Message From The Executive Director

The previous year was challenging and rewarding for the Ohio Housing Finance Agency (OHFA). While accomplishing our mission to provide competitive fixed-rate mortgage loans and financing for the production, development and preservation of safe, decent and affordable housing, the Agency continued to excel as a leader in the affordable housing industry. The state of the Agency is strong and the results from 2012 lay a firm foundation for the Agency’s continued commitment to Open the Doors to an Affordable Place to Call Home.

As we enter into the next year, the need for quality affordable housing in Ohio far exceeds available resources. Faced with opportunities and challenges, OHFA will continue to respond to the diverse housing needs in Ohio by providing resources for housing programs focused on sustainable homeownership and affordable rental production and preservation.

Despite challenges of the economic recession and the downturn in the housing market, OHFA’s First-Time Homebuyer and Mortgage Credit Certificate programs contributed to Ohio’s economic growth and the stabilization of local housing markets with a 12 percent increase in volume since 2010. Equally as important as sustainable mortgage products, OHFA remains committed to assisting homeowners struggling to make their mortgage payments with foreclosure counseling and prevention programs uniquely tailored for Ohio’s homeowners. Through these prevention efforts, Ohio’s Restoring Stability program has become a leader in the national Hardest Hit Fund (HHF).

The Agency continued to play a pivotal role in financing and monitoring multifamily housing across the state. Recent improvements in the tax credit equity market have enabled the Agency to award housing tax credits to 37 projects facilitating the creation of 2,196 units.

I am pleased to present OHFA’s 2013 Annual Plan, developed pursuant to the charge of the Agency in section 175.04 of the Ohio Revised Code. I look forward to working closely with our stakeholders and partners from federal, state, and local agencies as OHFA implements its plan.

Respectfully submitted,

Douglas A. Garver
Executive Director
## OHFA Executive Director

**Douglas A. Garver**

## OHFA Board

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Institution</th>
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<tbody>
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<td>Betty J. Kemper</td>
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<tr>
<td>John J. Lynch</td>
<td>Keller Williams Realty</td>
</tr>
<tr>
<td>Bill Martin</td>
<td>President, Barrington Homes</td>
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<tr>
<td>Roger W. McCauley</td>
<td>Retired Executive Director Corporation for Ohio Appalachian Development</td>
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<td>Christiane Schmenk</td>
<td>Director, Ohio Department of Development</td>
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<tr>
<td>Mark A. Totman</td>
<td>Legislative Director, IUOE Local 18</td>
</tr>
<tr>
<td>Henry Warren Jr.</td>
<td>President, A-1 Carpet Cleaning</td>
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## OHFA Annual Plan Advisory Board

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<thead>
<tr>
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<th>Position/Institution</th>
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<tbody>
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<tr>
<td>Kay Grier</td>
<td>Executive Director, Ohio Statewide Independent Living Council</td>
</tr>
<tr>
<td>Bill Faith</td>
<td>Executive Director, Coalition on Homelessness and Housing in Ohio</td>
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<td>Tom Finnegan</td>
<td>Ohio Bankers League, FirstMerit Mortgage</td>
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<td>Janet Hofmann</td>
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<td>Hal Keller</td>
<td>President, Ohio Capital Corporation for Housing</td>
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<tr>
<td>Thomas Leach</td>
<td>U.S. Department of Housing and Urban Development</td>
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<td>Jack Riordan</td>
<td>Director of the Community Development Division, Ohio Conference of Community Development</td>
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<tr>
<td>Adam Anderson</td>
<td>Housing Administrator and Support, Ohio Department of Job and Family Services</td>
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<td>Vincent Squillace</td>
<td>Executive Vice President, Ohio Home Builders Association</td>
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<tr>
<td>Laura Swanson</td>
<td>Executive Director, Ohio Housing Council</td>
</tr>
<tr>
<td>Brian McGeady</td>
<td>Director of Multi-Family Development, Miller Valentine Group, Past President, Ohio Housing Council</td>
</tr>
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Forward

The Ohio Housing Finance Agency (OHFA) makes affordable housing opportunities available to low- to moderate-income Ohioans, including first-time homebuyers, renters, senior citizens, and other populations with special needs. Formerly a division of the Ohio Department of Development, OHFA became a quasi-public state agency on July 1, 2005 through Amended Substitute House Bill (HB) 431. Our quasi-public status allows us to institute cost-saving measures and achieve efficiencies to better serve Ohio’s long-term affordable housing needs.

