



Financing
Housing.
Building SC.

FY15 IMPACT REPORT

2015 STATEWIDE IMPACT REPORT



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quality workforce housing

Executive Director's Message

Every \$100 in direct spending from our affordable housing initiatives resulted in an overall total economic impact of \$161 on South Carolina's economy.

We are proud to present you with the South Carolina State Housing Finance and Development Authority's (SC Housing) Fiscal Year 2015 Affordable Housing Statewide Impact Report. This report will provide you with an overview of our agency's investment, economic benefit, statewide economic impact and productivity. It also outlines our agency's housing assistance 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. Among the most compelling parts of this analysis was the derivation of an economic multiplier that represents the statewide, total economic impact of housing's efforts to further the availability and sustainability of affordable housing for South Carolina's workforce.

For Fiscal Year 2015, the overall economic multiplier is 1.61, meaning that every \$100 in direct spending from our affordable housing initiatives resulted in an overall total economic impact of \$161 on South Carolina's economy. SC Housing programs had a total impact of \$475.4 million on South Carolina's economy in terms of economic output.

Specifically, in this reporting year, SC Housing directly invested more than \$295.7 million in South Carolina, which resulted in the total economic impact figure mentioned above of almost \$475.4 million. But more than dollars and cents, more than bricks and mortar, this work has a very real and lasting impact on the people and families of our state. These dollars helped more than 26,000 families—the true faces of home—realize quality, affordable housing. SC Housing's investment resulted in a workforce impact of 3,219 jobs as well as \$34.5 million in state and local tax revenue, making 2015 another strong and productive year for our agency. We are particularly proud of the fact that since Fiscal Year 2012 our annual impact has increased

by almost \$100 million, and we have increased our revenue generation by more than \$14 million annually. Unfortunately, there were many more members of South Carolina's workforce who were not able to provide their families with a safe, affordable home during this time. We will continue to keep these men and women as well as their families in mind as we make decisions affecting affordable housing policy and funding in South Carolina.

We are proud of the work that has been accomplished by our agency over the past year. We look forward to continued work with our partners throughout 2016 to further our mission to create quality, affordable housing solutions for the citizens of South Carolina.

Sincerely,



Valarie M. Williams



sc housing oversight

Board of Commissioners



Donald R. Tomlin, Jr., Chairman
Columbia



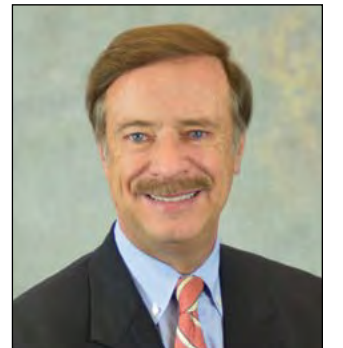
Robert D. Mickle, Jr.
Vice Chairman, Governor's Designee
Columbia



Bradley Allen
Columbia



Charles E. Gardner
Greenville



Chris Goodall
Columbia



Kenneth E. Ormand, Jr.
Columbia



Sue-Ann Gerald Shannon
Columbia



Mary L. Sieck
Lake Wylie

top of mind

Overview

For 43 years, the South Carolina State Housing Finance and Development Authority (SC Housing) has been helping families, older adults, persons with disabilities and others who are frequently underserved secure quality, safe and affordable housing. SC Housing is able to do this by using our proven financial strength to sell securities to investors all over the country. SC Housing administers a number of federal and state programs providing additional housing solutions where they are needed most.

SC Housing takes pride in knowing that it has been able to serve the citizens of South Carolina for more than four decades and that our work helps to sustain 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 Housing is that all South Carolinians have the opportunity to live in safe, decent and affordable housing.

Mission

Create quality affordable housing opportunities for the citizens of South Carolina.

Goals

- To actively seek new and innovative ideas to improve affordable housing opportunities.
- To develop mutually supportive relationships that expand our ability to provide affordable housing, enhancing the value of investments;
- To improve customer service and enhance employee performance by constantly reviewing processes and the use of technology; and

Our mission is to create quality affordable housing opportunities for the citizens of South Carolina.

- To create and maintain a positive work culture that reinforces our mission, encourages innovation and is based on a spirit of cooperation and teamwork.



HIGHLAND CROSSING



The Highland Crossing Rental Assistance Demonstration program in Spartanburg is the only 9% tax credit, demolition and new construction project awarded in South Carolina. Once completed, 72 new units will be constructed.



Program Areas



Single-Family Programs

Single-family activities include mortgages issued through the Mortgage Bond Program (Homebuyer Program), along with funding through the HOME Investment Partnerships Program; rehabilitation and emergency repair funding offered through the Housing Trust Fund (HTF) Program, and foreclosure mitigation assistance through SC HELP.

Multifamily Programs

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

Housing Assistance

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

Total Economic Investment

The chart below represents the value of the total investments that SC Housing has made into South Carolina's economy including 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 Housing recognizes the value of these dollars to be an integral part of the transaction.

FISCAL YEAR 15 CONGRESSIONAL DISTRICT	SINGLE-FAMILY		MULTIFAMILY		HOUSING ASSISTANCE	
	UNITS	INVESTMENT	UNITS	INVESTMENT	TOTAL UNITS	INVESTMENT
DISTRICT 1	601	\$13,084,928	1	\$30,000	1,958	\$16,138,672
DISTRICT 2	1,051	\$21,049,656	3	\$225,000	3,022	\$18,935,442
DISTRICT 3	445	\$5,403,729	361	\$28,526,152	3,582	\$23,244,908
DISTRICT 4	632	\$8,294,891	151	\$4,016,681	2,393	\$15,492,673
DISTRICT 5	852	\$14,809,403	3	\$300,401	2,320	\$14,315,815
DISTRICT 6	1,130	\$21,524,376	91	\$7,283,004	5,008	\$32,717,864
DISTRICT 7	592	\$7,501,982	52	\$5,978,122	1,779	\$11,211,752

framework of the agency

Program Descriptions

SC Housing is comprised of nine distinct program areas and multiple internal departments.

