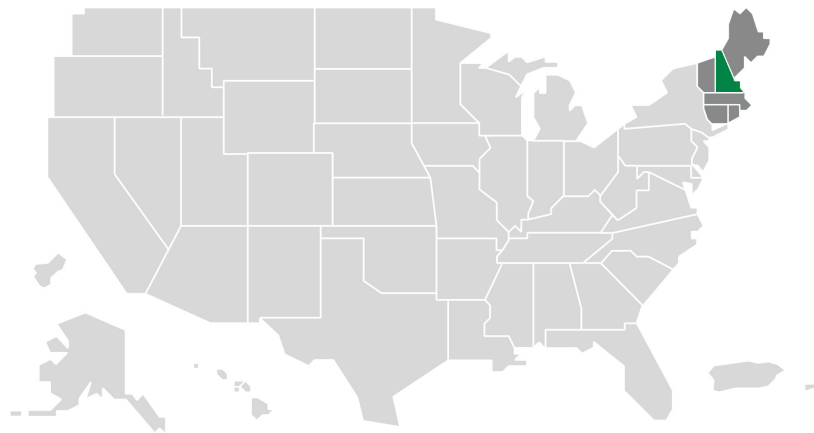


ENHANCING LIVES, IMPACTING COMMUNITIES:  
THE FEDERAL HOME LOAN BANK SYSTEM



**NEW HAMPSHIRE**  
STATE REPORT

# NEW HAMPSHIRE 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 New Hampshire is in the Boston district. This report details the economic impact of housing within New Hampshire that has been enhanced by AHP funding from 1990 through 2016.\*

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

# NEW HAMPSHIRE Rental, Home Construction and Rehabilitation Activities

## Economic Basis



**\$26.67** 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.

**\$32.99** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$278.39** 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.

**\$349.58** MILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **82**

### PROJECTS

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

 **1,859**

### 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.



# NEW HAMPSHIRE Home Purchase Activities

## Economic Basis



**\$2.18** 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.

**\$2.58** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$16.18** MILLION

### FIRST MORTGAGES

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

**\$19.11** MILLION

### FIRST MORTGAGES INFLATION-ADJUSTED

 **174**

### 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.

# NEW HAMPSHIRE Rental, Home Construction and Rehabilitation Activities

## Economic Impact



**\$716.18** MILLION

### TOTAL ECONOMIC BENEFITS

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



**5,568** 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.



**\$305.49** 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.

**2.05**

### 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.

**\$17.02** 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.

# NEW HAMPSHIRE Home Purchase Activities

## Economic Impact



**\$66.86** MILLION

### TOTAL ECONOMIC BENEFITS

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



**445** 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.



**\$16.65** 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.

**2.05**

### 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 purchases of affordable housing units.

**\$4.22** MILLION

### TAX REVENUE

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

# Tragedy Focuses Attention on Plight of Homeless Veterans in New Hampshire



## Dalianis House

The death of several homeless veterans on the streets of Nashua, New Hampshire was the trigger that pushed Harbor Homes, Inc., to prevent it from happening again.

Staff from Harbor Homes began researching ways to provide veteran-specific housing and supportive services to local servicemen and women. The end result: Harbor Homes's Veterans FIRST, a transitional housing program for veterans and their families to address the causes of their homelessness while living in a safe, supportive environment.

Established in 1980, Harbor Homes is a nonprofit organization that provides housing, health care and supportive services to more than 1,200 low-income individuals and families in New Hampshire. With the support of the Federal Home Loan Bank of Boston's Affordable Housing Program (AHP) through member Merrimack County Savings Bank, Harbor Homes has developed a series of veterans housing communities, including Dalianis House.

Located in a converted furniture store overlooking tNashua River near downtown Nashua, Dalianis House provides 39 transitional apartments and supportive services for male veterans. The project was awarded a \$400,000 AHP grant as well as a \$516,000 subsidized advance and \$143,714 advance subsidy.

"It's really a place for veterans to come and get back on their feet, reconnect with family, get tied to education, employment and treatment and then move on to permanent housing," says Peter Kelleher, CEO of Harbor Homes.

"Our approach is to get to know people, assess their individual needs and work with them to get access to services quickly," he says. "If someone needs mental health or substance-abuse services, we're able to quickly connect people through our affiliate organizations or other organizations in the community."

Harbor Homes's veterans housing is largely transitional, though residents are sometimes allowed to stay longer than the two-year limit on a case-by-case basis.

Harbor Homes's decision to expand its focus on veterans housing coincided with the state of New Hampshire's four-year plan to end veteran homelessness. The nonprofit organization has plans to develop new permanent housing for veterans in New Hampshire.

