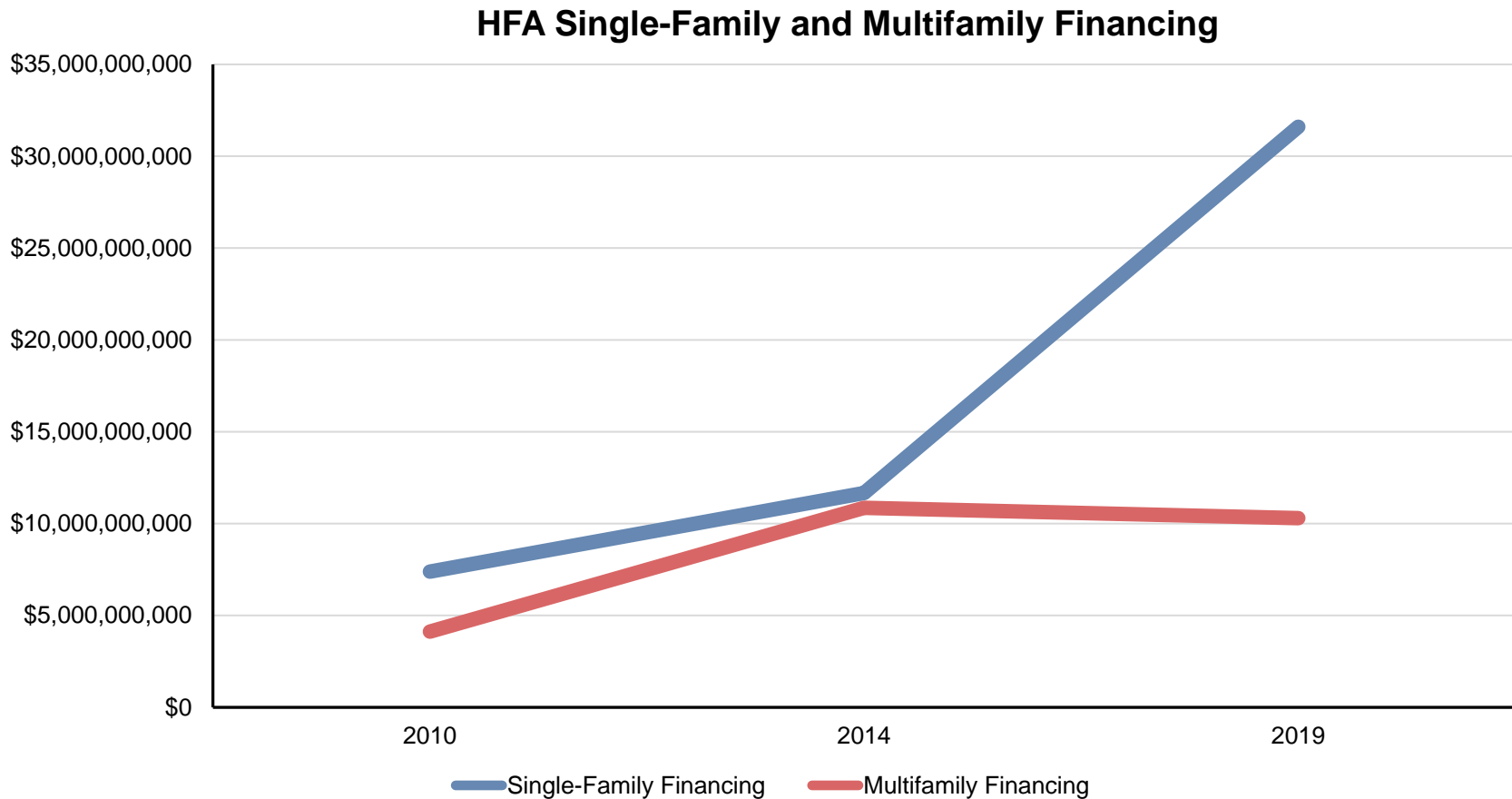




# **State Housing Finance Agencies: The Center of the Affordable Housing System**

**March 2021**

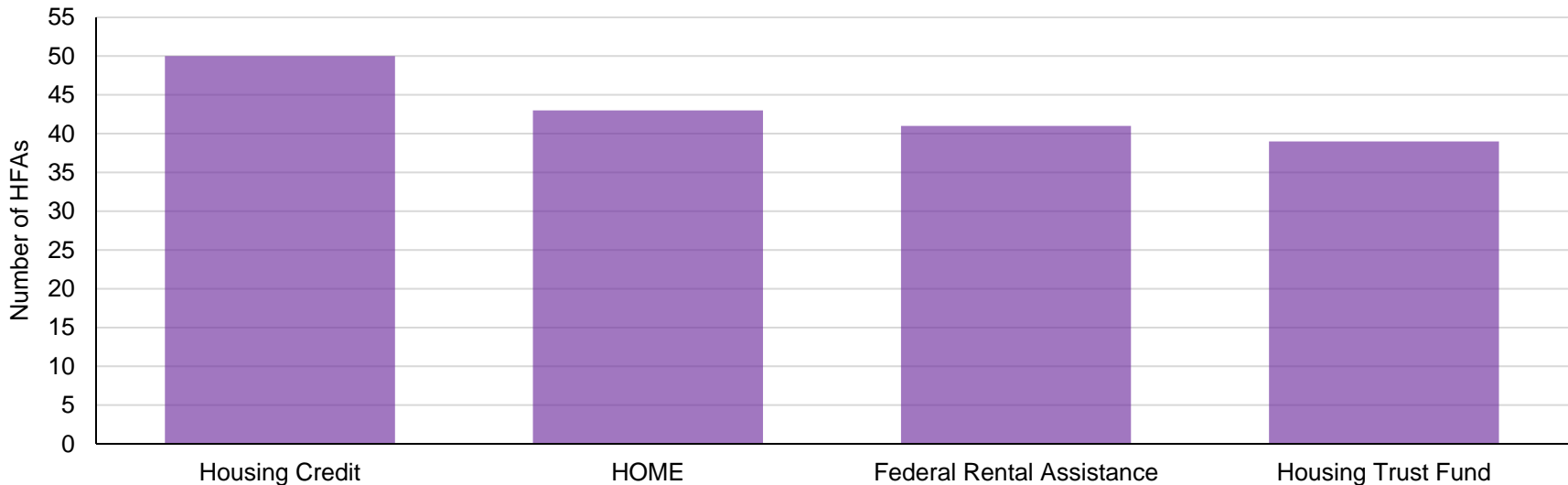
## State HFAs Have Substantially Increased Their Impact



# Suggested

## State HFAs Deliver