Mortgage Bond Program (Homebuyer Program)

The Mortgage Bond Program is the flagship program offered by SC Housing. The sale of bonds to investors provides the bulk of the funding available to qualified homebuyers. SC Housing's loans offer qualified borrowers a fixed, competitive interest rate. This option allows us the flexibility to adjust interest rates as the market dictates and ensures the financial integrity of the program, while putting homeownership within the reach of more South Carolinians. Like all of SC Housing's homeownership programs, persons purchasing homes under the Mortgage Bond Program must not exceed income restrictions and must meet credit standards, as well as purchase price restrictions which vary by county.

The SC Mortgage Tax Credit Program is a Mortgage Credit Certificate program offered by SC Housing. This makes available a federal income tax credit of up to \$2,000 per calendar year to qualified homebuyers for every year they occupy the home as their primary residence.

South Carolina Homeownership and Employment Lending Program (SC HELP)

South Carolina Homeownership and Employment Lending Program (SC HELP) was created and developed in late 2010/early 2011. It was created as a result of the Housing Finance Agency Innovation Fund for the Hardest-Hit Housing Markets, which gave 19 states, including South Carolina (via SC Housing), the opportunity to develop an innovative, statewide program to help homeowners avoid foreclosure. These funds go to assist struggling but responsible borrowers – homeowners who find themselves in default due to circumstances beyond their control, which may include job loss, underemployment, divorce, death of a spouse or extensive medical expenses. Further expansions in 2014 now allow for longer term modification and mortgage recast assistance where long term or permanent disability is a hardship factor.

South Carolina Housing Trust Fund

The South Carolina Housing Trust Fund 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 an important resource for affordable housing opportunities for low-income South Carolinians by funding the acquisition or construction of group homes for the disabled, as well as emergency repair to owner-occupied housing. The Trust Fund also provides funding for multifamily rental apartments for single parent households, families and the elderly. 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

The HOME Investment Partnerships Program (HOME) is designed to expand the supply of decent, safe, sanitary and affordable housing for the 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 Housing receives an allocation of HOME funds each year. Funds are used to support homeownership and rental housing development activities. SC Housing has responsibility for the implementation, administration and evolution of this program in accordance with the U.S. Department of Housing and Urban Development (HUD) regulations for the state of South Carolina.

Housing Tax Credit Program

The Housing Tax Credit Program provides a financial incentive to owners developing multifamily rental housing. Tax credit allocations serve to leverage public and private funds to keep rents affordable for tenants. Housing developments qualifying for credits include new construction, acquisition with rehabilitation, rehabilitation and adaptive re-use. Owners receive the tax credits annually for ten years. The rental property must comply with occupancy and rent restrictions for a minimum of 30 years. These credits provide the owner a dollar-for-dollar reduction in federal income tax liability.

Multifamily Tax Exempt Bond

The Multifamily Tax Exempt Bond Program provides financing for affordable multifamily rental housing. A percentage of the property's units must be set aside at all times for occupancy by low-to-moderate income individuals and families. This program has provided financing for apartments in more than 125 rental complexes located throughout the state.

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 to afford decent, safe and sanitary housing in the private rental market. SC Housing administers the program through an Annual Contributions Contract (ACC) with HUD in seven South Carolina counties: Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington. Qualified families pay approximately 30 percent of their income toward rent and utilities; the remainder is paid by the program. On an annual basis, the eligibility of the participant family and the conditions of the unit are examined in accordance with standards established by HUD.

Contract Administration

Contract Administration is responsible for the administration of much of HUD's South Carolina portfolio of contracts serving many very low- and low-income households. Contract Administrators work on behalf of HUD with owners and management agents who provide HUD-subsidized apartments in privately owned complexes. Administration includes: reviewing and approving monthly assistance payments; responding to tenant complaints; processing actions related to subsidy contracts; and reporting and tracking processes required under the contract between SC Housing and HUD.

Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program (NSP) was created under Title III of the Housing and Economic Recovery Act (HERA) of 2008 to respond to rising foreclosures and declining property values. NSP funds are a special allocation of the Community Development Block Grant (CDBG) funds designed to provide assistance in acquiring and redeveloping foreclosed properties that might otherwise become sources of abandonment and despair within their community. All NSP funds have been allocated.