OHFA is governed by an 11 member board. Nine of the 11 board members represent various sectors of the affordable housing community and general public and are appointed by the Governor. The other two board members are the directors of the Ohio Department of Commerce and the Ohio Department of Development or their designees. Agency staff, led by an executive director, conducts the day-to-day operations.

Since its inception in 1983, OHFA has issued more than $11 billion in tax-exempt mortgage revenue bonds and more than $700 million in multifamily mortgage revenue bonds. These have empowered more than 142,000 households in all of Ohio’s 88 counties to become homeowners. As the allocating Agency for the federal housing credit program, more than 89,000 rental-housing units have been created or upgraded since 1987. OHFA continues to respond to the diverse housing needs of Ohioans by providing programs and resources that make sustainable, quality housing available for low- to moderate-income households.

The following sections highlight recent Agency accomplishments and upcoming challenges considered during the Fiscal Year (FY) 2013 planning cycle.

FY 2012 Accomplishments

OHFA continued its efforts to increase and preserve affordable housing opportunities for low-and moderate-income households to support Ohio’s economic stability.

- Issued $275 million of single family bonds, closed 3,308 First Time Homebuyer (FTHB) loans, and assisted an additional 297 homebuyers through the Mortgage Credit Certificate (MCC) program.
- During the 2012 Low Income Housing Tax Credit (LIHTC) cycle, OHFA reviewed 102 applications for competitive tax credits and awarded $29 million in credits to 37 projects adding 2,196 units of affordable housing. Additionally, OHFA issued a letter of eligibility for four percent tax credits (non-competitive, multifamily bonds) to 21 projects totaling more than $6 million and 1,400 units.
- Approved three Preservation Compact loans totaling $1.6 million to facilitate the renovation of 152 units.
- Reviewed 15 Neighborhood Stabilization Program (NSP3) applications and selected four projects for funding.
- Reviewed 11 Housing Development Gap Financing (HDGF) proposals and invited six organizations to submit full applications.
- Awarded 21 Community Housing Development Organizations (CHDO) Operating Grants totaling $953,000.
- Monitored 27,000 rental units in accordance with Internal Revenue Service (IRS) and U.S. Department of Housing and Urban Development (HUD) guidelines.

OHFA was able to identify and fund initiatives that drive Ohio’s affordable housing policy and OHFA’s mission.

- Financed unique housing initiatives through the Housing Investment Fund (HIF) that addressed urgent affordable housing needs throughout Ohio not addressed by other Agency programs. OHFA received 31 HIF applications and selected eight for consideration by OHFA’s Board. OHFA granted $3.8 million to recipients from for-profit and nonprofit organizations, public housing authorities, and local governments.
• The Office of Planning, Preservation and Development (PP&D) collaborated with the Ohio Department of Mental Health (ODMH) on two separate projects totaling $2 million to improve living conditions at selected group facilities.

• The Office of Affordable Housing Research and Strategic Planning (OAHRSP) was awarded $125,000 by the Health Impact Project, a collaboration of the Robert Wood Johnson Foundation and The Pew Charitable Trusts, to conduct a Health Impact Assessment (HIA) on the proposed reduction in the frequency of multifamily physical inspections.

• OHFA is collaborating with The Ohio State University (OSU) to pilot MyMoneyPath to build on OHFA’s successful FTHB Program by adding an interactive online financial planning module and providing phone-based financial counseling services for the first year after home purchase. The MyMoneyPath program is grounded in an ongoing partnership with the OHFA FTHB Program and OAHRSP with Dr. Stephanie Moulton at OSU’s, John Glenn School of Public Affairs. Dr. Moulton was awarded competitive funding to implement and evaluate the effectiveness of MyMoneyPath through an Outreach and Engagement grant at OSU and from the Center for Financial Security at the University of Wisconsin.

• As part of an ongoing effort led by the White House Domestic Policy Council to reduce the administrative burden, OHFA executed a Memorandum of Understanding (MOU) with HUD and the U.S Department of Agriculture Rural Development (USDA - RD) for a pilot physical inspection program.

OHFA made it a priority to serve troubled households to strengthen Ohio communities.

