



South Carolina State
Housing Finance and
Development Authority

FY 2012 Impact Report

MCGUINN HOMES



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UNIVERSITY OF SOUTH CAROLINA



South Carolina State Housing Finance
and Development Authority
Affordable Housing
Statewide Impact Report

Fiscal Year 2012

A Message from the Executive Director

Dear Colleagues,

We are proud to present you with the South Carolina State Housing Finance and Development Authority's (SC State Housing) Fiscal Year 2012 Affordable Housing Statewide Impact Report. This report will provide you with an overview of our agency's production, investment, economic benefit, and economic impact statewide, by Congressional District and by county. It also outlines our agency's housing assistance activities.

Each year, we work to make the report a more concise and user-friendly document. We hope you will find it provides a comprehensive overview of our agency's activities.

We have once again partnered with the Division of Research at the University of South Carolina's Moore School of Business to review and validate our data and are constantly developing more precise methods of tracking and reporting this data. Using extensive industry data and state of the art software, we have arrived at this year's economic impact. Among the most compelling parts of this analysis was deriving an economic multiplier for our efforts of 1.55, meaning that every \$100 in direct spending from our affordable housing initiatives resulted in a total economic impact of \$155 on South Carolina's economy. Despite a difficult year of economic recovery, this multiplier effect has remained high. In 2012, SC State Housing programs had a total impact of almost \$407 million on South Carolina's economy in terms of economic output.

Specifically, in this reporting year, SC State Housing directly invested more than \$262 million in South Carolina, which resulted in the total economic output figure mentioned above of almost of \$407 million. These dollars also helped more than 25,000 families realize quality, affordable housing. SC State Housing's investment resulted in an economic impact of more than 3,603 jobs (almost 200 more than in 2011) and nearly \$20.5 million in state and local tax revenue, making Fiscal Year 2012 another strong and productive year for our agency. Unfortunately, there were many more South Carolina families who did not enjoy a safe, affordable home during this time. We know that you will keep these families in mind as you make decisions affecting affordable housing policy and funding in South Carolina.

This year, the impact of our SC HELP mortgage assistance program is being recognized in our data. SC HELP became available in January 2010. The U.S. Department of the Treasury allocated \$295 million to the state to help curb the epidemic of foreclosure spurred by unemployment. SC HELP has assisted thousands of households in keeping the homes they have worked hard to buy and maintain. This program is having a substantial impact and will continue to assist our state's homeowners and positively impact our economic health through 2017.

We are proud of the outstanding work that has been accomplished by our agency over the past year. We look forward to working with you throughout 2013 to further our mission to create quality, affordable housing opportunities for the citizens of South Carolina.



Sincerely,
Valarie M. Williams



The Board of Commissioners for SC State Housing is comprised of eight members from various regions throughout the state. The current members of the Board of Commissioners are as follows:

Christopher N. Union, Chairman
Charleston

Robert D. Mickle, Jr.
Vice Chairman/Governor's
Designee
Columbia

Charles E. Gardner
Greenville

John S. Hill
Columbia

Ernest Magaro, Jr.
Columbia

Kenneth E. Ormand, Jr.
Columbia

Mary L. Sieck
Lake Wylie

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HARTSVILLE GARDEN APARTMENTS, DARLINGTON COUNTY

Overview

SC STATE HOUSING

For 41 years, the South Carolina State Housing Finance and Development Authority (SC State Housing) has been helping families, older adults, persons with disabilities and others who are frequently underserved find quality, safe and affordable housing. SC State Housing is able to do this by using our proven financial strength to sell securities to investors all over the country. Additionally, SC State Housing administers a number of federal and state programs providing housing help where it is needed most.

SC State Housing takes pride in knowing that it has been able to serve the state of South Carolina for more than four decades and that our work helps to boost the state's local economies. Our programs offer opportunities from rental assistance to homeownership and have improved the quality of life for tens of thousands of South Carolinians.

VISION

The vision of SC State Housing is that all South Carolinians have the opportunity to live in safe, decent and affordable housing.

MISSION

The mission of SC State Housing is to create quality, affordable housing opportunities for the citizens of South Carolina.

GOALS

- To create and maintain a positive work culture that reinforces our mission, encourages innovation and is based on a spirit of cooperation and teamwork;
- to improve customer service and enhance employee performance by constantly reviewing processes and the use of technology;
- to develop mutually supportive relationships that expand our ability to provide affordable housing, enhancing the value of investments; and
- to actively seek new and innovative ideas to improve affordable housing opportunities.

Our programs offer opportunities from rental assistance to homeownership and have made the quality of life better for tens of thousands of South Carolinians.

Program Areas

SC State Housing is comprised of nine distinct program areas and multiple internal departments. A more complete description of the nine program areas is detailed in this report; however, the programs are listed here for reference:

- Mortgage Bond Program (Homeownership)
- South Carolina Homeownership and Employment Lending Program (SC HELP)
- South Carolina Housing Trust Fund Program (HTF)
- HOME Investment Partnerships Program (HOME)
- Housing Tax Credit Program
- Multifamily Tax Exempt Bond Program
- Housing Choice Voucher Program
- Project-Based Contract Administration
- Neighborhood Stabilization Program (NSP)

The above-referenced programs can be further differentiated by the activities in which each engages to provide assistance for affordable housing.

SINGLE-FAMILY PROGRAMS

Single-family activities include mortgages issued through Homeownership funding through both the HTF and HOME Programs with rehabilitation and emergency repair funding offered through the HTF Program. This Fiscal Year's computations also include data from the SC HELP program.

MULTIFAMILY PROGRAMS

Multifamily activities include projects developed through the Multifamily Tax Exempt Bond Program, group homes for the disabled as well as transitional and supportive housing funded through the HTF, and rental development funded through the HTF, HOME and the Housing Tax Credit Programs.

HOUSING ASSISTANCE

In addition to those programs specifically targeted to project funding and development, SC State Housing also administers housing assistance programs: Housing Choice Voucher Program and Project-Based Contract Administration.

TOTAL ECONOMIC INVESTMENT

Total Economic Investment (below) represents the value of the total investments that SC State Housing has made into South Carolina's economy including those funds referred to as leveraged funds. Leveraged funds represent those dollars in a project that were either necessary matching funds, dollars provided by a third party or other such dollars without which the project could not have progressed. SC State Housing recognizes the value of these dollars to be an integral part of the transaction.