Homes of Hope - Greenville - HOME, Housing Trust Fund and NSP



All Congressional Districts

Total Economic Output
\$475,410,208

Total Investments
\$295,764,631

Total Single Family Units
5,303

Total Multifamily Units
662

Total Housing Assistance Units
20,062

Total Jobs Created
3,219

Total Tax Revenue Generated
\$34,522,054

congressional district 1 BEAUFORT,* BERKELEY,* CHARLESTON,* COLLETON* AND DORCHESTER* COUNTIES

TOTAL ECONOMIC OUTPUT
\$47,035,572
TOTAL INVESTMENT
\$29,253,600
TOTAL SINGLE-FAMILY UNITS
601
TOTAL MULTIFAMILY UNITS
1
TOTAL HOUSING ASSISTANCE UNITS
1,958
TOTAL JOBS CREATED
314
TOTAL TAX REVENUE GENERATED
\$3,471,603

*Denotes partial county



Summerville Garden Apartments - Summerville Housing Tax Credit



congressional district 2 AIKEN, BARNWELL, LEXINGTON, ORANGEBURG* AND RICHLAND* COUNTIES

Dupont Landing Single-Family Homes - Aiken Housing Tax Credit



TOTAL ECONOMIC OUTPUT
\$78,840,709
TOTAL INVESTMENT
\$50,481,769
TOTAL SINGLE-FAMILY UNITS
1,051
TOTAL MULTIFAMILY UNITS
3
TOTAL HOUSING ASSISTANCE UNITS
3,022
TOTAL JOBS CREATED
525
TOTAL TAX REVENUE GENERATED
\$5,992,260

*Denotes partial county

congressional district 3

ABBEVILLE, ANDERSON, EDGEFIELD,
GREENWOOD, GREENVILLE,* LAURENS,*
MCCORMICK,* NEWBERRY,* OCONEE, PICKENS
AND SALUDA COUNTIES

Applewood Villas Apartments - Seneca
Housing Tax Credit



TOTAL ECONOMIC OUTPUT
\$96,952,328
TOTAL INVESTMENT
\$57,174,792
TOTAL SINGLE-FAMILY UNITS
445
TOTAL MULTIFAMILY UNITS
361
TOTAL HOUSING ASSISTANCE UNITS
3,582
TOTAL JOBS CREATED
674
TOTAL TAX REVENUE GENERATED
\$6,505,305

*Denotes partial county

congressional district 4

GREENVILLE* AND SPARTANBURG* COUNTIES



Parkside at Verdae Apartments
Greenville
Housing Tax Credit



TOTAL ECONOMIC OUTPUT
\$44,655,640
TOTAL INVESTMENT
\$27,804,244
TOTAL SINGLE-FAMILY UNITS
632
TOTAL MULTIFAMILY UNITS
151
TOTAL HOUSING ASSISTANCE UNITS
2,393
TOTAL JOBS CREATED
303
TOTAL TAX REVENUE GENERATED
\$3,221,130

*Denotes partial county

congressional district 5

CHEROKEE, CHESTER, FAIRFIELD, KERSHAW,
LANCASTER, LEE, NEWBERRY,* SPARTANBURG,*
SUMTER,* UNION AND YORK

TOTAL ECONOMIC OUTPUT
\$48,197,856
TOTAL INVESTMENT
\$29,425,620
TOTAL SINGLE-FAMILY UNITS
852
TOTAL MULTIFAMILY UNITS
3
TOTAL HOUSING ASSISTANCE UNITS
2,320
TOTAL JOBS CREATED
319
TOTAL TAX REVENUE GENERATED
\$3,535,807

*Denotes partial county



Bridle Station Apartments, - Lugoff
Housing Tax Credit



congressional district 6

ALLENDALE, BAMBERG, BEAUFORT,* BERKELEY,*
CALHOUN, CHARLESTON,* CLARENDON,
COLLETON, DORCHESTER,* FLORENCE,*
HAMPTON, JASPER, ORANGEBURG,*
RICHLAND,* SUMTER* AND WILLIAMSBURG
COUNTIES

Highland Pointe Apartments - Lake City
Housing Tax Credit



TOTAL ECONOMIC OUTPUT
\$118,579,475
TOTAL INVESTMENT
\$76,932,750
TOTAL SINGLE-FAMILY UNITS
1,130
TOTAL MULTIFAMILY UNITS
91
TOTAL HOUSING ASSISTANCE UNITS
5,008
TOTAL JOBS CREATED
805
TOTAL TAX REVENUE GENERATED
\$8,906,068



congressional district 7

CHESTERFIELD, DARLINGTON, DILLON,
FLORENCE,* GEORGETOWN, HORRY, MARION
AND MARLBORO COUNTIES

TOTAL ECONOMIC OUTPUT
\$41,148,640
TOTAL INVESTMENT
\$24,691,856
TOTAL SINGLE-FAMILY UNITS
592
TOTAL MULTIFAMILY UNITS
52
TOTAL HOUSING ASSISTANCE UNITS
1,779
TOTAL JOBS CREATED
279
TOTAL TAX REVENUE GENERATED
\$2,889,881

*Denotes partial county



Palmetto Station Apartments
Florence
Housing Tax Credit



SC HELP creates hope for young family

Faces of Home: Pele Hunkin-Tajalle

SC HELP saves the home of an Iraq war veteran widow and her four children

SC HELP, South Carolina's foreclosure prevention program continues to help responsible homeowners who need a bridge over times of temporary hardship— like unemployment, underemployment, reduction of income for self-employed, death of a spouse, catastrophic medical expenses or divorce.

Meet Pele Hunkin-Tajalle. To her friends she's just "Pele." And Pele considers everyone who works with SC HELP to be her friend. She wants everyone to know that SC HELP works and can make a huge difference in people's lives.

A few years ago Pele was serving in Iraq. Like many military couples today, her husband was serving in another capacity 600 miles away. One day she had a call-something had happened and she needed to go to his duty station. Tragically, her husband had been killed. Despite her loss she continued to serve and support her unit until her own injuries forced her to retire with a full disability. Between the time of her retirement and the time when her benefits would start, the now single mom with three beautiful children fell behind on her mortgage. The fear of losing her home caused her to seek help from what turned out to be a scam artist-someone promising to make her troubles go away, but who only stole her remaining funds and left her worse than before.