Low-Income Rental Assistance

Number of State HFAs that Administer Federal Rental Programs



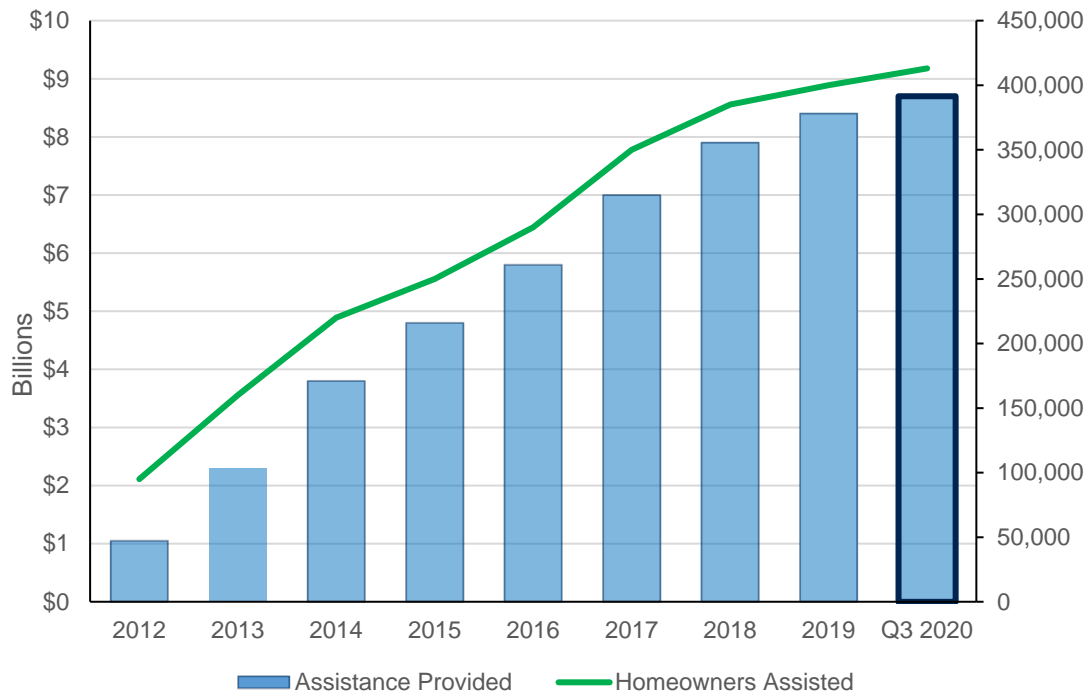
State HFAs are the primary statewide administrators of federal rental assistance and rental housing development and preservation funds.

