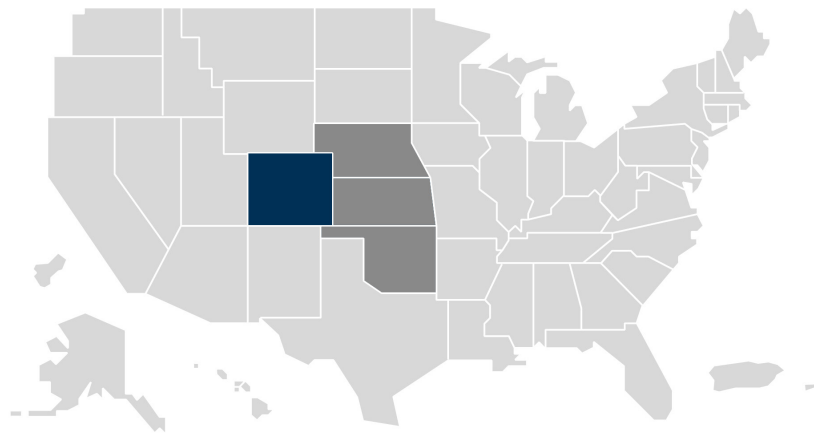


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



COLORADO
STATE REPORT

COLORADO STATE REPORT

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Since its creation in 1989, the Federal Home Loan Bank System’s Affordable Housing Program (AHP) has been a substantial and valuable source of real estate equity for the financing of affordable housing in the United States. From 1990 through 2016, the 11 Federal Home Loan Banks (FHLBanks) collectively contributed more than \$4.1 billion (\$5.4 billion in inflation-adjusted dollars) in AHP real estate finance equity for rental, home construction and rehabilitation activities. This equity was combined with \$65.7 billion (\$83.9 billion in inflation-adjusted dollars) in leveraged dollars from other private and public sources, enabling \$69.9 billion (\$89.3 billion in inflation-adjusted dollars) in total development funding for more than 601,000 housing units. From 1995 through 2016, the FHLBanks also collectively contributed approximately \$1.0 billion (\$1.2 billion in inflation-adjusted dollars) in AHP equity for down payment assistance and mortgage principal reduction, assisting more than 183,000 home purchase activities. Each FHLBank allocates at least 10 percent of its annual net earnings to fund its AHP. As such, the continued operating and mission success of the FHLBanks has directly enhanced the development and purchase of affordable housing throughout the country and has had a positive impact on local and state economies and on the national economy. The state of Colorado is in the Topeka district. This report details the economic impact of housing within Colorado that has been enhanced by AHP funding from 1990 through 2016.*

* Note: some projects within Colorado may have received AHP funding from a Federal Home Loan Bank other than FHLBank Topeka. For further detail on the economic impact study methodology, please see: Study Methodology and Appendices Report.

COLORADO Rental, Home Construction and Rehabilitation Activities

Economic Basis



\$60.71 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.

\$81.82 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$1.36 BILLION

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.

\$1.82 BILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **282**

PROJECTS

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

 **14,425**

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.

COLORADO Home Purchase Activities

Economic Basis



\$4.96 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.

\$6.48 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$54.27 MILLION

FIRST MORTGAGES

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

\$64.06 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED



1,260

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.

COLORADO Rental, Home Construction and Rehabilitation Activities

Economic Impact



\$3.73 BILLION

TOTAL ECONOMIC BENEFITS

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



26,590 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.



\$1.39 BILLION

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.

2.05

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.

\$119.53 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

All dollars are in inflation-adjusted dollars.

COLORADO Home Purchase Activities

Economic Impact



\$381.37 MILLION

TOTAL ECONOMIC BENEFITS

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



2,817 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.



\$89.39 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.

2.00

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.

\$11.37 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

All dollars are in inflation-adjusted dollars.

Young Homeowner Helps Build New Home



Colorado Homeownership Project

You hear a lot about young adults in the millennial generation not pursuing homeownership. Tristen Miller, a 22-year-old Coloradan, broke that mold.

She not only purchased her own home; she also helped build it. Thanks to help from Habitat for Humanity of Teller County, Tristen and her two young nieces moved into a brand-new home in October 2015. She provided 300 hours of sweat equity to make her new home a reality.

“I usually worked each week from Wednesday through Saturday on the house,” Tristen explained. “It was a lot of fun. I learned so much from Paul, the head builder.”

Building a home is just one of many items on Tristen’s to-do list. She is working on a master’s degree in criminal justice while raising Jayden, 10, and Katie, 4.

“Having this home provides us stability and peace of mind,” she said. “It’s great to have a designated place to do homework and a good neighborhood for the girls to play in.”

