

Think of an agency that does all this with no state tax funding

Each year SC State Housing continues to fulfill and even expand its mission to create quality affordable housing opportunities for the citizens of South Carolina.

SC State Housing is self-sustaining and receives no state appropriation.

We are proud that we have been able to serve our State for four decades and we are committed to our mission.

*NOTES

This report was compiled in cooperation with the Division of Research at the University of South Carolina's Moore School of Business.

FY2010 denotes the 2010 fiscal year, which runs from July 1, 2009 to June 30, 2010.

In this report, "total investment" refers to the direct economic output from SC State Housing expenditures in FY2010. "Total economic output" refers to the direct, indirect, and induced economic output from SC Housing expenditures in FY2010. Thus, total economic output encompasses all multiplier effects and reflects the final demand for the goods and services produced.

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Southside Apartments, Spartanburg S.C.



www.schousing.com

SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

Investment Report 2010

Economic impact
estimates provided by
MOORE
DARLA MOORE SCHOOL OF BUSINESS
UNIVERSITY OF SOUTH CAROLINA

www.schousing.com

What do you think of when you think of Affordable Housing?

Think of economic development

\$413 million in total economic output

The South Carolina State Housing Finance and Development Authority (SC State Housing) is a major part of the housing industry and in FY2010, invested more than \$261 million in affordable housing initiatives across our state. These initiatives generated ripple effects throughout the South Carolina economy that, in total, generated economic output in excess of \$413 million. This implies that in FY2010 the economic multiplier for SC State Housing was 1.58; every \$100 in direct spending from our affordable housing initiatives resulted in a total spending impact of \$158 on South Carolina's economic output.*

This economic growth through the affordable housing industry continues to give South Carolina a competitive edge in attracting investments that generate a larger overall tax base. Over the past 39 years, SC State Housing has been here to answer the call for more and better housing opportunities for hardworking South Carolinians. The need for affordable housing has never been greater and is essential to the well-being of our citizens and critical to our economic recovery. An adequate and balanced supply of homeownership and rental housing is critical to the state's economic well-being.

Affordable Housing Benefiting our economy and our society

In FY2010, SC State Housing produced:

- 3,788 homes and apartments
- \$30 million of local and state tax revenues
- \$413 million in total economic output
- 3,478 total jobs

More than \$143 million invested in affordable housing rental and homeownership
More than \$118 million in assistance funding

Think of jobs

3478 total jobs created in FY2010
2162 direct jobs, 1315 indirect jobs

While providing affordable housing for our citizens, our investments also provide work for thousands of individuals either directly or indirectly. The creation of additional housing gives South Carolina an advantage in attracting investments and creating jobs. Whether they are carpenters, electricians, real estate agents or retailers – additional jobs are created as the need for housing increases. In FY2010, 3,478 jobs were created from the construction, revitalization and rental of housing units due to funding from SC State Housing program areas. Affordable workforce housing is a key factor for companies considering locating or expanding their businesses.

Think of tax revenues

\$29,747,716 in state and local tax revenues

A growing population of gainfully employed citizens expands state and local tax bases. In FY2010, almost \$30 million in state and local taxes were generated by SC State Housing. These tax revenues provide for additional schools, parks, police and firefighters, all of which are crucial to a successful and interactive community.

Think of safe, stable, growing communities

\$118 million toward affordable rental housing

For nearly 40 years, SC State Housing has been a constant, reliable source of flexible, affordable mortgage money for home buyers. Fixed-rate mortgages, down payment assistance and careful underwriting result in stable, affordable mortgages for the long term.

Additionally, stable, affordable rental housing allows people to exercise greater responsibility and control over their living environment. It strengthens neighborhoods and creates incentives for maintaining and improving property and public spaces.

As more people seek affordable rental housing, SC State Housing works diligently to promote affordable rental development and preserve the quality of existing rental housing. We monitor 24,000 Low Income Housing Tax Credit apartments which may also be financed with one or more additional

We Financed 3,788 Homes and Apartments in FY 2010

Programs	Production (Units)	Investment
Single Family Mortgages, Single-Family Development, Housing Rehabilitation	1,285	\$71,866,367
Multifamily Tax Exempt Bonds Low Income Housing Tax Credits, Trust Fund and HOME	2,503	\$71,794,995
Housing Assistance Admin. U.S. Department of Housing and Urban Development's Section 8 Housing Choice Voucher Program and Contract Administration Department	20,158	\$118,007,373

Total Investment & Housing Assistance
\$261,668,736.21

federal or local funding sources such as the HOME Investment Partnerships Program, Multifamily Tax Exempt Bonds and South Carolina's Housing Trust Fund. Additionally, SC State Housing assists more than 20,000 families through Rental Assistance and Contract Administration. This reflects a \$118 million investment in meeting the rental needs of the people of South Carolina in the private rental sector.

Think of people you rely on every day

308 Palmetto Heroes homeowners

SC State Housing announced "Palmetto Heroes" in March 2010, a program designed to provide low interest home loans to current South Carolina teachers, firefighters, law enforcement and Emergency Medical Services (EMS) personnel who qualify to become homeowners. The initiative also provided down payment assistance of up to \$7,000. The program included a grant from South Carolina Realtors®, to help participants pay for incidentals associated with purchasing a home.

In August teachers and first responders were joined by administrative personnel in education and firefighting, all law enforcement officers – including dispatchers, and corrections officers and nurses.

Palmetto Heroes March - November 2010

308 Total loans \$35,060,248 invested

Loans originated in 29 counties

Average Loan amount \$118,831
Average appraised home value \$119,273
Average Income \$40,601

Occupations for loans that have closed

Teachers - 45%
Police Officers - 28%
Firefighters - 14%
Nurses - 3%
EMS - 5%
Correctional Officers - 3%
School Personnel - 3%

Think of flexibility to meet emerging needs and responsibilities

\$295,431,200 will mitigate foreclosure for responsible borrowers in SC

In March the Obama Administration announced that South Carolina would receive \$138 million as its share of an initiative to help families stay in their homes or otherwise avoid foreclosure in states that have been hit hard by concentrated economic distress. The program, known as the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (or "HFA Hardest Hit Fund"), makes money available to five states with high concentrations of people living in economically distressed

areas, defined as counties in which the unemployment rate exceeded 12 percent in 2009. Additional funding followed with \$58 million in August and \$98 million in September. This funding will help responsible borrowers who have fallen behind on their home payments due to unemployment, or other unforeseen circumstances. The program, known as the South Carolina Homeownership & Employment Lending Program (SC HELP), hopes to eventually assist between 20,000 and 33,000 homeowners.

South Carolina's share of these funds will be administered by SC State Housing through its non profit SC Housing Corp.

Assistance under this Program will be provided in the form of a nonrecourse, zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a five year period at a rate of 20 percent per year.

Every \$100 in direct spending from our affordable housing initiatives resulted in a total spending impact of \$158 on South Carolina's economic output.

Seven Farms, Daniel Island, S.C.

