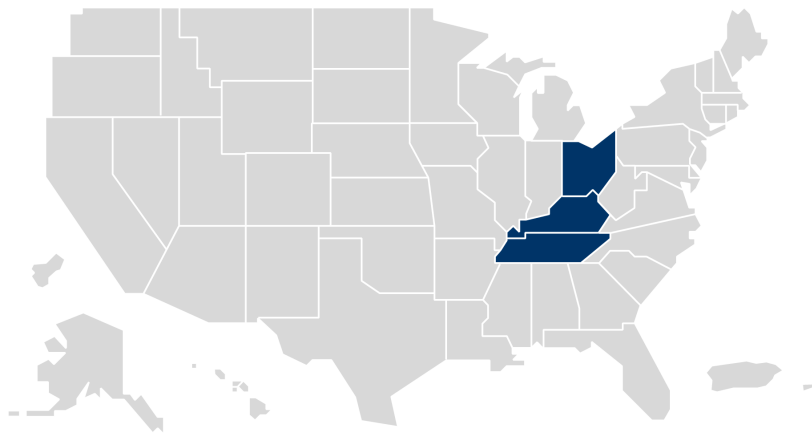


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



LEXINGTON-FAYETTE, KY METRO AREA
SUB-STATE REPORT

LEXINGTON-FAYETTE, KY METRO AREA Rental, Home Construction and Rehabilitation Activities

Economic Basis



\$12.74 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.

\$16.10 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$90.67 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.

\$118.53 MILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **78**

PROJECTS

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

 **1,292**

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.

LEXINGTON-FAYETTE, KY METRO AREA Home Purchase Activities

Economic Basis



\$5.59 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.

\$6.85 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$102.47 MILLION

FIRST MORTGAGES

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

\$118.94 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED



1,018

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.

LEXINGTON-FAYETTE,
KY METRO AREA
Rental, Home
Construction and
Rehabilitation Activities

Economic Impact



\$264.66 MILLION

TOTAL ECONOMIC BENEFITS

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



1,940 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.



\$99.79 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.

2.23

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.

All dollars are in inflation-adjusted dollars.

LEXINGTON-FAYETTE, KY METRO AREA Home Purchase Activities

Economic Impact



\$277.10 MILLION

TOTAL ECONOMIC BENEFITS

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



1,979 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.



\$65.31 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.

2.08

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.

After the Fire: Helping a Family Recover



“This can’t be real,” said Dianne C. with a huge smile and tears in her eyes, as her brand-new house key was placed in her hands. “I just can’t believe it!” The joy that Dianne felt was long overdue. She had been waiting for this exact moment for nearly seven years.

In 2010, the family lost their Carter County home and all of their belongings to a fire. As a family, they settled into an apartment in Morehead, Kentucky. Not only was Dianne responsible for providing a safe home for her elderly mother, but also her two young grandchildren who live with her. Owing to the condition of the apartment, concern about good air quality and temperature control weighed heavily on Dianne’s mind; the stress was becoming overwhelming.

After reading a Frontier Housing ad, Dianne made her way to Frontier’s office to begin her journey to homeownership. As her closing date quickly approached, Dianne kept thinking to herself that it couldn’t be real. After seven long years of waiting, the family moved into the house of their dreams.

Loan financing for Dianne included a \$25,000 Affordable Housing Program grant obtained through Kentucky Bank (Paris, Kentucky) from the Federal Home Loan Bank of Cincinnati. Without this grant, Dianne would not have been eligible to borrow enough money to acquire the home.

The family is now settled in their new home, a place where they will live and enjoy being a family without worries. “I hope this is a place that I can pass onto my family, to take care of them all for years to come,” Dianne said at closing. Though Dianne set out on a difficult road, her journey has ended at a beautiful destination: Home.

Thomas E Carew
Chief Executive Officer, Frontier Housing