One night, lying awake and wondering what she would do, she saw an SC HELP commercial on television. The next day she called our partner, Santee Lynches CDC. They, along with SC Legal Services helped her to collect the documents she needed to get the help she needed to save her home.

Pele recently completed a Bachelor's degree and began work on her Master's. She lends a helping hand wherever she can in the many communities she embraces. Pele has worked to spread the word about SC HELP, appearing in an interview and taking part in a phone bank with WIS-TV in Columbia and posting information on her social media.

As of June 30, 2015, SC HELP has assisted more than 9,611 homeowners in SC, helping them to keep their mortgages

from slipping into default or foreclosure. SC HELP has distributed more than \$144 million to qualified homeowners and provided a lifeline to our state's homeowners and economy by helping responsible homeowners stay in their homes. For more information or to start an application, go to SCHELP.gov. Homeowners without internet access may call toll free at 1.855.435.7472.



measuring our success

Business Results by Program Area

SC Housing directly invested more than \$295 million in South Carolina in FY15, resulting in a total economic impact of almost \$476 million.

Mortgage Bond Program (Homebuyer Program)

During Fiscal Year 2015, SC Housing purchased 622 mortgages (307 first mortgages and 315 second mortgages) totaling nearly \$34 million. While housing markets nationally experienced continued stagnation in purchases, Fiscal Year 2015 shows a slight uptick in activity over the previous two Fiscal Years.

SC Housing currently services a portfolio of 11,445 first and second mortgages. In Fiscal Year 2015, the average loan amount was \$110,062 and the average household income of borrowers was \$42,621.

South Carolina Housing Trust Fund (HTF)

South Carolina Housing Trust Fund awards were made throughout the state with a total of 570 awards for more than \$10.8 million in Fiscal Year 2015. This produced units to assist 888 families. Fiscal year 2015 saw a slight increase in awards made over the two previous Fiscal Years (497 in Fiscal Year 2013, 529 in Fiscal Year 2014). This increase may be attributable to an improvement in statewide real estate sales, and therefore an increase in the deed transfer fees upon which the program relies.

HOME Investment Partnerships Program (HOME)

During this period HOME made 24 awards, producing 194 units for a total of \$14,804,749. Twelve awards went to tax credit properties and twelve to rental housing. These awards were made to non-profit organizations and for-profit entities. HOME continues to serve as a significant bridge between other SC Housing programs, helping to make dollars go further, providing leverage enhancements, and increasing

opportunities to expand affordable housing initiatives throughout the state.

Housing Tax Credit Program (HTC)

In Fiscal Year 2015 the Housing Tax Credit program allocated \$11.3 million to 21 housing developments which will produce 916 units. This marks an uptick over Fiscal Year 2013 when the HTC program allocated \$10.3 million to 16 housing developments which will produce 721 units and Fiscal Year 2014 in which 10.6 million was invested in 18 development initiatives. An increase in funding, developments and units added has increased since 2011 as investor demand for credits continues to increase.

Multifamily Tax Exempt Bond Program

Four Multifamily Tax Exempt Bond transactions closed in Fiscal Year 2015. Two in November, 2014 for \$6,600,000 and 14,385,000. One in December, 2014 for \$25,021,000 and one in May, 2015 for \$11M. Alternate financing options, including historically low interest rates, have decreased the attractiveness of multifamily tax exempt bond financing structures.



Bay Pointe Apartments - Myrtle Beach - Housing Tax Credit

Neighborhood Stabilization Program (NSP)

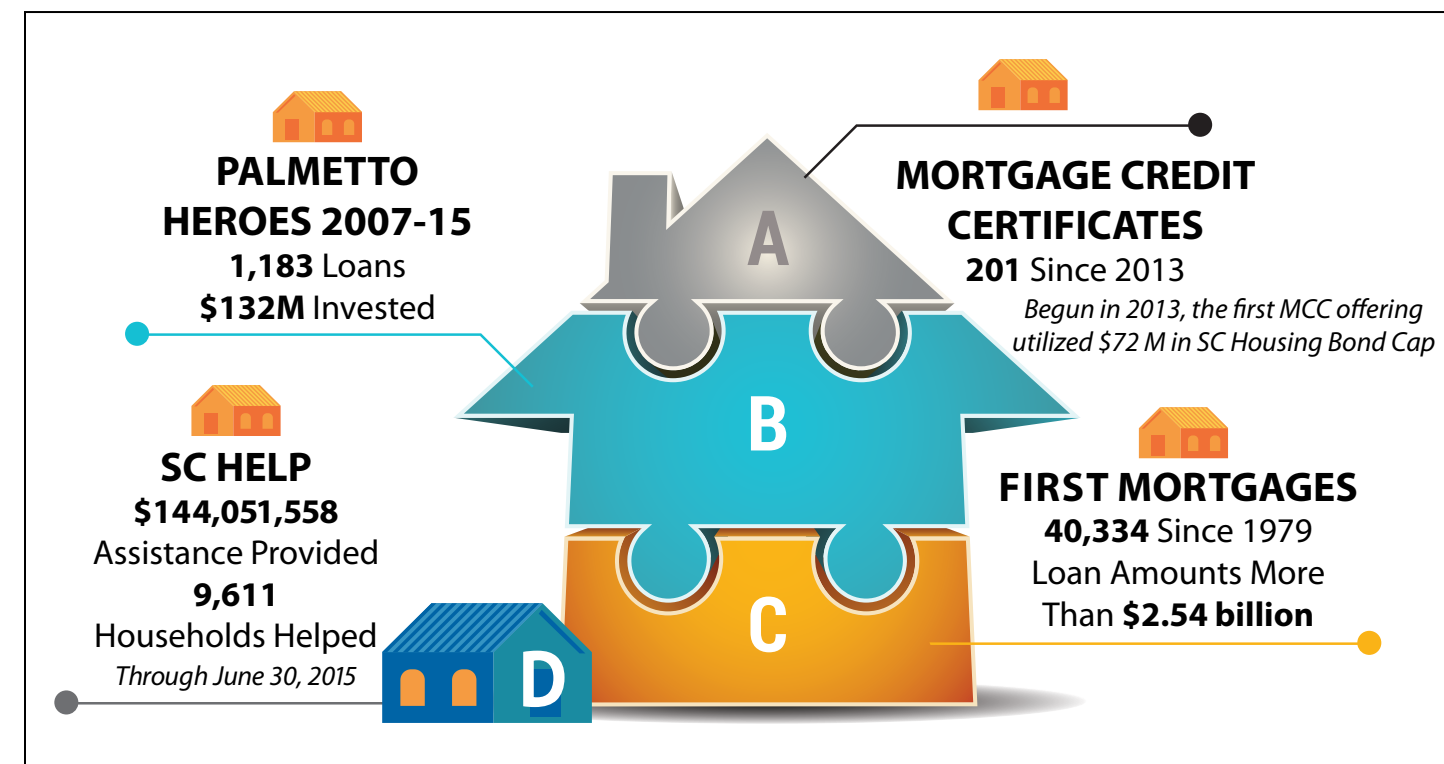
In 2008 SC Housing introduced the Neighborhood Stabilization Program for South Carolina to administer \$44 million of HUD funding targeted toward the mitigation of blight caused by foreclosed and abandoned property. NSP 1 has funded 738 projects. In Fiscal Year 2011, HUD allocated an additional \$5 million of NSP funds to SC Housing through the third round of funding (NSP3). NSP 3 has funded 84 projects. 100 percent of NSP funding has been committed.

