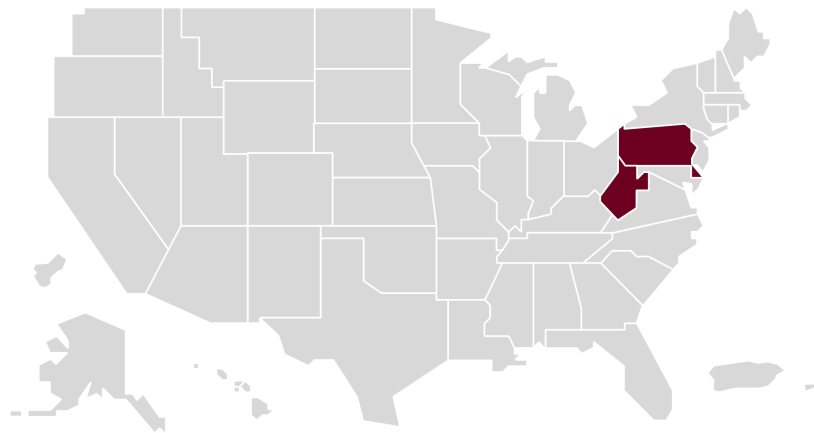


# ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



**NORTHERN/CENTRAL PENNSYLVANIA**  
SUB-STATE REPORT

# NORTHERN/CENTRAL PENNSYLVANIA Rental, Home Construction and Rehabilitation Activities

## Economic Basis



**\$8.72** 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.

**\$11.67** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$77.55** 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.

**\$96.88** MILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **51**

### PROJECTS

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

 **1,049**

### 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.

# NORTHERN/CENTRAL PENNSYLVANIA Home Purchase Activities

## Economic Basis



**\$991.11** THOUSAND

### 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.

**\$1.20** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$12.06** MILLION

### FIRST MORTGAGES

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

**\$14.28** MILLION

### FIRST MORTGAGES INFLATION-ADJUSTED

 **253**

### 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.



# NORTHERN/CENTRAL PENNSYLVANIA Rental, Home Construction and Rehabilitation Activities

## Economic Impact



**\$182.75** MILLION

### TOTAL ECONOMIC BENEFITS

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



**1,437** 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.



**\$63.43** 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.

**1.89**

### 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.

# NORTHERN/CENTRAL PENNSYLVANIA Home Purchase Activities

## Economic Impact



**\$44.14** MILLION

### TOTAL ECONOMIC BENEFITS

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



**352** 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.



**\$9.80** 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.

**1.92**

### 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.

# Hastings Senior Cottages



Northern Cambria Community Development Corporation (NCCDC) was looking to create affordable housing in Hastings, Pennsylvania. Small towns like Hastings often can't get the same funding for affordable housing that urban areas do. We turned to the First National Bank of Pennsylvania. Given that it is a member of FHLBank Pittsburgh, we were able to work with First National to apply for an AHP grant. We received a \$500,000 grant that enabled us to build Hastings Senior Cottages.

There is a great deal of competition for funding sources, and the majority of those requests come from large urban areas. Typically, small rural projects cannot compete because there are a number of challenges that call for extra planning. At NCCDC, we do our due diligence to make sure we build facilities that maintain cash flow, conform in size and have occupancy that follows current trends in the community. With AHP, rural projects like ours can compete.

We were able to be involved in the transformation of vacant land into a \$1.1 million development in a community of less than 1,000 residents. The finished project, Hastings Senior Cottages, is now a tax- and utility-paying, 100-percent-occupied development, and residents at Hastings are able to experience a first-class, affordable housing facility.

**Matthew Barczak**  
Executive Director (NCCDC)