SC State Housing is comprised of nine core programs whose missions are to create quality, affordable housing opportunities for the citizens of South Carolina through the unique means that were established at their inception.

FISCAL YEAR 2012	Single-Family		Multifamily		Housing Assistance	
	CONGRESSIONAL DISTRICT	TOTAL UNITS	TOTAL UNITS	INVESTMENT	TOTAL UNITS	INVESTMENT
DISTRICT 1	726	\$22,599,598	155	\$6,292,526	2,678	\$18,473,082
DISTRICT 2	1,019	\$22,506,244	104	\$5,356,665	3,116	\$18,381,760
DISTRICT 3	491	\$8,999,854	380	\$6,304,379	3,390	\$20,792,904
DISTRICT 4	834	\$16,408,570	610	\$13,817,368	3,133	\$20,482,632
DISTRICT 5	759	\$12,466,412	206	\$5,254,808	3,024	\$17,231,664
DISTRICT 6	715	\$11,802,924	331	\$7,129,029	4,614	\$27,851,860

Program Descriptions

MORTGAGE BOND PROGRAM (HOMEOWNERSHIP)

Homeownership is the principal program of SC State Housing. The sale of tax exempt bonds to investors provides money to make competitive mortgage loans and down payment assistance to qualified homebuyers. Our loans offer qualified borrowers fixed, competitive interest rates. These options allow SC State Housing the flexibility to adjust interest rates as the market dictates and ensure the financial integrity of the program, while putting homeownership within the reach of more South Carolinians. Like all of SC State Housing's homeownership programs, persons purchasing homes under Homeownership must meet credit standards, as well as income and purchase price restrictions, which vary by county.

Newly launched in 2012, the SC Mortgage Tax Credit Program is a Mortgage Credit Certificate program administered by the Homeownership Division, that provides a federal income tax credit to qualified homebuyers of up to \$2000 per calendar year for every year they occupy the home as their primary residence.

SOUTH CAROLINA HOMEOWNERSHIP AND EMPLOYMENT LENDING PROGRAM (SC HELP)

SC HELP was launched in early 2011 with \$295 million in funding from the U.S. Department of the Treasury's Hardest Hit Fund program. SC HELP is available statewide, and provides assistance to eligible owner-occupant homeowners who are facing the possibility of serious delinquency or foreclosure on their primary mortgage

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due to a hardship beyond their control. Eligible hardships include: unemployment; under-employment; self-employment with a reduction in income; loss of income due to illness or injury; and/or divorce or death of a spouse.

SC HELP can assist eligible homeowners with their first mortgage by paying past-due amounts and/or making monthly payments on the homeowner's behalf. Assistance is also available to assist families transitioning from homeownership to other living arrangements under certain circumstances. All assistance under SC HELP is subject to homeowner eligibility, maximum assistance and funding limits, and other restrictions.

More information and an application can be found at SCHELP.gov.

SOUTH CAROLINA HOUSING TRUST FUND (HTF)

The HTF was created by the General Assembly in 1992. This landmark legislation is funded with dollars collected from a dedicated portion of the deed stamp tax and provides funding for affordable rental housing and homeownership opportunities for low-income South Carolinians. Eligible activities include the rehabilitation of single-family homes, acquisition and construction of rental housing, group homes for the disabled and emergency shelters. All of this

is accomplished by building partnerships among government agencies, qualified nonprofit sponsors, for-profit sponsors and those in need of affordable housing.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

HOME is designed to expand the supply of decent, safe, sanitary and affordable housing for low- and very low-income beneficiaries. HOME promotes the development of partnerships as part of an effective delivery system to promote and create affordable housing for the citizens of South Carolina. Based on the state's population, SC State Housing receives an allocation of more than \$4 million a year in HOME funds. Funds are divided among homeownership and rental activities. SC State Housing is responsible for the implementation, administration and evolution of HOME in accordance with federal regulations for the state of South Carolina.

HOUSING TAX CREDIT PROGRAM

The Housing Tax Credit Program is designed to provide a tax incentive to developers of multifamily rental housing. Allocations of credits are used to leverage public, private and other funds in order to keep rents affordable. Developments that may qualify for credits include new construction, acquisition with rehabilitation, rehabilitation and



MEADOWBROOK ACRES, AIKEN COUNTY

South Carolina received \$295 million in funding to help responsible borrowers who have fallen behind on their mortgage payments due to unemployment, or other unforeseen circumstances, to stay in their homes or otherwise avoid preventable foreclosure.

adaptive re-use. Owners can take the credit for up to ten years if the rental property remains in compliance with occupancy and rent restrictions for 30 years. These credits can be used as a dollar-for-dollar reduction in federal income tax liability.

MULTIFAMILY TAX EXEMPT BOND PROGRAM

The Multifamily Tax Exempt Bond Program provides a mechanism for obtaining permanent real estate financing for property that is being developed for affordable, multifamily rental housing. Through the sale of tax exempt bonds, SC State Housing provides financing for construction and/or acquisition and rehabilitation of multifamily rental properties for low-to-moderate income South Carolinians. A percentage of the property's units must be set aside at all times for occupancy by low-to-moderate income individuals and families. The use of tax exempt bonds may allow the allocation of 4 percent tax credits to the property. Compliance with the Housing Tax Credit Program's Qualified Allocation Plan and Manual are required for the credits to be allocated.

HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher Program is the federal government's major program for assisting very low-income families, the elderly, and the disabled with access to decent, safe and sanitary housing in the private market. SC State Housing administers the program in seven counties (Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington) through a contract with the U.S. Department of Housing and Urban Development (HUD). Families are free to choose any housing that meets program requirements and are not limited to units located in subsidized housing properties.

The program is limited by HUD's budget, and families must apply to be placed on a waiting list, when open. A housing subsidy is paid directly to the landlord on behalf

FERNHALL CROSSING, LEXINGTON COUNTY





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of the family. The family then pays the difference between the actual rent charged and the amount subsidized by the program.

