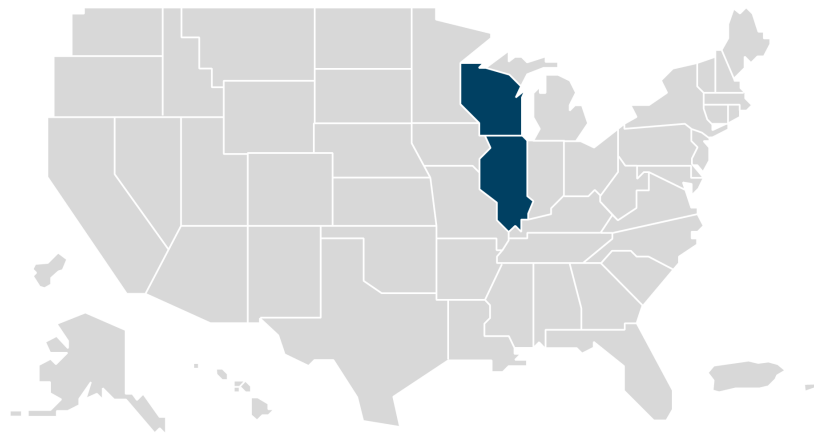


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



FHLB  Chicago

Federal Home Loan Bank of Chicago

7TH CONGRESSIONAL DISTRICT OF WISCONSIN

SUB-STATE REPORT

7TH CONGRESSIONAL DISTRICT OF WISCONSIN Rental, Home Construction and Rehabilitation Activities Economic Basis



\$21.94 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.

\$27.26 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$878.17 MILLION

DEVELOPMENT COST

Development Cost refers to the cost of acquiring land or pre-existing housing units, demolition and/or relocation costs and any costs incurred while constructing, rehabilitating or redeveloping housing.

\$1.08 BILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **155**

PROJECTS

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

 **4,166**

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.

7TH CONGRESSIONAL DISTRICT OF WISCONSIN Home Purchase Activities

Economic Basis



\$1.05 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.

\$1.25 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$19.65 MILLION

FIRST MORTGAGES

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

\$23.81 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED

 **197**

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.

7TH CONGRESSIONAL DISTRICT OF WISCONSIN Rental, Home Construction and Rehabilitation Activities Economic Impact



\$2.43 BILLION

TOTAL ECONOMIC BENEFITS

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



15,338 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.



\$967.66 MILLION

LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

2.25

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.

7TH CONGRESSIONAL DISTRICT OF WISCONSIN Home Purchase Activities

Economic Impact



\$27.93 MILLION

TOTAL ECONOMIC BENEFITS

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



147 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.



\$8.42 MILLION

LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

2.19

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.

7TH CONGRESSIONAL DISTRICT OF WISCONSIN Community Insight

Wisconsin's Congressional District 7 includes a wide variety of communities. "There are midsize cities, tiny villages and rural areas," says Diane Schobert, a resident of the area, a mortgage lending veteran and chair of the FHLBank Chicago Community Investment Advisory Council. "So you can't have a funding source that only serves one type of person or one need. Fortunately, AHP is unique in that it reaches out to many diverse areas— it doesn't say you have to be in a specific neighborhood or region, rural or urban."

Schobert works closely with Impact Seven, a Rice Lake, Wisconsin-based community development financial institution and member of the FHLBank Chicago. Impact Seven uses AHP funds to execute a range of projects, from housing developments in blighted downtown areas to investments in rural areas of Wisconsin, where Schobert says the lack of access to affordable housing is a growing problem. In the past five years, Impact Seven has received more than \$1 million in AHP funds for projects within Congressional District 7. Examples of these projects include:

- The Franklin School Apartments, an adaptive reuse of a vacant 1936 school campus in Rice Lake, with loft-style apartments and new townhomes for families earning 30%, 50%, or 60% or less of the county median income.
- The acquisition and rehabilitation of three multifamily rental complexes in Barron County – one of the poorest counties in the state, according to Schobert – for families earning 50% or less of the area median income.

Diane Schobert

Principal Community Enrichment Consulting