State HFAs are standing up new [emergency rental assistance programs](#) in response to the coronavirus crisis. Information on and links to state programs can be found on NCSHA's [Emergency Rental Assistance page](#). *These programs are not reflected in the above graph.*



# State HFAs Help the Unemployed Keep Their Homes

## Hardest Hit Fund Assistance Results



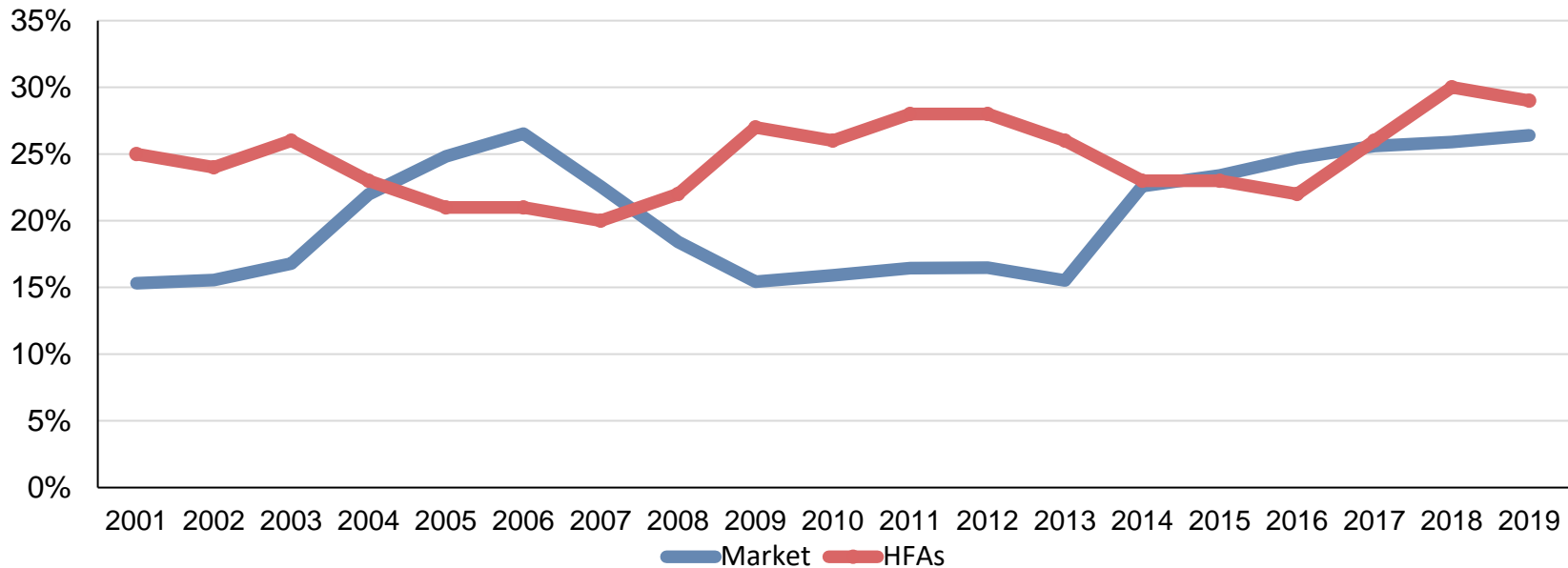
HFAs delivered the federal Hardest Hit Fund (HHF), created to help unemployed homeowners during the Great Recession.

Borrowers who got HFA assistance through the program were 28 percent less likely to default on their mortgages. The program prevented \$9 billion in losses to lenders and local governments, while helping hundreds of thousands of families stay in their homes.

**The Housing Assistance Fund** proposed by Senator Reed and included in the House HEROES Act would create a similar program for coronavirus relief.

