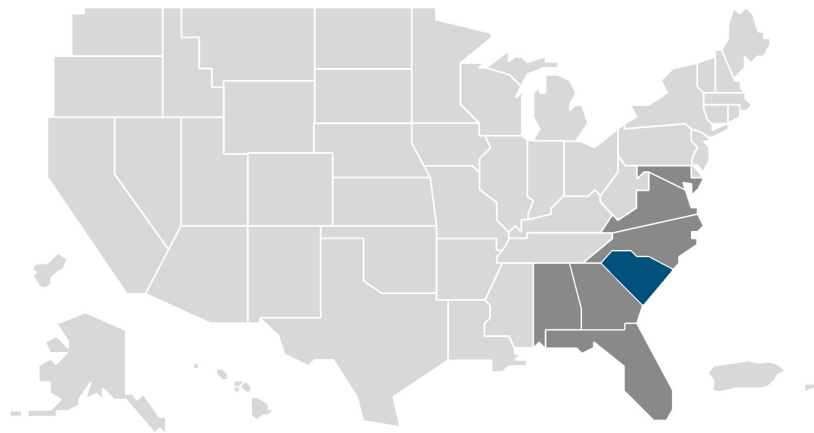


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



SOUTH CAROLINA
STATE REPORT

SOUTH CAROLINA STATE REPORT

Table of Contents



Rental, Home Construction and Rehabilitation Activities Economic Basis	2
Home Purchase Activities Economic Basis.....	3
Rental, Home Construction and Rehabilitation Activities Economic Impact	4
Home Purchase Activities Economic Impact.....	5
Story Narrative.....	6
Project Profile: Home Purchase Activity.....	7
Story Narrative.....	8
Project Profile: Rehabilitation Activity.....	9

Since its creation in 1989, the Federal Home Loan Bank System’s Affordable Housing Program (AHP) has been a substantial and valuable source of real estate equity for the financing of affordable housing in the United States. From 1990 through 2016, the 11 Federal Home Loan Banks (FHLBanks) collectively contributed more than \$4.1 billion (\$5.4 billion in inflation-adjusted dollars) in AHP real estate finance equity for rental, home construction and rehabilitation activities. This equity was combined with \$65.7 billion (\$83.9 billion in inflation-adjusted dollars) in leveraged dollars from other private and public sources, enabling \$69.9 billion (\$89.3 billion in inflation-adjusted dollars) in total development funding for more than 601,000 housing units. From 1995 through 2016, the FHLBanks also collectively contributed approximately \$1.0 billion (\$1.2 billion in inflation-adjusted dollars) in AHP equity for down payment assistance and mortgage principal reduction, assisting more than 183,000 home purchase activities. Each FHLBank allocates at least 10 percent of its annual net earnings to fund its AHP. As such, the continued operating and mission success of the FHLBanks has directly enhanced the development and purchase of affordable housing throughout the country and has had a positive impact on local and state economies and on the national economy. The state of South Carolina is in the Atlanta district. This report details the economic impact of housing within South Carolina that has been enhanced by AHP funding from 1990 through 2016.*

* Note: some projects within South Carolina may have received AHP funding from a Federal Home Loan Bank other than FHLBank Atlanta. For further detail on the economic impact study methodology, please see: Study Methodology and Appendices Report.

SOUTH CAROLINA Rental, Home Construction and Rehabilitation Activities

Economic Basis



\$53.63 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.

\$71.63 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$522.85 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.

\$724.89 MILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **481**

PROJECTS

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

 **8,221**

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.

SOUTH CAROLINA Home Purchase Activities

Economic Basis



\$9.11 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.

\$10.76 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$134.98 MILLION

FIRST MORTGAGES

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

\$159.99 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED



1,443

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.

SOUTH CAROLINA Rental, Home Construction and Rehabilitation Activities

Economic Impact



\$1.30 BILLION

TOTAL ECONOMIC BENEFITS

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



9,595 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.



\$434.29 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.

1.79

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.

\$40.93 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

All dollars are in inflation-adjusted dollars.

SOUTH CAROLINA Home Purchase Activities

Economic Impact



\$342.46 MILLION

TOTAL ECONOMIC BENEFITS

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



2,361 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.



\$80.29 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.