"Our ultimate goal is for veterans to be able to own their own homes and to live there permanently," says Kelleher. "If you talk to veterans, you'll find that homeownership is the ultimate for them."

**Dalianis House  
Nashua, New Hampshire**

# NEW HAMPSHIRE

## Project Profile: Home Purchase Activity



### Franklin, New Hampshire

This effort involved the construction of a new Habitat for Humanity home in Franklin, New Hampshire for a very-low-income family with special needs. The home is fully accessible, ranch-style, with many energy-efficient features, including photovoltaic panels, meeting the special needs of the family. The family has access to community services. The owners are first-time homebuyers and completed homeownership education provided by the Lakes Region Habitat for Humanity. Meredith Village Savings Bank provided a line of credit to the project, in addition to the Affordable Housing Program Direct Subsidy. Lakes Region Habitat for Humanity provided various grants and a zero-percent first mortgage to the homebuyer.

#### SOURCES

Lakes Region Habitat Cash Contribution	\$	50,699
Habitat First Mortgage – present value	\$	43,767
FHLBank Boston AHP Direct Subsidy	\$	30,000
New Hampshire Housing	\$	15,000
Down Payment	\$	10,534
<b>Total Sources</b>	<b>\$</b>	<b>150,000</b>



# A Hidden Gem Offers Affordable Housing in New Hampshire



## Hidden Pond Apartments

When Bridget Hope\* visited Hidden Pond Apartments in Amherst, New Hampshire for the first time, she knew she wanted to live there.

“I took one look at the property and it was like a piece of heaven and dream that I always wanted to live, and I ended up moving here,” says Hope, a resident who moved from Manchester, New Hampshire into Hidden Pond Apartments with her children. Hope said she left Manchester because she wanted a quieter, safer, country setting. “We never dreamed that we could live in such a beautiful place,” she says. “And Amherst is quite the city itself. It’s very nice here, the library is great, the schools are great.”

Built in the rural, upper-income New Hampshire town not far from the Massachusetts border, Hidden Pond Apartments provides affordable housing in a town with a scarce supply of rental housing that’s affordable to lower- and moderate-income residents.

The Hidden Pond initiative includes 28 affordable two-bedroom apartments on a five-building site. Built within Amherst’s expanded historic district, the development was designed to resemble the large historic homes typically found in the area.

The Federal Home Loan Bank of Boston’s Affordable Housing Program awarded the initiative a \$365,000 grant through member Merrimack County Savings Bank. Additional funding was provided from a Community Development Block Grant through the town and Low-Income-Housing Tax Credits.

Hidden Pond Apartments was the first project that nonprofit developer NeighborWorks of Southern New Hampshire worked on with Merrimack County Savings Bank. The apartments were very well received by town officials, and the planning board and the town administrator were very supportive.

But a key challenge during the development process was getting the project approved by the town’s Historic District Commission, according to the development team at NeighborWorks of Southern New Hampshire. Construction had to follow the town’s historic guidelines, which added a layer of complexity to the project.

“Partnering with NeighborWorks of Southern New Hampshire was a pleasure. They are a strong nonprofit with outstanding leadership. This project was accomplished with much hard work and due diligence by NeighborWorks’ fine development team,” says Lori Piper, senior vice president at Merrimack County Savings Bank. “The team took great care in building a project that fit right in with the character of this small, quintessential New England town.”

**Hidden Pond Apartments  
Amherst, NH**

\* Name has been changed

# NEW HAMPSHIRE

## Project Profile: Rental Activity



### Woodbury Mills

A former shoe factory mill building in Dover, New Hampshire was converted into 42 family-rental units for low- and very- low-income households. The rehabilitation of the five-story property, which is listed on the National Historic Registry, was done to historic specifications. Residents benefit from a range of supportive services, including daycare and literacy programs, onsite health care —including screenings, vaccination programs and clinics— as well as onsite nursing. The project incorporates sustainable technologies, such as a cool roof, high-efficiency heat pumps and Energy Star windows, appliances and lighting to increase energy efficiency. Centrix Bank & Trust provided construction financing and a permanent loan using an Affordable Housing Program subsidized advance. Other funding included Low-Income-Housing Tax Credits and Historic Tax Credits.

#### SOURCES

Low-Income-Housing Tax Credits	\$	5,886,457
Historic Tax Credits	\$	1,509,000
New Hampshire Housing	\$	1,500,000
FHLBank Boston Subsidized Advance	\$	840,000
FHLBank Boston AHP Direct Subsidy	\$	300,000
Deferred Developer Fee	\$	44,783
<b>Total Sources</b>	<b>\$</b>	<b>10,080,240</b>