• OHFA has continued its participation in targeted neighborhood revitalization programs in Cleveland and Columbus. OHFA funded 10 vacant property applications in the 2012 tax credit cycle (competitive and non-competitive) to encourage the redevelopment and rehabilitation of demolished, foreclosed, abandoned or vacant homes, and residential properties into affordable rental housing.

• Through the Agency’s foreclosure prevention program, Restoring Stability, OHFA leveraged both federal and Agency resources to provide direct assistance to 4,890 homeowners at risk of foreclosure. By deploying a statewide network of community-based housing counseling agencies, OHFA also delivered foreclosure prevention counseling services to an additional 8,176 households.

• In OHFA’s Office of Homeownership, home purchase program activity included 563 target area loans, 40 Real Estate Owned (REO) properties, and 199 203(k) loans. 203(k) loans facilitate the repair or modernization of newly purchased homes requiring improvements after the purchase of a property.

In addition to a strong commitment to its mission, the Agency positioned itself as a financially stable partner and employer of choice.

• OHFA remains focused on maintaining a financially healthy organization while developing an Agency culture that cultivates leaders who think creatively, strategize effectively and respond to the challenges that lie ahead with competence.

• OHFA maintained its AAA bond rating and an A1 issuer credit rating, managed its $3.3 billion bond portfolio, and sold $32 million of seasoned mortgage backed securities which generated a net earnings of $6 million to the General Indenture.

• Completed the Financial and Single Audit with an Unqualified Opinion.

• Invited to join the Attorney General’s Taskforce on Criminal Justice and Mental Illness.

• Staff served in leadership positions with the National Council for State Housing Agencies (NCSHA), Midwest Affordable Housing Management (MAHMA), National Affordable Housing Builders (NAHB) and Affordable Housing Finance Magazine.
• OHFA was recognized at the 2012 NCSHA Annual Conference for program excellence in Management Innovation and Financial and Rental Housing Preservation and Rehabilitation.

• Co-sponsored the 2011 Ohio Housing Conference with record attendance.

• Expanded collaborative relationships with the Departments of Aging, Commerce, Development, Health, Mental Health and the Office of Health Transformation Housing Workgroup.

**FY 2013 Challenges**

The next fiscal year presents several challenges for OHFA. To continue our commitment to Open the Doors to an Affordable Place to Call Home, the following external economic conditions and policies were considered during this planning cycle.

**Continued uncertainty in the municipal bond market.**

• The downturn in the housing market and a prolonged economic recovery has made it increasingly difficult to access capital at a cost that allows OHFA to offer an interest rate at, or below, what is available in the traditional mortgage market. Because of the weak market for tax-exempt mortgage revenue bonds and federal policies to maintain low taxable mortgage rates, tax-exempt bond financing does not currently result in a competitive mortgage interest rate.

• The New Issue Bond Program (NIBP) has provided housing finance agencies a method to continue to issue mortgage revenue bonds by subsidizing a portion of each bond issue; however the NIBP program will expire in December 2012. The Agency has recognized that the traditional revenue bond model will not work in a post-NIBP environment. OHFA is exploring alternative funding sources that will enable the Agency to continue providing Ohio’s low- to moderate-income households with attractive mortgage rates when purchasing a first home.

**Affordable housing needs that greatly exceed available resources.**

• Over the past three years, OHFA has received a reduction in Ohio Housing Trust Funds, HOME dollars and Unclaimed Funds; which have served to complement the Low Income Housing Tax Credit (LIHTC) program in the form of gap financing. The LIHTC program continues to experience high demand which has generated increased competition for these scarce resources. In the 2012 LIHTC cycle, OHFA received 102 applications and was only able to award housing credits to 37 projects.

• The impact of new mortgage lending laws established with the passing of the Dodd-Frank Wall Street Reform and Consumer Protection Act tread a fine line between protecting consumers and restricting access to mortgage credit by credit-worthy borrowers. OHFA recognizes that well-defined regulations pertaining to this legislation is important for consumers, lenders and the economic health of Ohio.

**Greater funding pressure in a deficit reduction/tax reform environment.**

• There is little certainty as to whether federal tax reform will occur in the near future. However, the affordable housing and community development communities are paying close attention to the discussions taking place at the federal level. Affordable housing advocates across the country are becoming vigilant in their defense of the LIHTC as a valuable resource to prevent it from being included in the discussions around tax reform. OHFA will continue to engage the Ohio delegation and other key legislators to communicate the benefits of the LIHTC program for low- to moderate-income households in Ohio.
Federal financial assistance status of the tax credit program.