PROJECT-BASED CONTRACT ADMINISTRATION PROGRAM

The Project-Based Contract Administration Program is responsible for the administration of much of HUD's South Carolina portfolio. Contract Administrators work on behalf of HUD with owners and management agents who provide HUD-subsidized apartments in privately-owned complexes. Administration of the program includes: reviewing and approving monthly assistance payments; conducting annual management and occupancy reviews for each property within the portfolio; responding to tenant complaints and providing follow-up for inspections conducted by HUD's Real Estate Assessment Center; processing actions related to subsidy contracts; and reporting and tracking processes required under the contract between SC State Housing and HUD.

THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP)*

In 2008, HUD allocated a total of \$3.92 billion to all states and particularly hard-hit areas, to respond to the effects of high foreclosures. South Carolina received nearly \$49 million, with \$44 million administered by SC State Housing. NSP provides targeted emergency assistance to local governments and non-profits to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. An additional \$5.6 million was awarded in 2010.

**All Neighborhood Stabilization Program funds have been allocated.*



All Congressional Districts

TOTAL ECONOMIC IMPACT	\$406,944,412
TOTAL INVESTMENTS	\$262,152,292
TOTAL SINGLE-FAMILY UNITS	4,544
TOTAL MULTIFAMILY UNITS	1,786
TOTAL HOUSING ASSISTANCE UNITS	19,955
TOTAL JOBS CREATED	3,603
TOTAL TAX REVENUE GENERATED	\$20,502,605

Affordable Housing Statewide Impact



Fiscal Year 2012
Total Economic Impact
\$406,944,412

Congressional District 1

BERKELEY, CHARLESTON, DORCHESTER,
GEORGETOWN AND HORRY COUNTIES

WEDGEWOOD APARTMENTS (BERKELEY COUNTY)



SEVEN FARMS (CHARLESTON COUNTY)

TOTAL ECONOMIC OUTPUT
\$77,622,120
TOTAL INVESTMENT
\$47,365,208
TOTAL SINGLE-FAMILY UNITS
726
TOTAL MULTIFAMILY UNITS
155
TOTAL HOUSING ASSISTANCE UNITS
2,678
TOTAL JOBS CREATED
683
TOTAL TAX REVENUE GENERATED
\$3,593,897

Congressional District 2

AIKEN, ALLENDALE, BARNWELL, BEAUFORT,
CALHOUN, HAMPTON, JASPER, LEXINGTON,
ORANGEBURG AND RICHLAND COUNTIES

PEBBLECREEK (LEXINGTON COUNTY)



MADISON APARTMENTS (RICHLAND COUNTY)

TOTAL ECONOMIC OUTPUT
\$75,166,192
TOTAL INVESTMENT
\$46,244,672
TOTAL SINGLE-FAMILY UNITS
1,019
TOTAL MULTIFAMILY UNITS
104
TOTAL HOUSING ASSISTANCE UNITS
3,116
TOTAL JOBS CREATED
661
TOTAL TAX REVENUE GENERATED
\$3,519,431

Congressional District 3

ABBEVILLE, AIKEN, ANDERSON, EDGEFIELD,
GREENWOOD, LAURENS, MCCORMICK, OCONEE,
PICKENS AND SALUDA COUNTIES

CAMERON COVE (AIKEN COUNTY)



KENNEDY PLACE (ANDERSON COUNTY)

TOTAL ECONOMIC OUTPUT
\$75,166,192
TOTAL INVESTMENT
\$46,244,672
TOTAL SINGLE-FAMILY UNITS
1,019
TOTAL MULTIFAMILY UNITS
104
TOTAL HOUSING ASSISTANCE UNITS
3,116
TOTAL JOBS CREATED
661
TOTAL TAX REVENUE GENERATED
\$3,519,431

Congressional District 4

GREENVILLE, LAURENS, SPARTANBURG
AND UNION COUNTIES

CEDAR SPRINGS PLACE (SPARTANBURG COUNTY)



CLARK STREET COMMONS (GREENVILLE COUNTY)

Affordable Housing Statewide Impact

TOTAL ECONOMIC OUTPUT
\$78,508,072
TOTAL INVESTMENT
\$50,708,572
TOTAL SINGLE-FAMILY UNITS
834
TOTAL MULTIFAMILY UNITS
610
TOTAL HOUSING ASSISTANCE UNITS
3,133
TOTAL JOBS CREATED
688
TOTAL TAX REVENUE GENERATED
\$3,810,934

Congressional District 5

CHEROKEE, CHESTERFIELD, DARLINGTON, DILLON,
FAIRFIELD, FLORENCE, KERSHAW, LANCASTER, LEE,
MARLBORO, NEWBERRY, SUMTER AND YORK COUNTIES

DARLINGTON LOFTS (DARLINGTON COUNTY)



HARTSVILLE GARDEN APARTMENTS (DARLINGTON COUNTY)

TOTAL ECONOMIC OUTPUT
\$53,988,012
TOTAL INVESTMENT
\$34,952,884
TOTAL SINGLE-FAMILY UNITS
759
TOTAL MULTIFAMILY UNITS
206
TOTAL HOUSING ASSISTANCE UNITS
3,024
TOTAL JOBS CREATED
479
TOTAL TAX REVENUE GENERATED
\$2,739,328

Congressional District 6

BAMBERG, BERKELEY, CALHOUN, CHARLESTON, CLARENDON, COLLETON, DORCHESTER, FLORENCE, GEORGETOWN, LEE, MARION, ORANGEBURG, RICHLAND, SUMTER AND WILLIAMSBURG COUNTIES

KINGS SQUARE APARTMENTS (WILLIAMSBURG COUNTY)



BAILEY GARDENS (FLORENCE COUNTY)

TOTAL ECONOMIC OUTPUT
\$69,462,488
TOTAL INVESTMENT
\$46,783,816
TOTAL SINGLE-FAMILY UNITS
715
TOTAL MULTIFAMILY UNITS
331
TOTAL HOUSING ASSISTANCE UNITS
4,614
TOTAL JOBS CREATED
623
TOTAL TAX REVENUE GENERATED
\$3,903,386

Affordable Housing Statewide Impact

Business Results by Program Area

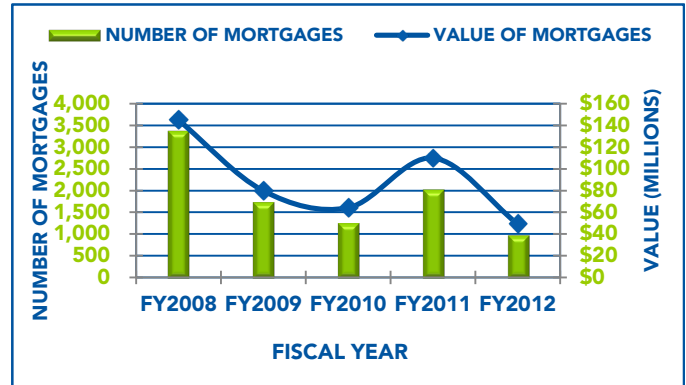
INTRODUCTION

Below are some insights into the business activities of each SC State Housing program area for Fiscal Year 2012. The graphs track multi-year periods of activity to provide better context and more insight into the annual results of our programs.

