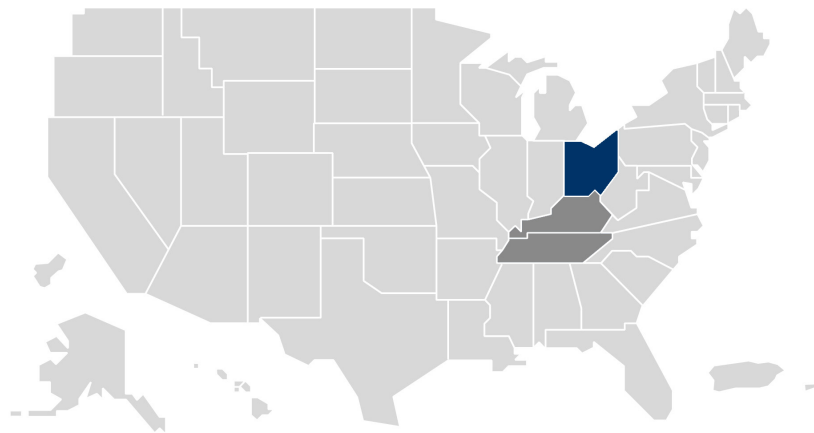


# ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



**OHIO**  
STATE REPORT

# OHIO 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 Ohio is in the Cincinnati district. This report details the economic impact of housing within Ohio that has been enhanced by AHP funding from 1990 through 2016.\*

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

# OHIO Rental, Home Construction and Rehabilitation Activities

## Economic Basis



**\$174.18** 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.

**\$216.95** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$2.07** 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.

**\$2.65** BILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **732**

### PROJECTS

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

 **22,135**

### 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.

# OHIO Home Purchase Activities

## Economic Basis



**\$71.42** 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.

**\$84.49** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$1.14** BILLION

### FIRST MORTGAGES

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

**\$1.33** BILLION

### FIRST MORTGAGES INFLATION-ADJUSTED



**15,085**

### 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.

# OHIO Rental, Home Construction and Rehabilitation Activities

## Economic Impact



**\$5.02** BILLION

### TOTAL ECONOMIC BENEFITS

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



**37,085** 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.



**\$1.80** 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.

**1.90**

### 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.

**\$189.95** 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.

# OHIO Home Purchase Activities

## Economic Impact



**\$2.85** BILLION

### TOTAL ECONOMIC BENEFITS

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



**21,122** 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.



**\$626.27** 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.

**1.90**

### 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.

**\$107.77** MILLION

### TAX REVENUE

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

# Yellow Springs Home, Inc.



In 2013, The Huntington National Bank received a \$49,998 Affordable Housing Program grant. This funding leveraged \$318,161 in additional dollars to create two energy-efficient, single-family homes purchased by low-income, first-time homebuyers. The homes are held in a 99-year charitable community land trust and leased to ensure long-term affordability. This project was developed in partnership with the local foundations, the state of Ohio, Bike & Build, Inc. and the city of Yellow Springs, which provided the lots at half cost, waived fees and installed a larger water line to provide a fire hydrant.

Yellow Springs Home, Inc. program participants, the Wyant family and the McCowan family, a member of which has COPD and debilitating arthritis, received a grant for a portion of the closing costs and permanent financing provided by the Huntington National Bank.

## SOURCES

Member Mortgage	\$	238,700
AHP	\$	49,998
Morgan Family Foundation Grant	\$	45,000
Ohio Community Development Finance Fund	\$	10,000
Bike & Build, Inc.	\$	8,960
Vectren Foundation	\$	7,500
Dayton Foundation	\$	3,122
Down Payment	\$	2,610
Member Cash Contribution	\$	1,769
Sponsor Cash Contribution	\$	500
<b>Total</b>	<b>\$</b>	<b>368,159</b>

# OHIO

## Project Profile: Rental Activity



### Cincinnati Union Bethel

Cincinnati Union Bethel, in partnership with member US Bank, was awarded \$850,000 for the development of the Anna Louise Inn (ALI). Financing for the project included Low-Income-Housing Tax Credits, Historic Tax Credits, a HOME grant, a foundation grant, deferred developer fee, donated services, a member cash contribution and an \$850,000 Affordable Housing Program (AHP) grant.

The ALI provides permanent supportive housing that is designed to promote an enhanced quality of life and self-sufficiency for its residents. ALI includes 85 furnished efficiency apartments where low-income and extremely-low-income women have their own comfortable living/sleeping space, kitchen and private bath, while living in a safe building with 24-hour security. The building includes a large community room where the women can gather for activities and an open lounge area on each floor to enhance opportunities for companionship. A well-equipped computer room allows women to have access to the Internet to search for employment. An enclosed garden area encourages outdoor enjoyment and a fitness room equipped with quality exercise equipment promotes health and wellness. All of this was made possible by significant AHP support, without which Cincinnati Union Bethel would not have been able to build and furnish the building. In turn, were it not for ALI, many of the residents would be homeless or living in shelters.

#### SOURCES

LIHTC Equity	\$	8,565,190
HOME	\$	2,369,351
Sponsor Cash—Prepaid Lease	\$	1,600,000
AHP	\$	850,000
Sponsor Equity	\$	418,000
Deferred Developer Fee	\$	147,643
Accrued Interest—HOME	\$	14,339
Member Cash Contribution	\$	500
<b>Total</b>	<b>\$</b>	<b>13,965,023</b>