- In late 2011, the U.S. Department of the Treasury began exploring the possible consequences of classifying the LIHTC as “federal financial assistance” subject to Title VI of the Civil Rights Act of 1964. The IRS has traditionally considered the LIHTC a tax benefit, as opposed to a form of federal financing. The proposed reclassification would have a tremendous impact on the program, including, but not limited to, potential new project requirements related to Davis Bacon Act wage rates, environmental reviews, affirmative fair housing marketing plans, Section 504 Rehabilitation Act rules, and relocation assistance. OHFA will continue to engage in this conversation as opportunities develop.

Effective and timely implementation of improvement opportunities identified within the Housing Study Committee and Performance Audit processes.

- OHFA was selected by the Auditor of State along with the Departments of Education, Jobs and Family Services, and Transportation to undergo a performance audit required through legislation passed in April of 2011. OHFA’s performance audit began in January 2012 and a final report is expected to be completed in August 2012.

- The Ohio Housing Study Committee was established in Ohio’s 2012-2013 biennium budget to review the policies, programs, and partnerships of the Agency. Chaired by Representative Cheryl Grossman (R – Grove City), the committee is comprised of representatives from the departments of Commerce and Development as well as legislative representatives. The legislative members of the committee were selected in October 2011 and include Senator Tim Schaffer (R – Lancaster), Senator Mike Skindell (D – Lakewood), and State Representative Mike Foley (D-Cleveland). The work of this committee is expected to conclude in December 2012.

Workforce plan alignment with budget.

- OHFA’s payroll is the only portion of the Agency’s budget appropriated through the state legislative process and the only line item that appears in the Executive budget. While OHFA’s programmatic activities are not financed using state revenues, the Agency is subject to personnel budget ceilings. Maintaining optimal staffing levels in the face of personnel budget constraints continue to impact OHFA’s ability to efficiently and effectively meet the needs of low and moderate income homeowners and to operate the programs that sustain the Agency financially.
**OHFA Mission**

The mission *We Open the Doors to an Affordable Place to Call Home* is achieved through the collaborative efforts of program staff, operations and support offices, and community stakeholders. OHFA’s mission provides the overarching, fundamental purpose of the Agency and defines what we strive to achieve. The Agency believes that every Ohioan should have access to quality affordable housing. Quality housing is a key component to building a strong future for Ohio.

**Single Family Vision**

- Increase affordable homeownership opportunities to support Ohio’s economic stability.

**Multifamily Vision**

- Be a leader in developing and managing innovative and effective multifamily projects that strengthen Ohio communities to address affordable housing needs throughout the state.

**OHFA Priorities**

- Increase and preserve affordable housing opportunities for low- to moderate-income households to support Ohio’s economic stability.
- Drive Ohio’s affordable housing policy and OHFA’s mission.
- Serve troubled households and neighborhoods to strengthen Ohio communities.
- Position OHFA as a financially stable housing partner and employer of choice.

**OHFA Core Values**

Our core values guide the strategic foundation of the Annual Plan and are based upon the mission priorities of the Agency. We believe that in order to meet our mission we must deliver our programs responsibly and collaboratively, optimize resources, and focus on performance. In summary, our core values are:

- Responsibility
- Collaboration
- Optimization
- Performance
The Annual Planning Process

The OHFA Annual Plan is the planning document prepared by OHFA staff to meet the statutory requirement set forth in section 175.04 of the Ohio Revised Code. The Annual Plan provides the Agency and its stakeholders with a comprehensive look at Ohio’s housing needs and the status of Ohio’s single and multifamily housing markets while outlining a set of priorities and measurable objectives for Agency-specific programs. This plan is intended to serve as the centerpiece for all of OHFA’s planning efforts; all concurrent agency plans yield to its stated priorities, goals and objectives. Each stated priority reflects the important role of OHFA’s single-family and multifamily programs to address the housing needs of low- to moderate-income Ohioans.

