



## ACTION 4% Housing Credit Fact Sheets Data Sources and Methodology

| Data Point  | National Fact Sheet  | State Fact Sheets  |
|---|--|--|
| Fact Sheet updated  | May 2020   | May 2020   |
| The number of affordable homes financed using the 4% Housing Credit   | 2018 National Council of State Housing Agencies (NCSHA) <a href="#">State HFA Factbook</a> (1986 – 2018)   | 2018 National Council of State Housing Agencies (NCSHA) <a href="#">State HFA Factbook</a> (1986 – 2018)   |
| Percent of all Housing Credit Homes that utilized the 4% Housing Credit   | 2018 NCSHA <a href="#">State HFA Factbook</a> (1986 – 2018)  | 2018 NCSHA <a href="#">State HFA Factbook</a> (1986 – 2018)  |
| The estimate of low-income households served  | Calculated using the 2017 NCSHA Factbook data and a <a href="#">multiplier from the National Association of Home Builders (NAHB)</a>   | Calculated using the 2017 NCSHA Factbook data and a <a href="#">multiplier from the National Association of Home Builders (NAHB)</a>   |
| The economic impact estimates: jobs supported for one-year <sup>i</sup>   | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Low-Income Housing Tax Credit (Housing Credit) investment data. | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Low-Income Housing Tax Credit (Housing Credit) investment data. |
| The economic impact estimates: tax revenue generated <sup>ii</sup>  | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Housing Credit investment data.                                 | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Housing Credit investment data.                                 |
| The economic impact estimates: wages and business income generated <sup>iii</sup>   | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Housing Credit investment data.                                 | Calculated using 2018 NCSHA Factbook data and a NAHB impact multiplier commissioned by Enterprise Community Partners based on historic Housing Credit investment data.                                 |
| The estimate of additional affordable homes that could be built over during 2020-2029 by setting a minimum 4% Housing Credit rate | <a href="#">Calculated by Novogradac</a> based on an updated baseline estimate of Private Activity Bond (Housing Bond) financed rental homes.  | <a href="#">Calculated by Novogradac</a> based on an updated baseline estimate of Private Activity Bond (Housing Bond) financed rental homes.  |

*For questions about ACTION's Fact Sheets, contact Sarah Brundage at [sbrundage@enterprisecommunity.org](mailto:sbrundage@enterprisecommunity.org).*



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### **i Jobs supported for one-year methodology**

Based on historic data from Enterprise Community Partners, NAHB estimates 186 full-time jobs are created per 100 new affordable homes financed using the Housing Credit program. NAHB estimates 128 full-time jobs are created per 100 rehabilitated affordable homes financed using the Housing Credit program. It is noteworthy that these job estimates are not limited to a specific state but are nationwide estimates.

To calculate the estimated number of jobs supported for one-year by new development or rehabilitation of Housing Bond units between 1986-2018, the number of new versus rehab units was estimated by applying the five-year average of this breakdown, based on 2014-2018 NCSHA Factbook data, to the cumulative total number of Housing Bond units. This was calculated at the national level using national data and at the state-level using state-specific data.

Then, the NAHB's new units impact multiplier was applied to the estimated total number of new Housing Bond units between 1986-2018 at the national or state-level. The NAHB's rehab units impact multiplier was applied to the estimated total number of rehab Housing Bond Units between 1986-2018 at the national or state-level.

### **ii Tax revenue generated methodology**

Based on historic data from Enterprise Community Partners, NAHB estimates \$7.4 million is generated in federal, state, and local tax revenue per 100 new affordable homes financed using the Housing Credit program. NAHB estimates \$4.9 million is generated in federal, state, and local tax revenue per 100 rehabilitated affordable homes financed using the Housing Credit program.

To calculate the estimated tax revenue generated for new development or rehabilitation of Housing Bond units between 1986-2018, the number of new versus rehab units was estimated by applying the five-year average of this breakdown, based on 2014-2018 NCSHA Factbook data, to the cumulative total number of Housing Bond units. This was calculated at the national level using national data and at the state-level using state-specific data.

Then, the NAHB's new units impact multiplier was applied to the estimated total number of new Housing Bond units between 1986-2018 at the national or state-level. The NAHB's rehab units impact multiplier was applied to the estimated total number of rehab Housing Bond Units between 1986-2018 at the national or state-level.

### **iii Wages and business income methodology**

Based on historic data from Enterprise Community Partners, NAHB estimates \$21.2 million is generated wages and business income per 100 new affordable homes financed using the Housing Credit program. NAHB estimates \$14.3 million is generated in wages and business income per 100 rehabilitated affordable homes financed using the Housing Credit program.

To calculate the estimated wages and business income for new development or rehabilitation of Housing Bond units between 1986-2018, the number of new versus rehab units was estimated by applying the five-year average of this breakdown, based on 2014-2018 NCSHA Factbook data, to the cumulative total number of Housing Bond units. This was calculated at the national level using national data and at the state-level using state-specific data.

Then, the NAHB's new units impact multiplier was applied to the estimated total number of new Housing Bond units between 1986-2018 at the national or state-level. The NAHB's rehab units impact multiplier was applied to the estimated total number of rehab Housing Bond Units between 1986-2018 at the national or state-level.