## State HFAs Often Lead in Serving Borrowers of Color

Percentage of Mortgage Loans to Borrowers of Color

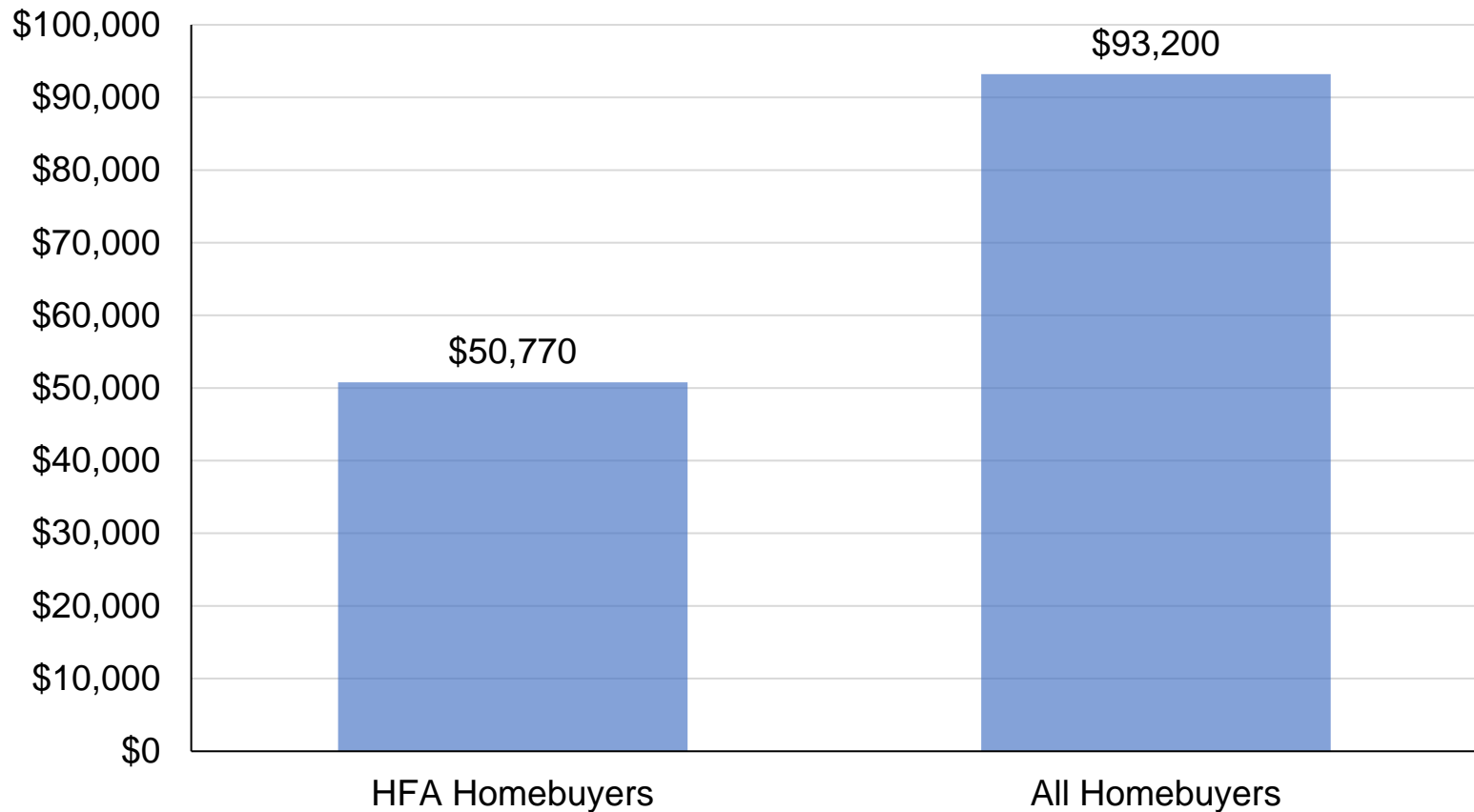


State HFAs are drivers of homeownership for borrowers of color, as reflected in the minority borrowers' shares of HFA homeownership financing in states such as:

- CA – 65 percent;
- DC – 79 percent;
- GA – 61 percent;
- LA – 56 percent; and
- TX – 77 percent.