Contract Administration and Housing Choice Voucher Programs (CA and HCVP)

Approximately 20,000 families received housing assistance through SC Housing's management of the 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 2015, this subsidy amounted to more than \$132 million. The level of rental assistance activity has remained at a fairly consistent level for the past several years. Specifically, Contract Administration assisted 17,932 families totaling \$121,951,174 in subsidy payments. The Housing Choice Voucher Program assisted an average of 2,130 families, totaling \$10,336,281 in its seven county jurisdictions.

South Carolina Homeownership and Employment Lending Program (SC HELP)

In Fiscal Year 2015, SC HELP committed more than \$32.13 million to assist more than 3,716 additional South Carolina homeowners. Refinements to this program are ongoing, as are increased outreach efforts to reach more homeowners.

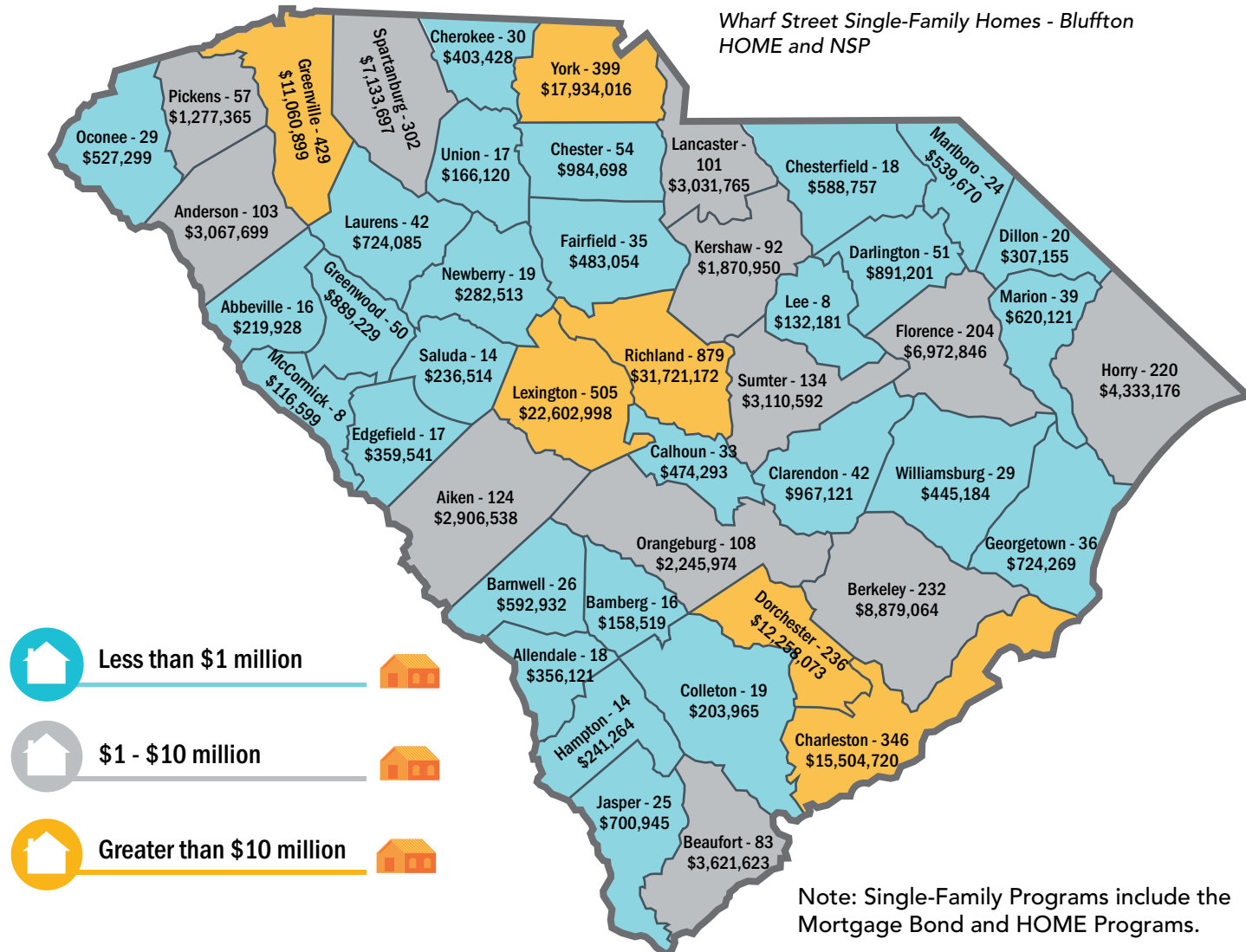


single-family programs by county

This map illustrates the number of fiscal year single-family units that have received an allocation of resources through SC Housing and the economic output of those developments on the community.



Wharf Street Single-Family Homes - Bluffton HOME and NSP



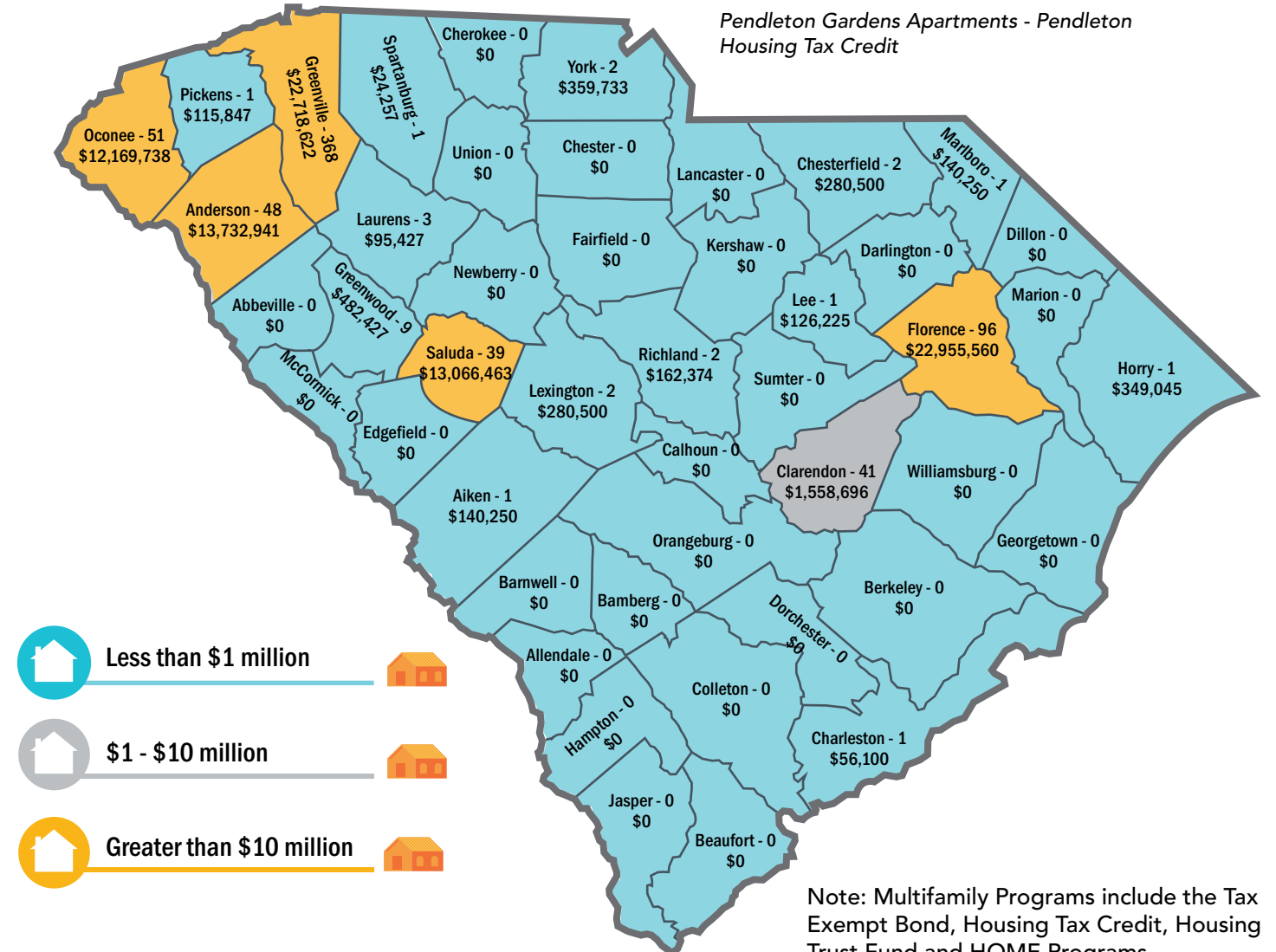
Note: Single-Family Programs include the Mortgage Bond and HOME Programs.

multifamily programs by county

This map illustrates the number of fiscal year multifamily units that have received an allocation of resources through SC Housing and the economic output of those developments on the community.