MORTGAGE BOND PROGRAM (HOMEOWNERSHIP)

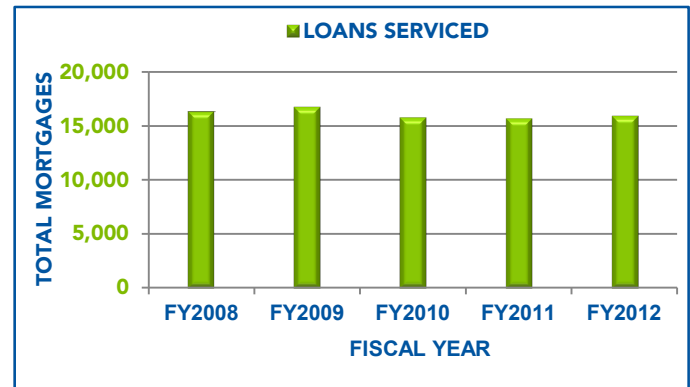
During Fiscal Year 2012, SC State Housing purchased 988 mortgages (466 first mortgages and 522 second mortgages) totaling a little more than \$49 million. While housing markets nationally experienced continued stagnation in purchases, our program began to follow the trend in 2012 after a marked resurgence in Fiscal Year 2011—showing an almost 44.6 percent decrease in dollar value of purchases from the previous year and a 48.6 percent decrease in actual homes purchased. Much of this decline can be attributed to the end of the \$8,000 mortgage tax credit incentive and falling interest rates in the market. Figure 1 illustrates this productivity.

FIGURE 1 - HOMEOWNERSHIP PRODUCTIVITY



SC State Housing currently services a portfolio of 15,977 first and second mortgages. Figure 2 illustrates this activity over the last five fiscal years. The average loan amount was \$106,143 and the average household income of borrowers was \$40,749.

FIGURE 2 - HOMEOWNERSHIP LOANS SERVICED



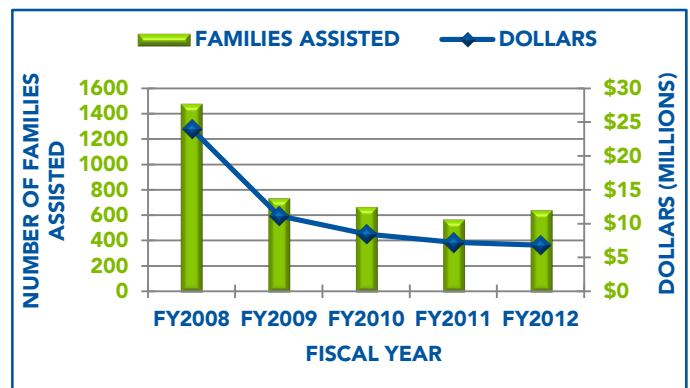
SOUTH CAROLINA HOMEOWNERSHIP AND EMPLOYMENT LENDING PROGRAM (SC HELP)

SC State Housing launched a pilot of SC HELP in November 2010. The full rollout statewide occurred in January 2011. As of June 30, 2012, SC HELP had committed more than \$29 million to assist over 2,761 South Carolina homeowners. Refinements to this program are ongoing, as are increased outreach efforts to make more South Carolina homeowners aware of the program.

FIGURE 3 - HOUSING TRUST FUND AWARDS

SOUTH CAROLINA HOUSING TRUST FUND (HTF)

HTF awards were made throughout the state with a total of 539 awards for more than \$6.8 million in Fiscal Year 2012. While this represents an increase of 14 percent in the number of awards made, it also shows a decrease in the actual dollar amount available to make awards of 6 percent. This decrease is directly attributable to the continued stagnation that real estate sales, and therefore the deed transfer fees that fund the program, experienced during the fiscal year.



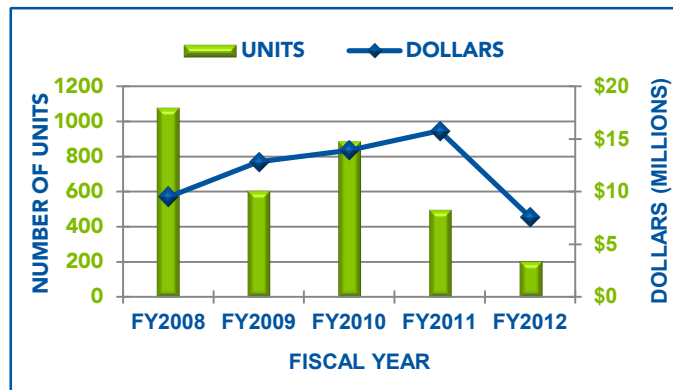
Business Results by Program Area

Reliance on economy-driven proceeds can be a significant complication. It creates an unpredictable fluctuation in award activity, because the amount of underlying proceeds is variable. Figure 3 illustrates this trend.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Figure 4 illustrates the award activity for the HOME Program for Fiscal Year 2012. During this period, HOME made 19 awards, producing 204 units for a total of \$7,589,881. Seventeen awards went to rental housing, 10 to homeownership, nine to tax credit properties, and three to tenant based rental assistance. These awards were made to non-profit organizations, for-profit entities, local governments and Public Housing Authority (PHA) participants. HOME continues to serve as a significant bridge between other SC State Housing programs, helping to make dollars go further, providing leverage enhancements, and increasing opportunities to expand affordable housing initiatives throughout the state.