\$9.76 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

Downtown Darlington Restored to Former Glory Days



Darlington Downtown Lofts

In the heart of downtown Darlington, South Carolina stood a collection of 26 commercial buildings, many of which were built as early as 1870. The buildings represented the downtown development and commercial growth of Darlington in the late 19th and early 20th centuries. One of the anchors of the district is a simple L-shaped building with the storefronts on Main Street and Orange Street, formerly known as the Coggeshall Building. After many years of neglect, the Mid Atlantic Foundation and First Bank set out not only to change the landscape of downtown Darlington but also to make a dent in the affordable housing shortage. The reuse of the structure was pivotal to the revitalization of downtown Darlington. The Coggeshall Building was such a historical treasure that historians worked to have the area listed on the United States Department of the Interior National Register of Historic Places. The Mid Atlantic Foundation used \$5.6 million in funds from several sources to convert the old department store into 28 one-, two- and three-bedroom apartments for low-income individuals and families. In addition to the \$340,000 subsidized advance from the Federal Home Loan Bank of Atlanta, the lofts used \$2.9 million in Low-Income-Housing Tax Credits, \$1 million in Historic Tax Credits, \$500,000 in community development block grants, and \$500,000 in HOME. Opened in 2009, the once-blighted building now has given the residents in the community a stable and affordable place to call home. For First Bank, Darlington Downtown Lofts provided another opportunity for the lender to preserve some of Darlington's history while improving the lives of residents in the community they love and serve.

**Darlington Downtown Lofts
Darlington, SC**

SOUTH CAROLINA

Project Profile: Home Purchase Activity



Homeownership represents entry to, and inclusion in, the American dream and is really the essence of the history of America. From 2011 through 2017, FHLBank Atlanta member First Community Bank has been helping its customers obtain and maintain the American dream by providing down payment and rehabilitation assistance to 60 homebuyers and homeowners in the state of South Carolina. In addition, more than \$4.4 million in purchase mortgage financing from First Community Bank was leveraged by \$482,541 of FHLBank Atlanta AHP. The rehabilitation funds have given homeowners a better quality of life in their homes. The home purchase assistance was key to the transactions, as it lessened the burden of the up-front homeownership cost, increased the financial health and stability of the home purchasers and enhanced the communities in which the residents chose to reside.

SOURCES	
First Mortgages	\$ 4,017,030.50
FHLBank Atlanta	\$ 482,541.55
Number of Purchase Transactions	60
Total	\$ 4,499,572.05

AHP HELPS RESTORE THE HEART OF SOUTH CAROLINA



In the heart of South Carolina sits Columbia, the capital and second-largest city in the state. Throughout the state, Columbia is known for its rich history and its prominent mayor, Stephen K. Benjamin. In his efforts to revitalize the city, Benjamin saw a way to assist the residents of his city and he knew exactly where to turn for help—the Federal Home Loan Bank of Atlanta. From FHLBank Atlanta’s point of view, everyone deserves a place to call home—a place that is safe, decent and affordable. Through a joint partnership, the city of Columbia and FHLBank Atlanta made the dream of homeownership and home repairs a reality for 11 families through the following FHLBank of Atlanta members: South State Bank, First-Citizens Bank & Trust Company, Security Federal Ban, and Palmetto Citizens Federal Credit Union. The joint venture, which launched in 2014, provided purchase and rehabilitation funding for homes located within one of Columbia’s Neighborhood Revitalization Strategy Areas, such as Booker Washington Heights, and the Edisto Court Community, or for properties in the city’s development corporations’ REO inventory. Funds were also available for homeowners needing energy-efficiency rehabilitation in the city’s targeted areas. The program was a model example to municipalities across the Southeast on how a little creativity with the right partner can make dreams come true and affordable housing viable.

City of Columbia
Columbia, South Carolina

SOUTH CAROLINA

Project Profile: Rehabilitation Activity



Great Falls Apartment Renovation

Great Falls Apartment Renovation consists of 24 affordable housing opportunities located in Great Falls, South Carolina. With \$500,000 in AHP gap funding from Spratt Savings and Loan Association, Carolina Housing and Community Development Corporation (CHCDC) was able to provide a much-needed housing option to low-income families in Great Falls. The rehabilitation of 25 affordable housing apartments included the addition of four fully accessible ADA units, new kitchens, new bathrooms, central heating and air-conditioning, new flooring, solid surface countertops, new appliances, new light fixtures and energy-efficient windows and exterior doors. “This project provides a great opportunity for our organization to meet the needs of individuals and families seeking affordable housing solutions in the town of Great Falls and the surrounding area,” says CHCDC’s executive director, Dewayne Alford. “Twenty percent of the units provide permanent housing for homeless individuals and families while 10 percent of the units provide housing for veterans or surviving spouses of veterans.”

SOURCES

Land Equity	\$	737,409
FHLBank Atlanta	\$	500,000
Carolina Housing and Community Development Corporation	\$	483,708
Housing Authority of the City of Rock Hill	\$	430,167
Total	\$	2,151,284