To guide OHFA’s approach for coordinating federal, state and other housing resources, the planning process was designed to ensure extensive staff and stakeholder input. The dialogue that occurred throughout the planning process was used to identify the state’s housing activities, current and future housing needs and respective resource investment opportunities in addressing the state’s affordable housing, homeless, special needs populations, community and economic development needs.

OHFA staff members, representing each of the Agency’s program offices, were assembled to review, discuss, and analyze the needs of single-family, multifamily and cross-cutting housing needs across Ohio. With the direction of a workgroup leader, workgroup members reviewed Agency priorities and established measurable goals and program objectives specific to each program office. Once this was completed, external stakeholders were invited to review the housing issues and activities identified in the workgroup sessions; findings were then reported back to the Annual Plan Advisory Committee which is comprised entirely of OHFA Board members.

After collaborative discussion with key stakeholders, workgroup participants, the Annual Plan Committee, and the Annual Plan Advisory Board, the FY 2013 Annual Plan was presented to the public at a hearing held on August 8, 2012 and approved by OHFA’s Board on August 15, 2012. The Annual Plan does not replace the important role advocates play in advancing affordable housing public policy, but is meant to support the relationship between advocates and OHFA policy creation. Effective interaction between OHFA and affordable housing advocates is critical to creating effective affordable housing policy.

NOTE: The Annual Plan is intended to serve as a comprehensive plan for the use of the OHFA resources specifying how our resources will be deployed to address statewide housing needs. However, OHFA cannot solely address statewide housing needs in their entirety. In order to make the document more informative for citizens and more useful for policy makers and those engaged in the production of affordable housing, the Annual Plan, where possible, specifies opportunities for OHFA to partner with organizations possessing additional capacities. The document, therefore, describes actions and activities to be undertaken with resources specific to OHFA and those to be undertaken by other organizations.
OHFA Annual Plan Participants
The engagement of the OHFA Board, Annual Plan Committee, Annual Plan Advisory Board, and internal workgroups was critical to inform the FY 2013 planning effort.

Annual Plan Committee
It is the responsibility of the Annual Plan Committee to review the Agency’s assessment and identification of housing needs, development of Agency goals and objectives, review and consideration of stakeholder feedback, execution and implementation strategies, and evaluation of progress toward meeting the goals and objectives outlined in the plan.

The Annual Plan Committee meets quarterly or at the request of the committee Chairperson, the Board Chairperson or at the request of OHFA’s Executive Director. Notice of each standing committee meeting is given in accordance with the Ohio Revised Code. Action of the committee must be authorized by the affirmative vote of a majority of the members present. The Chair of the committee, when present, presides at all meetings of the committee.

Annual Plan Advisory Board
The Annual Plan Advisory Board is selected by the Annual Plan Committee from a list of interested stakeholders the Executive Director provides or on its own recommendation. The Advisory Board provides input on the plan at committee meetings prior to the annual public hearing. At the public hearing, the Annual Plan Committee has the opportunity to discuss the Advisory Board’s comments.

The Annual Plan Advisory Board has representation from interested stakeholders including:

- state agencies,
- local governments,
- public corporations,
- nonprofit organizations,
- community development corporations,
- housing advocacy organizations for low- and moderate-income persons,
- realtors,
- syndicators,
- investors,
- lending institutions as recommended by statewide banking organizations, and entities participating in the Agency programs.

Internal Planning Workgroups
The following OHFA staff members played an integral role in drafting the FY 2013 Annual Plan. It is the passion, perspective and overall commitment to the mission of OHFA, demonstrated through their leadership and advocacy of important affordable housing issues, that positions this plan to better respond to the housing needs of Ohioans.
Annual Plan Workgroup Leaders

Workgroup leaders were responsible for directing the efforts of the workgroups including the identification and discussion of Ohio’s housing needs, current trends and future challenges.

Christine Bennett, Compliance Training Coordinator - Office of Program Compliance
Brian Carnahan, Director - Office of Program Compliance
Cindy Flaherty, Director - Office of Homeownership
Betsy Krieger, Housing Investment Fund Manager - Office of Program Compliance
Stephanie Casey-Pierce, Housing Counseling Support Manager - Office of Homeownership
Sean Thomas, Director - Office of Planning, Preservation, & Development

Annual Plan Leadership

OHFA’s Office of Affordable Housing Research and Strategic Planning (OAHRSP) has the principal responsibility of leading the overall planning and development process of the Annual Plan and coordinating the efforts of the Annual Plan Committee, Annual Plan Advisory Board and Annual Plan Workgroups.