FIGURE 4 - HOME AWARDS



MULTIFAMILY TAX EXEMPT BOND PROGRAM

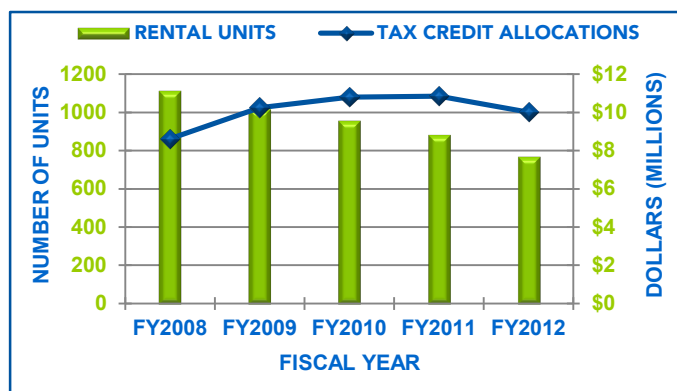
No transactions occurred in Fiscal Year 2012.

For Fiscal Year 2011, no bond cap was allocated to multifamily development. During the year, two nonprofit-owned developments closed 501(c)(3) bonds in a pooled transaction, adding 177 family units to the state’s affordable housing stock.

HOUSING TAX CREDIT PROGRAM

For the past few years, lack of investor demand endangered development in the Housing Tax Credit Program arena. The federal government enacted the Tax Credit Assistance Program (TCAP) and the Housing Credit Exchange Program and increased per capita tax credit amounts to keep developments viable. During Fiscal Year 2011, investor demand for tax credits returned to more historically normal levels. In Fiscal Year 2012, the LIHTC program allocated \$10 million to 14 housing developments which will produce 768 units. Figure 5 shows this progression.

FIGURE 5 - HOUSING TAX CREDIT ALLOCATIONS



NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

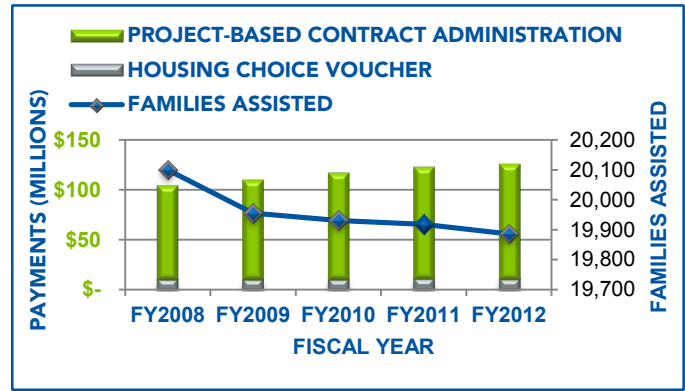
In 2008, SC State Housing introduced NSP for South Carolina to administer \$44 million of HUD funding targeted toward the mitigation of blight caused by foreclosed and abandoned property. In Fiscal Year 2011, HUD allocated an additional \$5 million of NSP funds to SC State Housing through the third round of funding (NSP3), of which 100 percent has been committed. SC State Housing has until 2013 to expend the funds. All NSP funds have been allocated.

Business Results by Program Area

PROJECT-BASED CONTRACT ADMINISTRATION AND HOUSING CHOICE VOUCHER PROGRAM

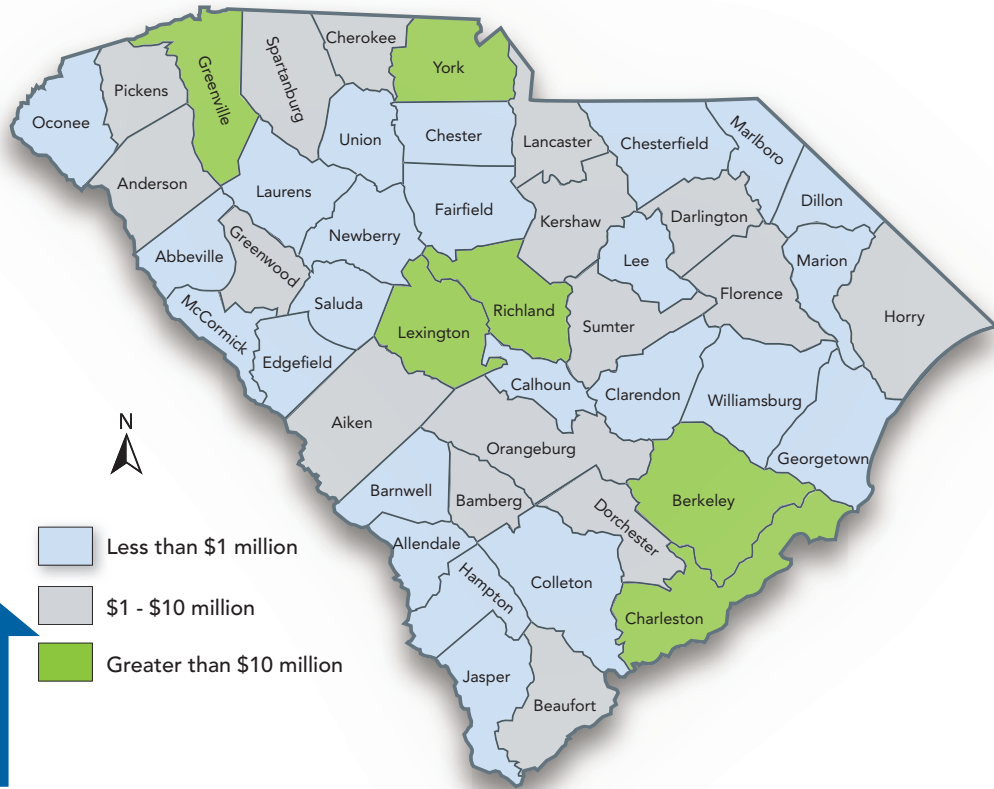
Approximately 20,000 families received housing assistance through SC State Housing’s administration of the Project-Based Contract Administration and Housing Choice Voucher Programs. Tenants pay approximately 30 percent of their income toward rent and utilities, and the remainder is subsidized. During Fiscal Year 2012, this subsidy amounted to more than \$126 million. The level of rental assistance activity has remained at a fairly consistent level for the past several years. Specifically, Project-Based Contract Administration assisted 17,932 families totaling \$115,424,726 in subsidy payments. The Housing Choice Voucher Program assisted an average of 1,954 families, totaling \$11,001,102. Figure 6 represents this graphically.