Pendleton Gardens Apartments - Pendleton Housing Tax Credit



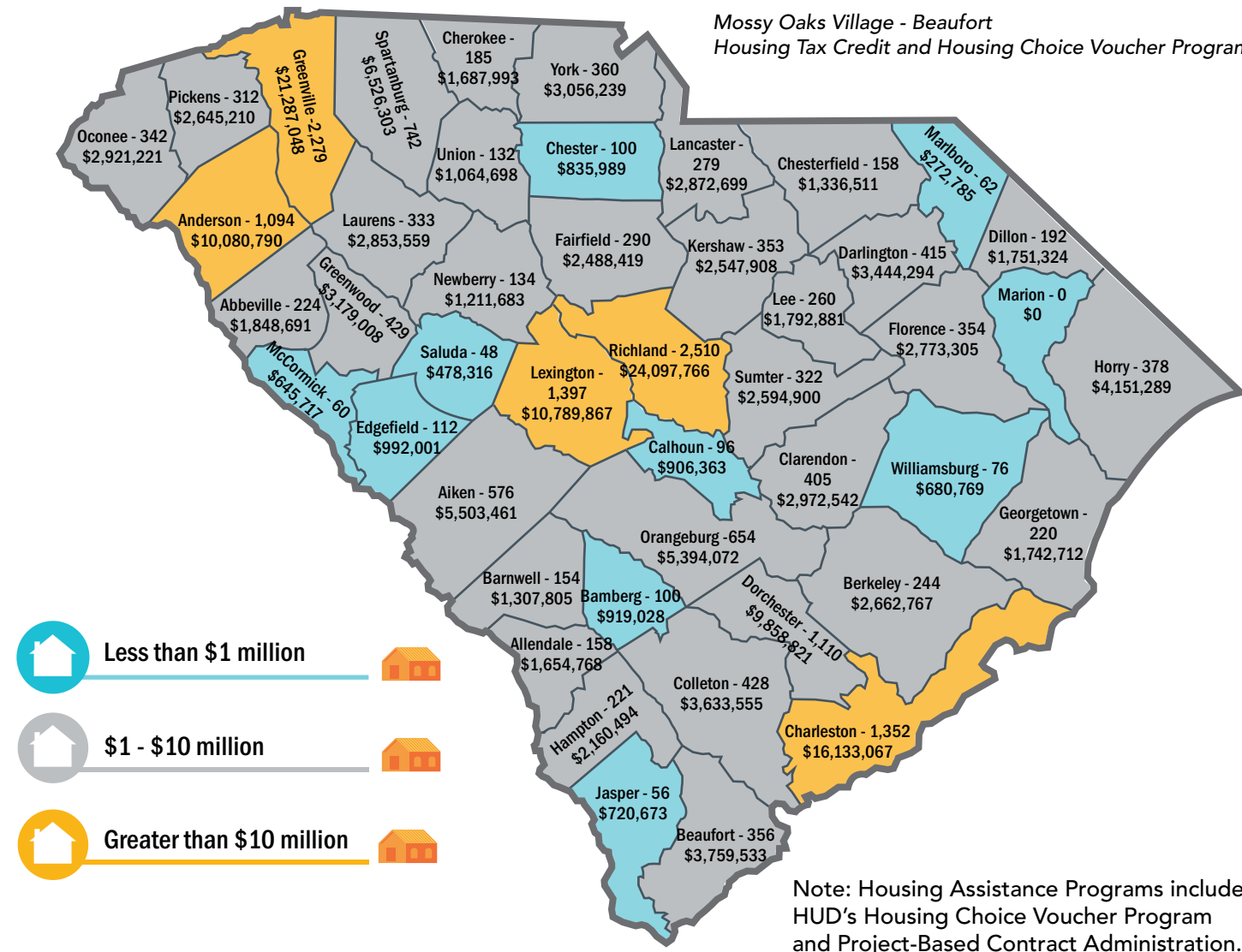
Note: Multifamily Programs include the Tax Exempt Bond, Housing Tax Credit, Housing Trust Fund and HOME Programs.

housing assistance by county

This map illustrates the number of fiscal year single-family and multifamily units that have received an allocation of resources through SC Housing and the economic output of those developments on the community.



Mossy Oaks Village - Beaufort
Housing Tax Credit and Housing Choice Voucher Program



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

legislative 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 private activity Housing Bond program (and its Mortgage Credit Certificate option) and the Low Income Housing Tax Credit, including through an increase in state Housing Credit authority.
- 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 responds 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 (FHFA) and the government-sponsored enterprises (GSEs) it regulates to strengthen and expand HFA-GSE 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 PHAs fairly for their administrative costs; and honor and, if expiring, extend existing project-based assistance commitments.
- To aggressively represent the interests of HFAs in HUD's Performance-Based Contract Administration (PBCA) program and to ensure that HUD and Congress recognize HFAs' proven capacity and track record to serve as PBCAs.

- 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 state 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, so as not to dilute resources needed for the production of new affordable housing.
- 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.
- To eliminate the face-to-face meeting requirement HUD currently imposes on FHA loan servicers.
- To secure authority for Ginnie Mae to securitize multifamily FHA-HFA risk-sharing loans.
- To advance HFA interests in federal agency implementation of the Dodd-Frank financial reform legislation, including its Qualified Mortgage, Qualified Residential Mortgage, and ability-to-repay regulations. NCSHA should also seek opportunities to minimize the administrative burden on HFAs of these and other federal single-family lending rules and regulations.
- To facilitate more efficient coordination of USDA rural housing programs with the Housing Credit and other HFA-administered programs and ensure that USDA does not administratively remove existing Section 521 Rental Assistance units from the program or cancel Section 521 Rental Assistance contracts from assisted properties that USDA removes from the program.



housing impacts our state

Overview and Methodology

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.

and employment figures. Thus, the total estimates reported for the state of South Carolina will exceed the sum of the estimates listed at the county and congressional district levels.