Dr. Holly Holtzen, Director of Research and Strategic Planning, Office of Affordable Housing Research and Strategic Planning

Myia Batie, Performance Measurement and Evaluation Coordinator, Office of Affordable Housing Research and Strategic Planning

Annual Plan Workgroup Members

Members of the workgroups participated in discussions regarding Ohio’s housing needs, current housing activities and future challenges. Workgroup members also assisted in the development of Agency goals, objectives and program priorities.

Andrew Bailey, Program and Policy Manager - Office of Planning, Preservation & Development
Patty Blair, Compliance Trainer - Office of Homeownership
TJ Burgess, Asset Management and Technical Assistance Manager - Office of Program Compliance
Tara Campbell, Housing Examiner - Office of Program Compliance
Kevin Clark, Administration Manager - Office of Planning, Preservation & Development
Christin Doyle, Planner - Office of Planning, Preservation & Development
Teresa Kazee, Multifamily Accounting Manager – Office of Finance
Tina Knight, Housing Examiner - Office of Program Compliance

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Housing Needs Defined

What is a housing need?

A housing need is a lack of an “appropriate” dwelling, or more specifically, one that is safe, decent, affordable, sustainable and physically adequate for all members of a household.

Assumptions¹

- Households may be impacted by high housing costs, insufficient income to afford an appropriate dwelling, and/or a lack of access to the appropriate type of housing.
- Programs and resources should address the regional distribution of appropriate housing.
- Government programs are created as a supplement to, not a replacement for, the private housing market. Partnerships between private for-profit or non-profit organizations and local, state and federal programs exist to bridge the gaps between the housing needs of households and the households’ ability to pay for or access the appropriate housing.
- Resources for both capital expenditures and supportive services will be required to fully address housing needs.
- Households must be empowered to determine how their individual housing needs are met. The ability to live independently is an important factor in leading a fulfilling life. Some housing needs are only met when services are provided and housing is designed that allows a household to live as independently as possible.
- While many government policies and programs mitigate housing needs, other government policies and programs, (e.g. taxes and regulation) may contribute to housing needs by adding cost burdens or creating barriers to access decent, affordable and appropriate housing.
- Public resources should primarily be targeted to households with low- to moderate-incomes and should enable these households to spend no more than roughly one-third of their monthly income on housing costs.
- Strategies to address housing needs should, whenever feasible, align with strategies that focus on other important public policy issues, such as economic development, transportation, community revitalization, public health and safety, environmental quality and energy conservation.

¹ The scope of these assumptions needs clarification. The mission of the Ohio Housing Finance Agency is focused on “affordable housing”; that is housing policy focused on people having low- to moderate-incomes. However, the Annual Plan of the Agency is not necessarily limited to the Agency’s mission. This is not captured in the definition of Housing Needs with a view towards the OHFA enabling legislation. See ORC 175.02. “Affordable Housing”; that is housing policy focused on people having low- to moderate-incomes.
Ohio’s Housing Needs

Affordable Homeownership

Homeownership can provide families with stability and the benefits of wealth building, but when homebuyers are unprepared for the financial and legal responsibilities of ownership, the opposite may result. Making appropriate financing tools available to otherwise qualified borrowers who do not have access to the broader credit market is a valuable public purpose. In order to afford and retain homeownership, low- to moderate-income homeowners may need assistance with energy efficiency and resource conservation and property maintenance or rehabilitation, while other homeowners may require loan modifications to remain in their home.

Counseling And Education Resources

The ability to obtain and retain access to quality affordable housing depends, in part, on a household’s ability to manage their financial resources and to protect their rights with respect to their housing situation. Many families have benefited from a variety of services such as: foreclosure mitigation and prevention, pre-purchase and post-purchase counseling and education, homelessness prevention, fair housing advocacy, and legal assistance with landlord-tenant disputes.

Affordable Housing Preservation

Ohio has a large and aging portfolio of subsidized housing properties across the state. This housing was developed using HUD and Rural Development (RD) resources, including project-based rental subsidies. In addition to the federally subsidized properties, the number of housing tax credit properties that are 15 years or older is growing. These existing affordable rental properties are meeting many critical housing needs, including serving very low-income households. Stagnant population growth and high construction costs for infrastructure and new rental units are other factors to consider in allocating resources between building new and preserving existing affordable housing.