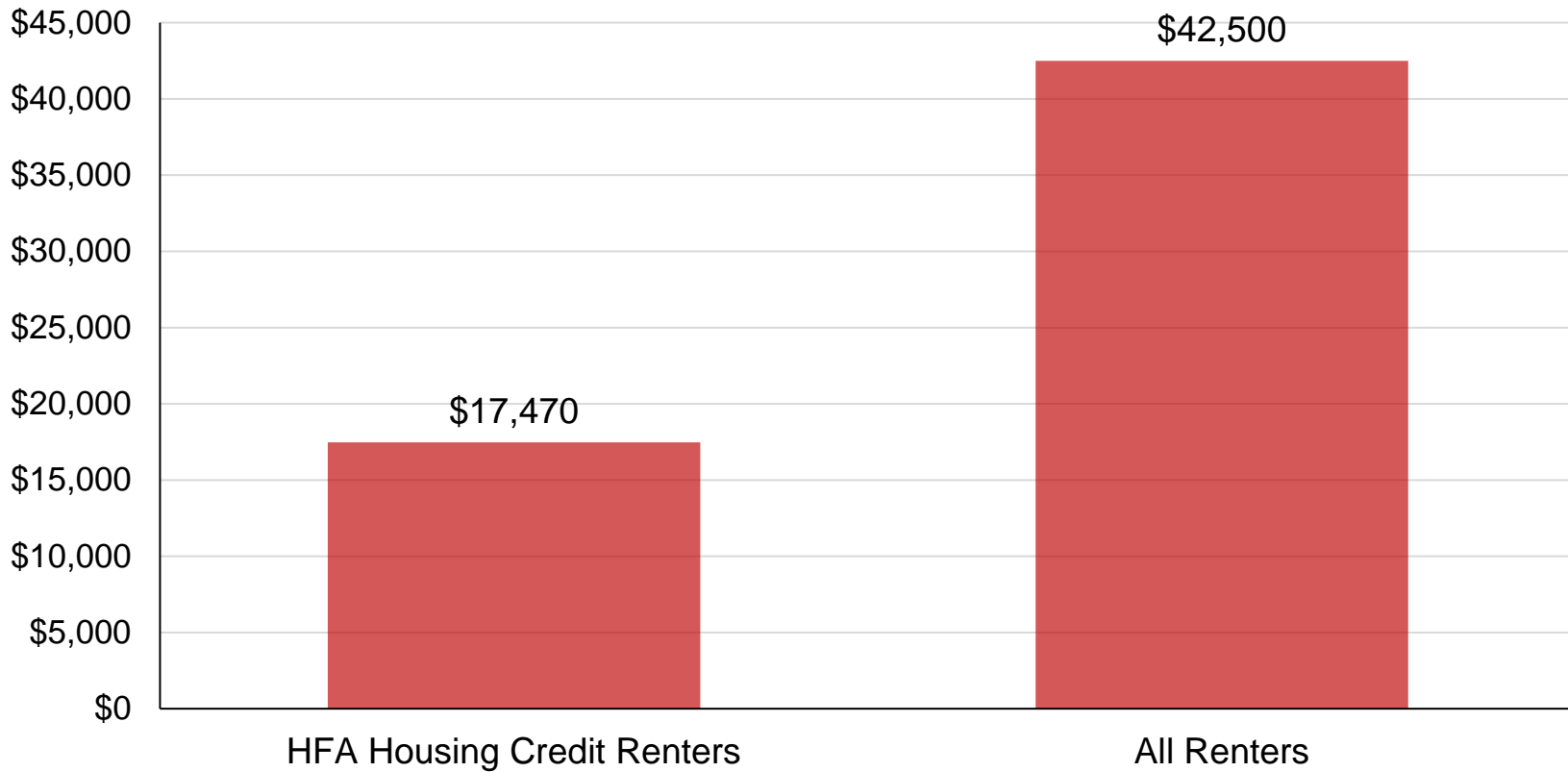
## State HFAs Reach Underserved Borrowers and Markets