Jamie Caperton, executive director for Habitat of Teller County, joined the organization two years ago. Teller County is a rural community, and its Habitat affiliate was ready to close. Through Jamie’s leadership, the local organization came back to solvency.

“Working with homeowners like Tristen energizes our board, staff and the community,” Jamie says. “If we can find people like Tristen who will work hard, we will find grants to help them.”

One way Habitat for Humanity of Colorado supplements their funding pool is through help from FHLBank Topeka and its members. The Habitat for Humanity state organization was awarded a \$370,500 Affordable Housing Program grant in 2012 through FirstBank of Lakewood, Colorado.

The grant was shared among Habitat affiliates statewide. Tristen received \$10,000 toward her home.

“With over 20 years of history between us, FirstBank is proud to be associated with such a worthwhile organization like Habitat for Humanity,” says Mark O’Connor, senior vice president and director of investments for FirstBank. “The bank anticipates future projects where this partnership will continue for many years to come.”

**Cripple Creek
Colorado**

COLORADO

Project Profile: Home Purchase Activity



Habitat for Humanity

This project consists of 61 new, single-family homes built in partnership with 61 low- and very-low-income households (50 percent of area median income and less) in 30 communities in Colorado. The homes range in size from 960 to 1,200 square feet with three to four bedrooms, one or one-and-a-half bath, no garage and no carport or basement unless required by neighborhood covenants. Habitat for Humanity works in partnership with individuals and families making between 30 percent and 60 percent of the area median income. Homes are sold to partner families with a no-interest mortgage, and monthly payments are based on 25 percent of the household income. Partner families invest 250 to 500 hours of their own labor into building their homes and the homes of their neighbors.

Habitat for Humanity Colorado, the project sponsor, was responsible for monitoring the progress of each affiliate, reviewing documentation of construction activities and expenses, documenting project expenditures and impacts, as well as distributing and tracking funds. The requested Affordable Housing Program funds of \$396,500 will be disbursed as down payment assistance to qualified low- and very-low-income families to purchase 61 newly constructed units.

SOURCES

Permanent Loan / 1st Mortgage	\$	8,031,584
Other	\$	2,066,313
AHP	\$	370,500
2nd Mortgage	\$	94,819
Owner Equity / Owner DP	\$	52,605
Total	\$	10,615,822

Santa Fe Group Home



Broomfield

Gerald and Donna are two of eight adults with developmental disabilities who reside in Imagine! Santa Fe group home.

Completed in 2014 with the help of a \$90,000 Affordable Housing Program grant through FHLBank Topeka—member Commerce Bank, Santa Fe is one of four group homes built since 2008 to accommodate adults with disabilities in Broomfield, Colorado.

In 2004, Gerald began using services offered by Imagine!, a community-centered organization that provides services for citizens with disabilities in Broomfield and Boulder counties in Colorado. Gerald has developmental disabilities requiring him to be in a wheelchair and communicate through a tablet.

Before 2008, it would have been impossible for Gerald to live on his own. But, with the help of Imagine!, Gerald and his wife, Donna, who he met through Imagine!, are able to live independently in the Santa Fe home.

“It’s harder and harder for people with disabilities to find these kinds of houses,” says Fred Hobbs, Imagine! public relations manager. “And it’s harder and harder for organizations to provide services for people with developmental disabilities in a fiscally responsible way.”

Located on the outskirts of Broomfield, the Santa Fe home was designed with larger hallways and bathrooms to accommodate wheelchairs and staff.

For residents like Gerald and Donna, the location and amenities of the home have opened up a world of independence they have never known.

**Broomfield
Colorado**

COLORADO

Project Profile: Rental Activity



40 West Residences

40 West Residences opened its doors in October 2017 and is located in Lakewood, Colorado, an area experiencing unprecedented revitalization. The development is within walking distance to public transportation options including light rail, as well as a variety of amenities.

The development is a four-story, 46,663-square-foot building composed of 60 units in total (54 one-bedroom units and six two-bedroom apartments), 25 of which are set aside for homeless U.S. military veterans. One two-bedroom unit will be set aside for the property manager. The remaining 34 units will be reserved for single people or couples who meet the income requirements.

Very-low-income chronically homeless veterans are an underserved population in the Denver metropolitan area. The property will mainstream the veteran population with households from a wide variety of incomes and populations. The veterans' apartments are furnished and many critical support services will be offered to the veterans living at 40 West.

The ground floor has a range of common spaces, including a community kitchen for resident meetings, financial literacy and life-skills training.

SOURCES

LIHTC	\$	10,373,766
Permanent Loan / 1st Mortgage	\$	2,300,000
HOME / CDBG / HUD	\$	1,040,000
AHP	\$	750,000
Deferred Developer Fees	\$	353,930
Other	\$	220,000
Owner Equity / Owner DP	\$	99
Total	\$	15,037,795