Development And Operating Costs For Multifamily Housing

Multifamily housing projects are experiencing increasing costs, including real estate taxes, utilities and insurance. Because of stagnant or slow growing household incomes in much of Ohio, multifamily projects are unable to mitigate rising costs through rent increases. The inability to increase rents, even marginally, further restricts the capital available to maintain projects appropriately, which in turn impacts the ability to provide an attractive product. Potential residents are not attracted to poorly maintained projects, so the cash flow of projects is further reduced because of unoccupied units, creating a downward cycle.

Accessible Housing

Ohio’s supply of housing is not functional for people who have or develop disabilities due to aging or other reasons.

Very Low-Income Housing Assistance

Under HUD’s definition, a “very low-income” household is one with an income that is at or below 50 percent of an area’s median income (AMI). It is difficult to serve these households using only the housing tax credit program, which is currently the largest rental production program in the state. As a result, the demand for federal rent subsidies far exceeds the supply. The struggling economy and greater emphasis on de-institutionalization contribute to this growing need.

Existing Special Needs Housing

Existing low-income rental housing for special needs populations is aging, inadequate to meet the need and, in some cases, lacks adequate funding for operations. Some units have come off-line, reducing the available inventory.
Rural And Appalachian Regions
The ability of residents in rural and Appalachian Ohio to find quality affordable housing is constrained by factors such as: smaller and aging populations, lack of zoning and regulations, stagnant economic growth, job loss, substandard existing housing stock, lack of appropriate sites, infrastructure and capacity for development.

Vacant Housing
Many communities throughout Ohio face the problem of vacant and abandoned housing. Such housing destabilizes neighborhoods and community tax bases, creating additional challenges to rebuilding impacted neighborhoods.

Permanent Supportive Housing Production
Supportive housing is nationally recognized as a model for reducing homelessness and for targeted populations; it is a better investment of public dollars than crisis and institutional care. Supportive housing experts opine that a significant increase in the number of units in Ohio is necessary to have a meaningful chance of ending homelessness and improving outcomes for people. Currently, there are no clear means for creating the number of units needed, providing services to the tenants of those units, and ensuring units have adequate subsidy for long-term viability.

Environmental Sustainability
Affordability is impacted when housing is not safe, sanitary or energy efficient. Environmental sustainability needs are those that impact the ability of residents to lead healthy and productive lives in the housing of their choice. These needs exist in the broader housing market, impacting households at all levels of income. They are also often a component of the broader public policy of the state and as a mechanism of that policy; the Agency must consider these needs in its planning efforts.
Single Family Strategic Plan At A Glance

Consistent with OHFA’s mission, *We Open the Doors to an Affordable Place to Call Home*, OHFA’s Single Family programs are designed to promote affordable homeownership opportunities that foster economic stability. To encourage responsible homeownership, OHFA provides a diverse selection of affordable mortgage products, pre-purchase financial education, and foreclosure mitigation services for low-to moderate-income Ohioans. A description of each of OHFA’s First Time Homebuyer (FTHB) program and accompanying mortgage products appears in Appendix A.

**Fiscal Year 2013 Single Family Goals**

**Goal One**

**Promote affordable, stable homeownership opportunities by offering a variety of fixed mortgage products, down payment assistance and homebuyer education for low- and moderate-income homebuyers.**

- Provide mortgage financing to 3,600 qualified homeowners through the FTHB program.
- Provide down payment assistance and homebuyer education to 2,700 homebuyers who use OHFA’s FTHB program.
- Increase the percentage of FTHB loans in Target Areas to 20 percent.
- Encourage minority participation in the FTHB program resulting in at least 18 percent of loans made to minorities.
- Enroll 15 new lenders in the FTHB program, and increase loan deliveries from 50 percent of current lenders.
- Educate 675 real estate professionals to leverage their ability to promote OHFA’s mortgage products to eligible first time homebuyers.

**Goal Two**

**Expand the capacity of housing counseling in the State of Ohio by offering resources, training and technical assistance.**

- Implement a comprehensive grant management system that links OHFA financial support for Housing Counseling Agencies (HCA) to measurable counseling outcomes.
- Ensure that HCA’s continually improve performance by providing ongoing technical assistance and comprehensive training in best practices and compliance.
- Complete at least one site visit and at least one desktop file review with each HCA and each grant in order to enhance quality service delivery and ensure compliance with program guidelines.