### Median Income of Single-Family Borrowers in 2019



## State HFAs Reach Underserved Borrowers and Markets

**Median Income of Renters in 2019**

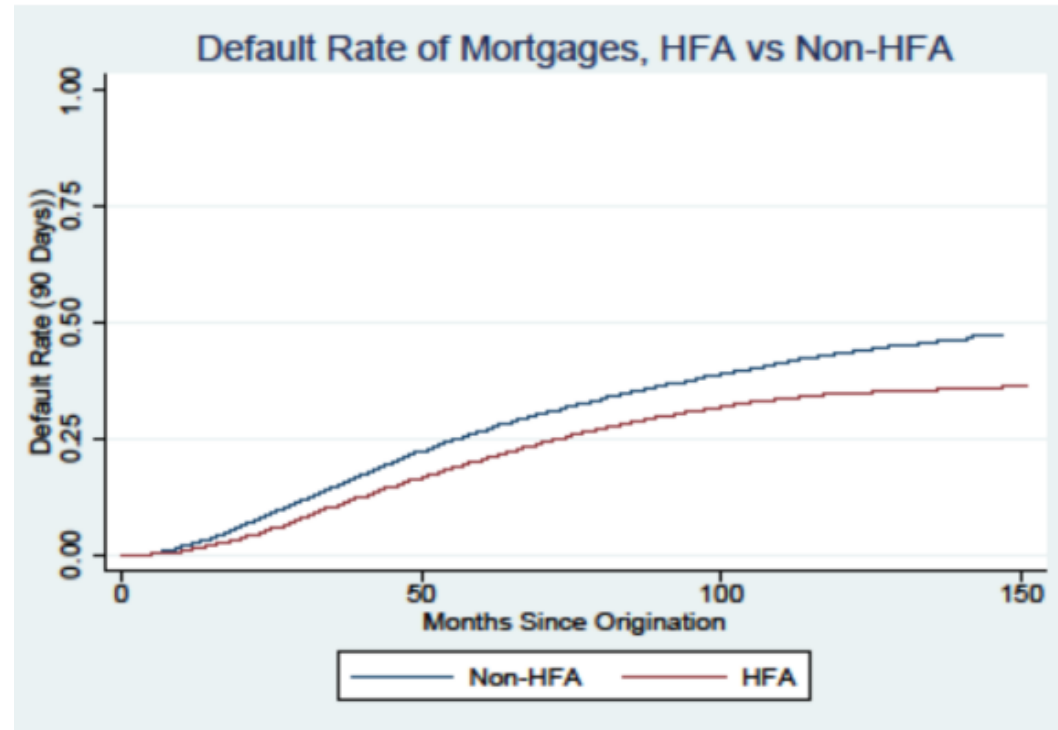


## State HFAs Deliver High-Quality Financing

A 2018 study of more than 1 million low- and moderate-income mortgages found HFA loans were 20 percent less likely to experience a long-term default and 20–30 percent less likely to experience foreclosure than other loans to similar borrowers.

According to the report:

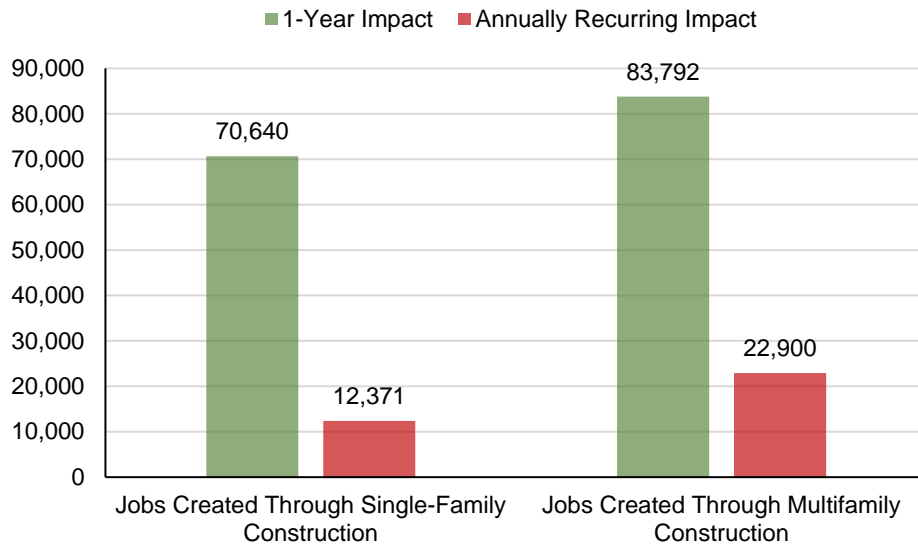
“Not only are HFAs more likely to require full documentation and careful underwriting, they also serve as a third-party monitor on the partner lenders originating loans through the state program, creating an additional incentive for careful screening by the lender.”





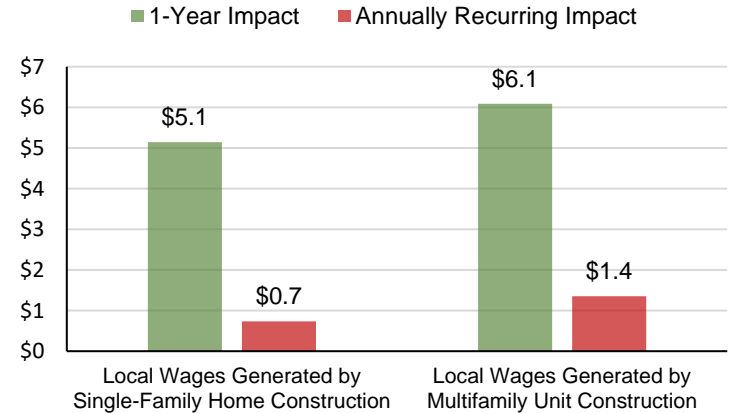
# State HFAs Generate Economic Benefits for Their States