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 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). The economic output of an organization's activity is the dollar value representing the final demand for goods and services produced for that activity.

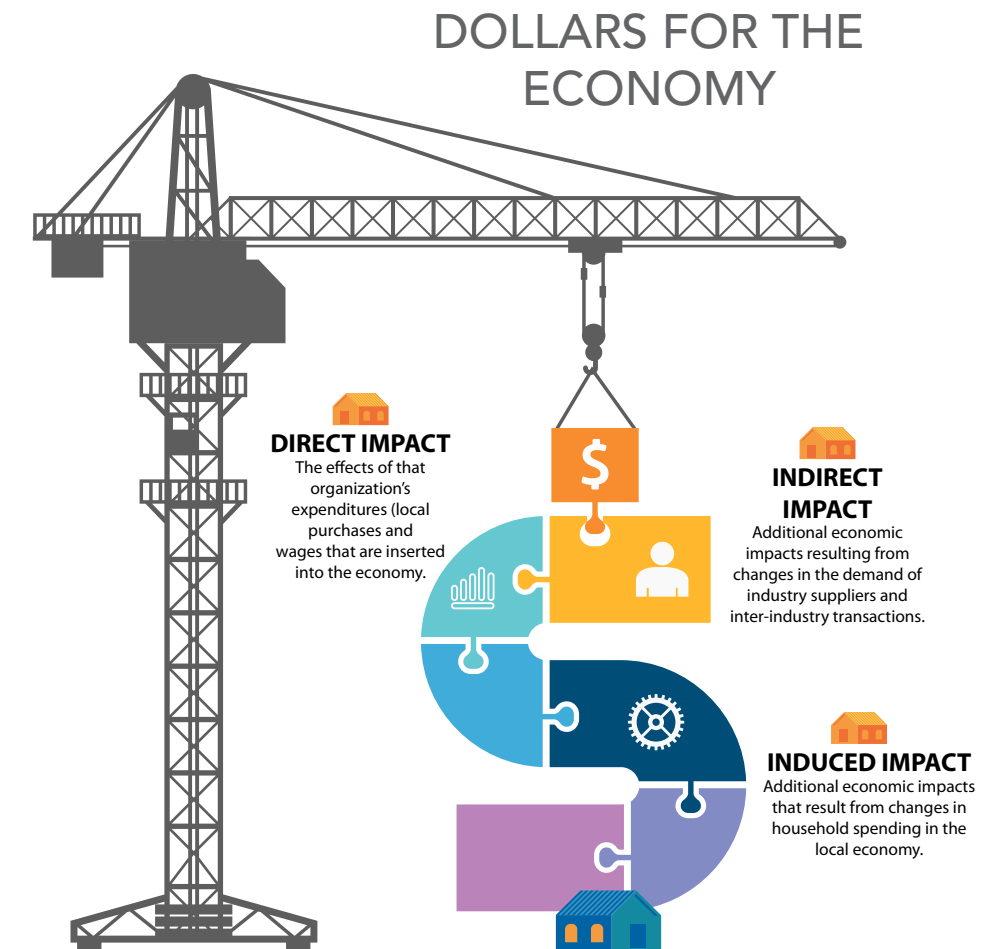
Employment

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.

The figures contained in this report detail the economic impact of SC Housing on the state of South Carolina for Fiscal Year 2015 (July 1, 2014 – June 30, 2015). 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 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.

This year - for the first time - the impact of the agency's investment (i.e., purchasing and payroll dollars) was incorporated into the calculation of the statewide impact estimates. Though not published as a separate item, these data are integrated into the total impact



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 Housing were to spend \$1 million on unit rehabilitation that it received from HUD, this initial spending change to the local economy represents the direct impact.

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 Housing were to spend \$1 million on unit rehabilitation, it 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, 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.

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.

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

It is important to recognize that the various program investments in specific regions (i.e., counties or congressional districts) will generate positive economic output not only for those specific regions, but also for other areas of South Carolina. This is because part of the economic output generated "spills over" into neighboring regions through many rounds of business and consumer spending activity. Regardless of where a specific program is implemented, part of the economic output it generates will ultimately affect areas of the state outside of that region. As such, all estimates reflect the total economic output that is generated for South Carolina as a whole by the specific programs within their specific regions.

Country Manor - Edgefield
Housing Tax Credit



the bottom line

Better Homes, Safer Communities, Improved Economy

We are proud of the outstanding work that has been accomplished by our agency over the past year. We look forward to continued work with our partners throughout 2016 to further our mission to create quality, affordable housing solutions for the citizens of South Carolina.

\$475.4 MILLION

TOTAL ECONOMIC OUTPUT

EVERY \$100 INVESTED IN
HOUSING DEVELOPMENT RESULTS
IN \$161 IN ECONOMIC OUTPUT.





Serving Our Citizens

Our office is located in Columbia, SC;
however, we service the entire state.

Find us on Facebook: /SCStateHousing

Follow us on Twitter: @SCStateHousing

Visit Our Website:

SCHousing.com

More than 26,000 families helped.

In this reporting year, SC Housing directly invested more than \$295 million in South Carolina, which resulted in a total economic impact figure of almost \$476 million.



*Above: Lingleaf Apartments, Aiken
Lake Pointe Apartments, Summerville
Right: Pebblebrook Apartments, Newberry*