA) is a statewide membership organization with a mission to increase housing opportunities for Alabamians with the greatest financial need. LIHCA's membership comprises nonprofit and for-profit service providers, low-income individuals, developers, elected officials, bankers, realtors and other housing advocates from across the state.

In many ways, the issues that impact equity, affordability and access to housing in Alabama are very similar to those seen in cities and towns throughout the country. But within our state and in each of our major metropolitan areas, there are also unique local challenges that cannot simply be addressed with a blanket approach to housing people and families. LIHCA and our members recognize that without a collaborative approach, usable programs and effective coordination, the mission of providing affordable housing will go unfulfilled. Thus, we appreciate the efforts of organizations like FHLBank Atlanta and National Bank of Commerce to work locally in Birmingham, as well as regionally and beyond, to support affordable home buying, affordable housing development, capacity building for developers and nonprofits, financial education for consumers and thought leadership in the area of affordable housing.

Rusty Bennett, LGSW, Ph.D.

Executive Director