FIGURE 6 - PROJECT-BASED CONTRACT ADMINISTRATION/ HOUSING CHOICE VOUCHER ASSISTANCE



Economic Impact of Single-Family Programs by County

Note: Single-Family Programs include the Homeownership and HOME Programs.

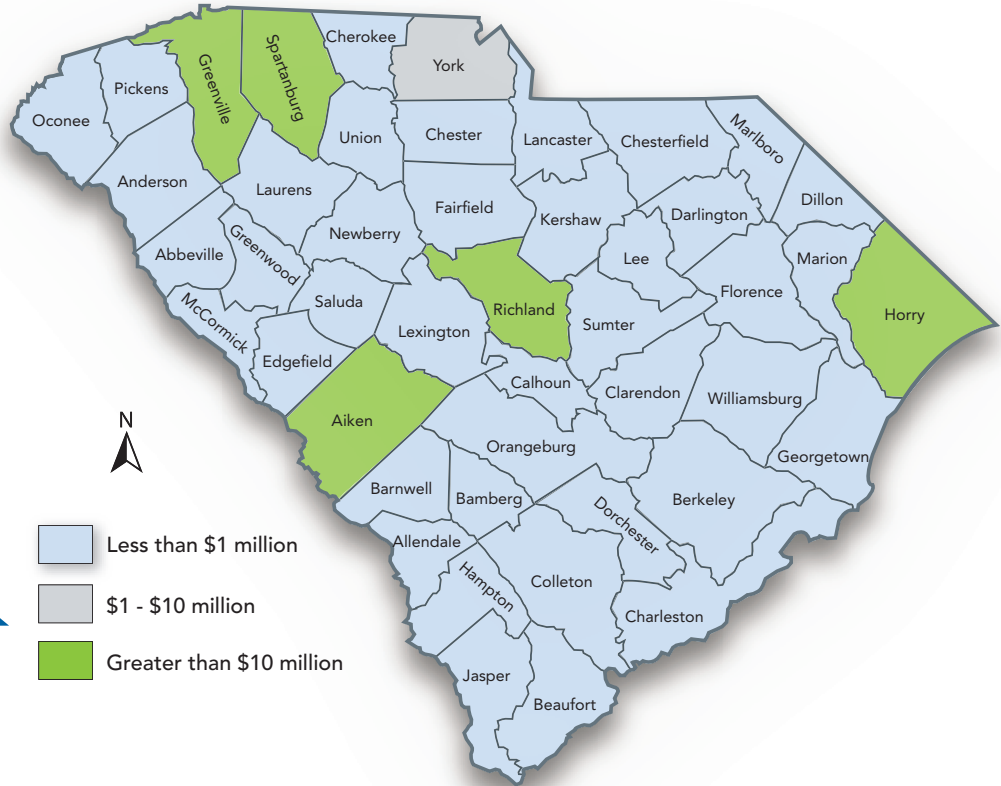


County	Units	Total Economic Output
Abbeville	12	\$61,687
Aiken	122	\$4,892,844
Allendale	31	\$245,883
Anderson	186	\$4,699,091
Bamberg	87	\$1,680,493
Barnwell	33	\$568,974
Beaufort	87	\$3,193,840
Berkeley	161	\$12,287,623
Calhoun	12	\$261,985
Charleston	270	\$14,442,453
Cherokee	57	\$1,643,897
Chester	24	\$592,125
Chesterfield	17	\$314,209
Clarendon	48	\$649,890
Colleton	19	\$767,882
Darlington	33	\$1,675,724
Dillon	15	\$510,065
Dorchester	128	\$9,536,041
Edgefield	12	\$327,223
Fairfield	35	\$625,016
Florence	113	\$4,909,461
Georgetown	33	\$926,590
Greenville	502	\$20,486,516

County	Units	Total Economic Output
Greenwood	40	\$1,741,144
Hampton	12	\$218,877
Horry	208	\$9,516,070
Jasper	14	\$140,129
Kershaw	74	\$1,620,064
Lancaster	56	\$1,379,283
Laurens	25	\$559,035
Lee	25	\$369,778
Lexington	282	\$14,655,426
Marion	27	\$405,944
Marlboro	20	\$318,363
McCormick	2	\$16,026
Newberry	19	\$269,854
Oconee	27	\$523,147
Orangeburg	95	\$2,131,826
Pickens	65	\$2,630,301
Richland	689	\$30,260,194
Saluda	15	\$234,491
Spartanburg	325	\$8,686,926
Sumter	119	\$5,225,272
Union	17	\$258,163
Williamsburg	16	\$156,333
York	335	\$10,863,438

Economic Impact of Multifamily Programs by County

Note: Multifamily Programs include the Tax Exempt Bond, Housing Tax Credit, HTF and HOME Programs.

