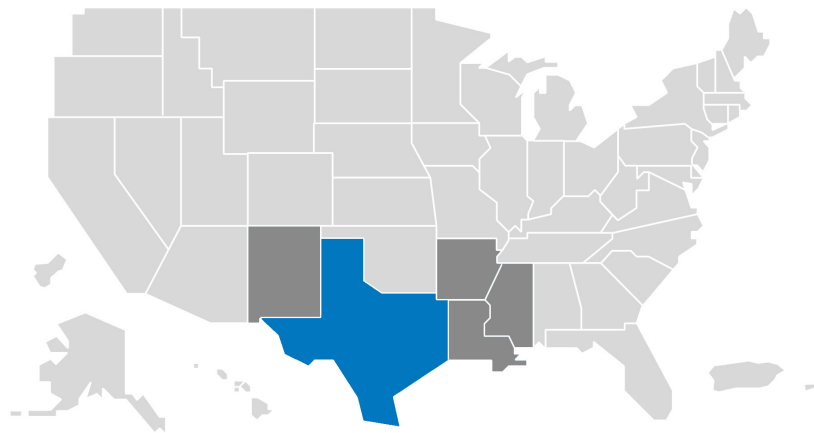


# ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



Member driven.  
Community focused.

**TEXAS**  
STATE REPORT

# TEXAS STATE REPORT

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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 Texas is in the Dallas district. This report details the economic impact of housing within Texas that has been enhanced by AHP funding from 1990 through 2016.\*

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

# TEXAS Rental, Home Construction and Rehabilitation Activities

## Economic Basis



**\$103.51** 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.

**\$135.60** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$1.46** BILLION

### 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.

**\$1.87** BILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **921**

### PROJECTS

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

 **22,062**

### 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.

# TEXAS Home Purchase Activities

## Economic Basis



**\$20.70** 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.

**\$27.16** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$102.28** MILLION

### FIRST MORTGAGES

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

**\$119.84** MILLION

### FIRST MORTGAGES INFLATION-ADJUSTED



**4,010**

### 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.

# TEXAS Rental, Home Construction and Rehabilitation Activities

## Economic Impact



**\$4.02** BILLION

### TOTAL ECONOMIC BENEFITS

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



**27,481** 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.



**\$1.54** BILLION

### 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.

**2.15**

### 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.

**\$118.81** 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.

# TEXAS Home Purchase Activities

## Economic Impact



**\$968.51** MILLION

### TOTAL ECONOMIC BENEFITS

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



**6,550** 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.



**\$259.26** 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.

**\$36.68** MILLION

### TAX REVENUE

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

# Nearly 300 San Antonio Families Purchased Homes with Help of \$740,000 in AHP Grants



## Habitat for Humanity of San Antonio

Thanks to \$740,000 in Affordable Housing Program (AHP) grants from Broadway National Bank and the Federal Home Loan Bank of Dallas (FHLB Dallas), 74 San Antonio families now have a place to call home.

Between 2005 and 2008, Habitat for Humanity of San Antonio received four AHP grants for the construction of 74 homes in the Palo Alto community. Located on San Antonio's southwest side, the community is close to bus lines, retail, schools and a major interstate.

Stephanie Wiese, vice president of development and communications for Habitat for Humanity of San Antonio, says that making affordable housing available to the San Antonio community is at the heart of her organization's efforts.

"Habitat for Humanity of San Antonio builds affordable homes with hard-working families in need," says Wiese. "AHP funds help make the homes even more affordable by creating a much more affordable monthly mortgage payment for our hard-working families."

**San Antonio  
Texas**



# TEXAS

## Project Profile: Home Purchase Activity



### Palo Alto Community

Four Affordable Housing Program (AHP) grants totaling \$740,000 from Broadway National Bank and the Federal Home Loan Bank of Dallas (FHLB Dallas) aided in the construction of 275 single-family homes in the Palo Alto community in the southwest quadrant of San Antonio.

Between 2005 and 2008, Habitat for Humanity of San Antonio received four AHP grants for the construction of the homes, which are close to bus lines, retail, schools and easy access to a major interstate. Construction on the homes began in 2005 and was completed in 2011.

<b>SOURCES</b>		
<b>Habitat for Humanity of San Antonio</b>	<b>\$</b>	<b>3,962,539</b>
<b>AHP Grant—FHLB Dallas</b>	<b>\$</b>	<b>740,000</b>
<b>Total</b>	<b>\$</b>	<b>4,702,539</b>



# Houston Women and Family Development Center Opens With Help of \$500K Grant



## Star of Hope's Cornerstone Community<sup>SM</sup>

Houston-area women in crisis have a safe haven, thanks in part to a \$500,000 Affordable Housing Program (AHP) grant from Texas Capital Bank and FHLB Dallas. The grant, awarded in 2017 to Star of Hope, assisted in the construction of a 48-acre campus designed to provide shelter and a variety of services to Houston-area women and children.

Star of Hope's Cornerstone Community, a faith-based ministry, provides services to up to 180 single women and 150 families, including counseling, programs for substance abuse recovery, GED and educational opportunities, job skills training and independent-living readiness. The organization is funded primarily by public and private donations, civic and community groups, grants and foundations and is assisted by more than 7,300 volunteers.

"Texas Capital Bank supports Houston and the homeless women who need the services that Star of Hope provides on this transformational campus," says Effie Dennison, senior vice president and director of community development and corporate social responsibility at Texas Capital Bank. "Many Houstonians will be able to return to living productive lives, thanks to this grant."

Aside from the women's building, the Cornerstone campus includes an administration building, two family residential buildings, a family life center, a daycare, a chapel and a community center. Star of Hope has received a total of \$1.7 million in four AHP grants since 2006.

"The overall campus was a substantial investment and endeavor for us and most of our fundraising came through private donations, but we would not have been able to complete the single women's building project as timely as we did without support from the Federal Home Loan Bank," says Troy Gaddie, vice president and CFO of Star of Hope.

**Houston  
Texas**