### Local Economic Impact of New Construction in 2019 - Jobs Created

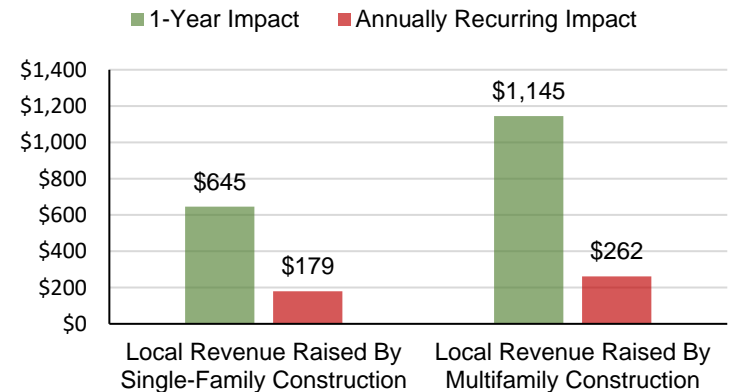


Sources: NCSHA, NAHB

### Wages Generated (Billions)

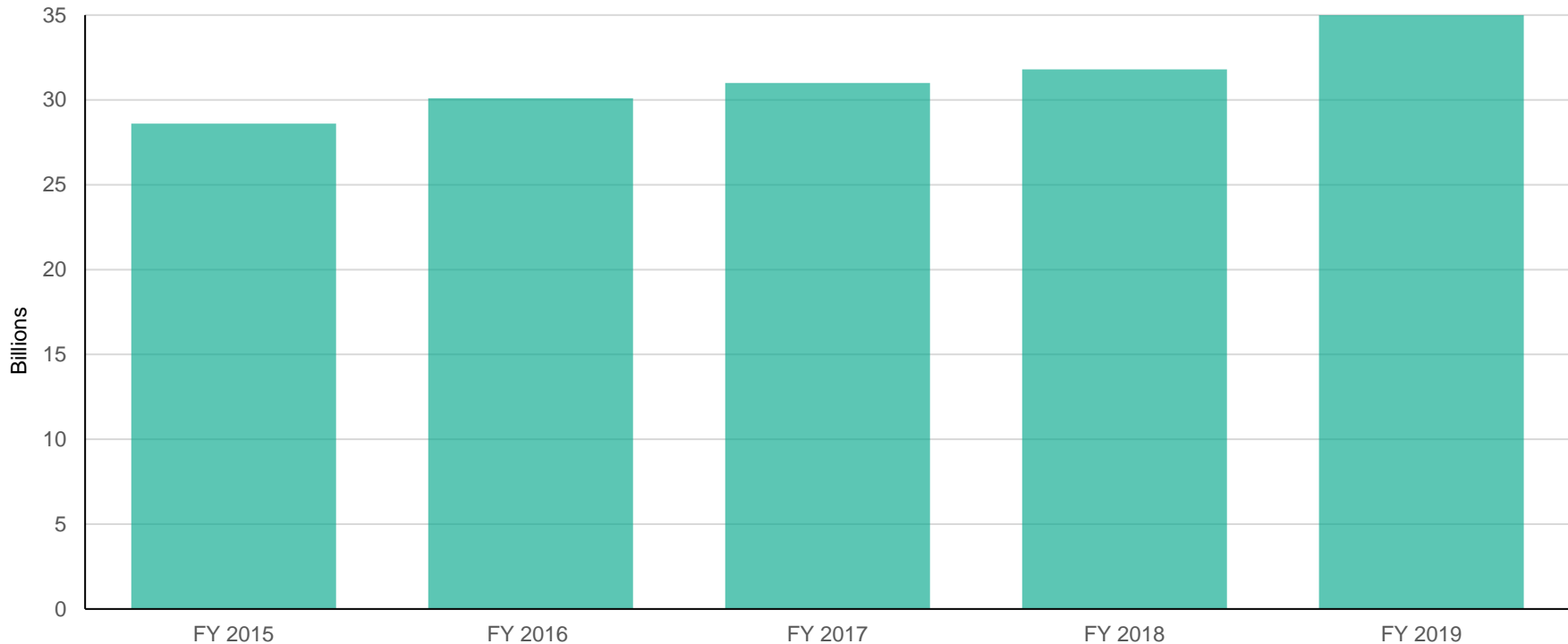


### Revenue Raised (Millions)



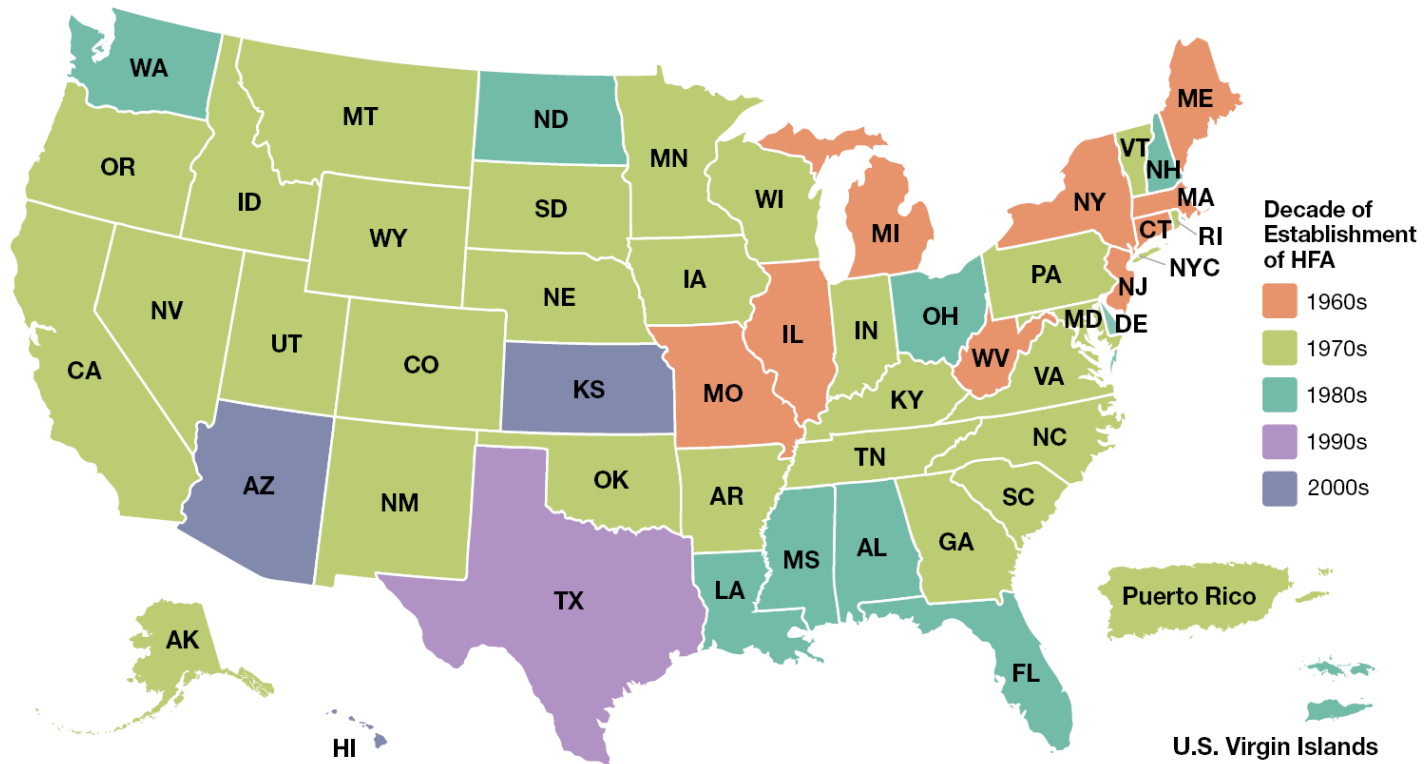
## State HFAs Are Self-Supporting, Highly Rated Enterprises

**HFA Aggregate (Billions)**



State HFAs don't rely on the taxpayers to fund their operations. They maintain consistently high credit ratings, ranging from A to AAA, as of the end of 2019, according to S&P Global Ratings. State HFA aggregate equity has increased 22 percent since 2015, to nearly \$35 billion, as of the end of 2019.

## State HFAs Were Created to Meet Each State's Needs



## About the National Council of State Housing Agencies

For more than 50 years, state housing finance agencies (HFAs) have played a central role in the nation's affordable housing system, delivering financing to make possible the purchase, development, and rehabilitation of affordable homes and rental apartments for low- and middle-income households.

The National Council of State Housing Agencies (NCSHA) is a nonprofit, nonpartisan organization created to advance, through advocacy and education, the efforts of the nation's state HFAs and their partners to provide affordable housing to those who need it.

**NCSHA's vision: An affordably housed nation**

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