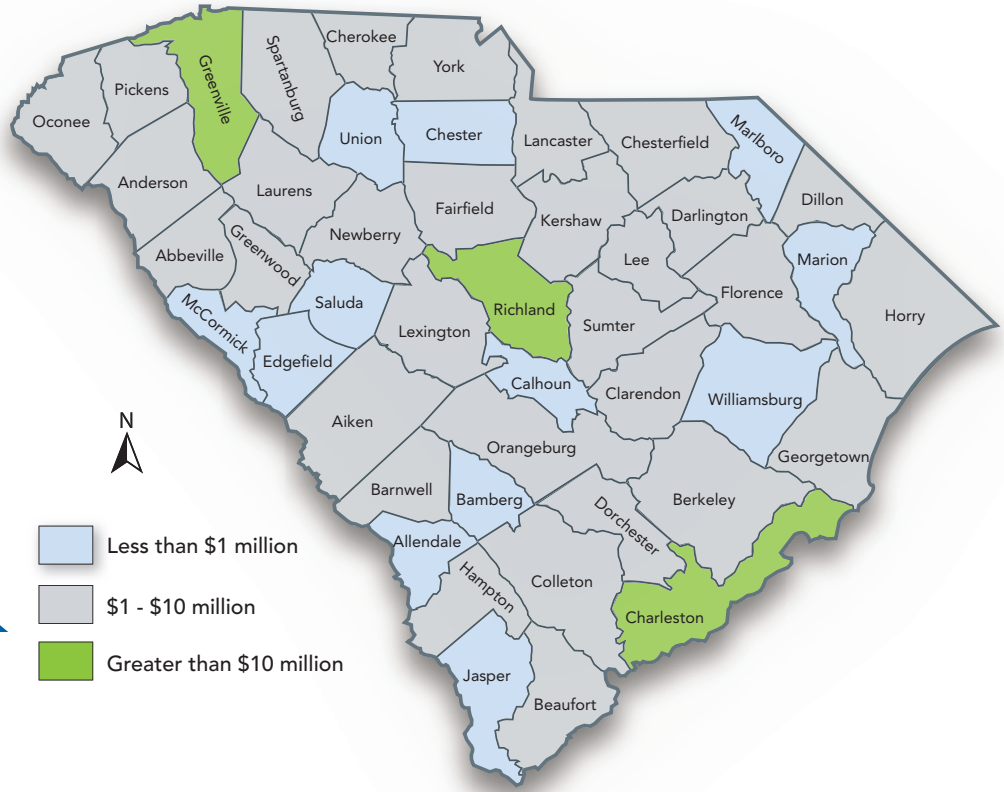


County	Units	Total Economic Output
Abbeville	0	\$0
Aiken	56	\$10,080,577
Allendale	44	\$153,127
Anderson	128	\$406,876
Bamberg	0	\$0
Barnwell	24	\$82,304
Beaufort	21	\$249,652
Berkeley	0	\$0
Calhoun	0	\$0
Charleston	3	\$125,107
Cherokee	48	\$134,007
Chester	0	\$0
Chesterfield	0	\$0
Clarendon	32	\$121,887
Colleton	0	\$0
Darlington	1	\$12,625
Dillon	0	\$0
Dorchester	24	\$74,228
Edgefield	0	\$0
Fairfield	0	\$0
Florence	8	\$392,443
Georgetown	0	\$0
Greenville	250	\$12,529,178

County	Units	Total Economic Output
Greenwood	6	\$4,410
Hampton	0	\$0
Horry	154	\$10,933,325
Jasper	0	\$0
Kershaw	94	\$250,212
Lancaster	2	\$2,383
Laurens	104	\$307,522
Lee	18	\$62,532
Lexington	5	\$190,374
Marion	0	\$0
Marlboro	0	\$0
McCormick	0	\$0
Newberry	0	\$0
Oconee	0	\$0
Orangeburg	4	\$65,463
Pickens	52	\$130,104
Richland	248	\$20,438,848
Saluda	36	\$103,859
Spartanburg	240	\$11,294,821
Sumter	3	\$26,666
Union	120	\$353,581
Williamsburg	0	\$0
York	61	\$8,732,616

Total Economic Impact of Housing Assistance Programs by County

Note: Housing Assistance Programs include HUD's Housing Choice Voucher Program and Project-Based Contract Administration.



County	Units	Total Economic Output
Abbeville	224	\$1,643,895
Aiken	576	\$4,745,264
Allendale	98	\$709,100
Anderson	1094	\$8,781,434
Bamberg	100	\$768,658
Barnwell	154	\$1,152,197
Beaufort	356	\$3,275,867
Berkeley	244	\$2,223,640
Calhoun	96	\$710,565
Charleston	1352	\$13,751,006
Cherokee	185	\$1,494,180
Chester	100	\$727,507
Chesterfield	158	\$1,207,001
Clarendon	423	\$2,696,891
Colleton	447	\$1,403,757
Darlington	415	\$2,947,447
Dillon	192	\$1,513,875
Dorchester	1139	\$8,833,281
Edgefield	112	\$857,578
Fairfield	277	\$2,058,503
Florence	354	\$2,486,102
Georgetown	220	\$1,519,873
Greenville	2259	\$18,668,172

County	Units	Total Economic Output
Greenwood	283	\$1,597,014
Hampton	221	\$1,935,944
Horry	378	\$3,501,739
Jasper	56	\$466,339
Kershaw	384	\$2,285,425
Lancaster	279	\$2,403,956
Laurens	333	\$2,320,657
Lee	288	\$1,587,262
Lexington	1426	\$9,524,742
Marion	0	\$0
Marlboro	62	\$288,347
McCormick	60	\$541,024
Newberry	134	\$1,028,678
Oconee	342	\$2,459,494
Orangeburg	630	\$4,266,862
Pickens	312	\$2,296,250
Richland	2512	\$19,083,608
Saluda	48	\$405,465
Spartanburg	742	\$5,691,164
Sumter	322	\$2,223,235
Union	132	\$942,854
Williamsburg	76	\$599,759
York	360	\$2,580,477



Legislative and Regulatory Priorities

Our goal, like that of the National Council of State Housing Agencies (NCSHA), is an affordably housed state and nation. Toward this end, we ask that you consider the following as legislative priorities during this session:

- To protect, strengthen and expand the production potential of the tax-exempt Housing Bond program (including its Mortgage Credit Certificate option) and the Low Income Housing Tax Credit.
- To authorize and/or help facilitate, as necessary, additional means for Housing Finance Agencies (HFA) to access the capital markets, including alternative pass-through bond structures and tax-exempt mortgage-backed securities.
- A strong secondary mortgage market system with a robust affordable housing mission that engages HFAs as preferred affordable housing lending partners in meeting the needs of low- and moderate-income families, enables them to maximize their lending potential, and respond to their capital and liquidity needs, including through any successor entities to Fannie Mae and Freddie Mac.
- To work with the Federal Housing Finance Agency and the Federal Home Loan Banks (FHLBs) it regulates to strengthen and expand HFA-FHLB partnerships.
- Protect and restore HOME funding, while working to increase program flexibility, improve efficiency, and eliminate needless bureaucracy.
- Section 8 funding adequate to renew all authorized vouchers; provide for new ones; compensate Public Housing Authorities (PHA) fairly for their administrative costs; and honor and, if expiring, extend existing project-based assistance commitments.
- NCSHA will continue to aggressively represent the interests of HFAs in HUD's Project-Based Contract Administration program and ensure that HUD recognizes HFAs' proven capacity and track record to serve as Performance-Based Contract Administrators.
- New state-administered funding for project-based operating subsidies to support affordable rental housing development and preservation, and tenant-based rental assistance to support state-determined priorities unmet under the Housing Choice Voucher program, with maximum flexibility for program administrators and limited federal regulation.

- Dedicated and sustainable funding for the state-administered Housing Trust Fund, with maximum flexibility for program administrators and limited federal regulation.
- Expanded federal commitment to address the preservation of affordable rental housing in a comprehensive manner, including additional resources, changes to existing housing programs, and the creation of new ones to support state and federal preservation efforts.
- To preserve and expand HFAs' authority to provide secondary financing and other forms of down payment and closing cost assistance in transactions involving FHA single-family mortgage insurance and to secure authority for Ginnie Mae to securitize multifamily FHA-HFA risk-sharing loans.

HOUSING BOND AND CREDIT PRIORITIES

- Support for the U.S. Department of the Treasury's (Treasury) proposal to allow for a 30 percent basis boost for properties financed with tax-exempt bonds that are subject to private activity bond volume cap. Such properties would be federally assisted and subject to long term use agreements limiting occupancy to low-income households.
- Authority for investors to carry back Tax Credits for five years and incentives to encourage increased individual investment.
- Make permanent the temporary fixed 9 percent credit included in the Housing and Economic Recovery Act of 2008 (HERA) for future development.
- Fix and make permanent the 4 percent credit, in addition to the 9 percent credit.
- Establish a state-determined basis boost for 4 percent credits.
- Increase access to Housing Credit apartments for working families that cannot afford decent, reasonably priced rental homes and for extremely low-income families that cannot afford most Housing Credit apartments without assistance.
- Extend the HERA 9 percent Credit rural income limit flexibility to 4 percent Credit deals.
- Eliminate the Mortgage Revenue Bond (MRB) purchase price limits. Meanwhile, work with Treasury to improve its proposed safe harbor purchase price methodology.
- Repeal the MRB refinancing limitation.
- Increase the MRB home improvement loan limit by an amount at least adequate to reflect the rise in construction costs since it was first established and index it for construction cost inflation annually thereafter.
- Exempt all refunding Housing Bonds from the Alternative Minimum Tax (AMT).
- Improve the application of HUD's income limit methodology to Housing Credit developments and other affordable housing programs.
- Strengthen the Mortgage Credit Certificate (MCC) program by making it more efficient and easier to administer.

Overview and Methodology

The figures contained in this report detail the economic impact of SC State Housing on the state of South Carolina for Fiscal Year 2012 (July 1, 2011 – June 30, 2012). A standard economic impact analysis estimates the impact, or contribution, of an organization to the local economy. For example, if a new company were to open in South Carolina, it would be useful to know the number of jobs this company would create or the increase in demand for goods and services that would result from the company buying products from suppliers in South Carolina. All estimates were generated using data provided by SC State Housing.

In order to formalize the reporting of the economic impact of an organization, there are two figures that are reported as part of this impact analysis: output and employment. Each of these figures, in turn, is comprised of a direct, indirect and induced impact.

OUTPUT

The economic output of an organization is defined as the dollar value of production, or the dollar value of the final goods and services produced by that organization. For example, if SC State Housing were to fund the construction of a multi-family housing unit, the direct economic output would represent the total sales activity resulting from the construction (e.g., roofing materials, lumber, drywall, labor). The economic output of an organization's activity is the dollar value representing the final demand for goods and services produced for that activity.

EMPLOYMENT

Employment is defined as the number of jobs (full-time and full-time equivalent) that are needed to deliver the demand for the final goods and services associated with the organizations and activities being measured.

Output and employment are two standard figures that show the economic impact of an organization on its local economy. Both of these factors, however, have an impact on the economy in three different ways. Thus, both are broken down into a direct impact, an indirect impact, and an induced impact.

DIRECT IMPACT

The direct impact of an organization represents the effects of that organization's expenditures – that is – local purchases and wages that are inserted into the local economy. These expenditures represent the initial change to the local economy and are often used as the raw input data for an economic analysis. For example, if SC State Housing were to spend \$1 million on low-income housing rehabilitation that it received from HUD, this initial spending change to the local economy represents the direct impact.

MADISON APARTMENTS, RICHLAND COUNTY



INDIRECT IMPACT

The indirect impact represents additional economic impacts resulting from changes in the demand of industry suppliers and inter-industry transactions. Using the previous example cited, if SC State Housing were to spend \$1 million on low-income housing rehabilitation, they would increase the demand for suppliers of goods such as roofing materials and drywall. These suppliers must then purchase inputs from other business suppliers, who in turn purchase inputs from yet more suppliers, and so on. This continues and creates additional demand in many sectors of the local economy, which is what is measured by the indirect impact.

INDUCED IMPACT

The induced impact represents additional economic impacts that result from changes in household spending in the local economy. Using the example cited above once again, employees working in remodeling who benefit from a salary increase due to the increase in demand of their services from SC State Housing, will spend some of that income in the local economy on entertainment and food. The entertainment and food businesses will then experience increases in demand for their products and some employees will see additional income, and again, spend it locally. This pattern continues. These changes in household spending represent the induced impact.



FERNWOOD HALL APARTMENTS, LEXINGTON COUNTY

Successive rounds of indirect and induced spending do not continue indefinitely. In each round, some money is “leaked out” of the local economy because, for example, some inputs might be purchased from outside of the local economy or increases in employee income might be saved instead of being spent. Because the spending rounds are finite, a value can be calculated for each of them. The output and employment estimates reported represent total values – that is, the sum of the direct, indirect and induced impacts.

Employees working in remodeling who benefit from a salary increase due to the increase in demand of their services from SC State Housing will spend some of that income in the local economy on entertainment and food. The entertainment and food businesses will then experience increases in demand for their products and some employees will see additional income, and again, spend it locally.

TAXES

Total tax revenue represents the additional state tax revenue that is collected as the result of increased expenditures in the local economy. These tax figures represent revenue collected from employee compensation, sales, property, production, households and corporations. They represent tax revenue generated from the direct, indirect and induced impacts of the increased expenditures.

SOFTWARE

This report uses the software package IMPLAN to calculate all estimates, which is the industry standard software package used by professional, regional economists to conduct input-output analyses.

INTERPRETING REPORTED ESTIMATES

Each estimate reported is to be interpreted as the economic impact on the entire state of South Carolina. For example, the total output reported for Congressional District 1 is \$77,622,120. This represents the total output for all of South Carolina generated as a result of SC State Housing programs implemented in Congressional District 1 over the last fiscal year. It does not represent output generated exclusively in Congressional District 1.

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