**Goal Three**

**Provide counseling and resources to homeowners to reduce hardship and strengthen the economy of Ohio.**

- Inform at-risk homeowners of options through outreach efforts with community partners and the media, resulting in at least 25,000 Restoring Stability registrations per year statewide, and 7,800 application submissions per year to OHFA.
- Help at least 5,000 Ohioans avoid foreclosure by providing financial resources to sustain homeownership through Restoring Stability.
Single Family Trends In Ohio

Developing a responsible, sustainable approach requires an understanding of homeownership market trends. In the following section single family market trends in Ohio are described. Challenged by post-recession economic hardships, a rise in mortgage delinquency and foreclosure rates, and a depressed housing sales market, homeownership in Ohio has become more difficult to obtain for many low-to moderate-income Ohioans. The national economic crisis has erased recent gains in homeownership and industry experts have revised and tightened mortgage underwriting policies that once provided easy access to credit.

Employment and Labor Participation

The economic environment in Ohio has shifted since the downturn of the housing market in 2008. High unemployment and changes in labor force participation have contributed to the downturn of home sales across Ohio. The statewide unemployment rate was 10 percent in March 2009 and 7.8 percent in March 2012. It is important to mention that the unemployment rate was as low as 5.6 percent in March 2006. Figure 1 presents the most current unemployment rates by county as of March 2009 and March 2012.

Figure 1. Unemployment Rates by County, Not Seasonally Adjusted

While there has been a decline in the average unemployment rate in Ohio, long-term unemployed workers may become discouraged and choose to exit the labor force. The labor force participation rate measures the proportion of the non-institutional civilian population aged 16 and older who were working or looking for work. Figure 2 shows the recent decline in the average annual unemployment rate. Concomitantly, the labor force participation rate has also slowly dropped in recent years indicating a slow decline of workforce participation in Ohio.

![Figure 2. Ohio Labor Force Participation Rate 1976 to 2011](image)

While overall unemployment in Ohio has declined since 2010, high unemployment has been a significant challenge for the typical OHFA customer. As shown in Figure 3, the annual average unemployment rate in 2011 for adults aged 20 to 24 and 25 to 34 was 11.9 percent and 10.4 percent, respectively, which was above the state annual average of 8.6 percent. Since 66 percent of the OHFA first time homebuyer market consists of adults aged 25 to 34, high unemployment among this group is a likely factor in their choice to postpone the purchase of their first home. A recent survey conducted by the Pew Research Center suggests that the economic downturn has changed the financial behavior of young adults aged 25 to 34 (Parker, 2012). Parker reported that 61 percent of respondents had friends or family who has moved in with their parents due to financial concerns.

![Figure 3. Percentage of OHFA First Time Homebuyers and Average Annual Unemployment Rate by Age Categories](image)
Homeownership in Ohio

The homeownership rate in Ohio has declined from the height of the housing bubble in 2005 to early 2012. For example, the Ohio homeownership rate in the first quarter of 2005 was 72.1 percent and 68.4 percent in the first quarter of 2012 (U.S. Census Bureau, 2010). Figure 4 presents the homeownership rate in both the U.S. and Ohio. In Ohio, the homeownership rate continues to be higher than the national rate. Generally, in the U.S., fewer adults entered into homeownership, which appears to be the case in Ohio as well.

Figure 4. Ohio Homeownership Rates


Figure 5 provides a detailed look at homeownership rates in six Ohio Metropolitan Statistical Areas (MSAs) (Akron, Cincinnati, Cleveland, Columbus, Dayton and Toledo) from 2005 to 2012. Even though all Ohio MSAs have seen a steady decline in homeownership, the Akron MSA recorded the highest rate of homeownership in Ohio (71.6 percent in 1QTR2012) and continued to exceed the statewide homeownership rate. This is in stark contrast to the consistent decline in homeownership in the Toledo MSA (56.1 percent in 1QTR2012).

Figure 5. Homeownership Rates by Ohio MSA 2005-2012

As shown in Table 1, 31.9 percent of owner-occupied households in Ohio spent 30 percent or more of household income on monthly housing costs in 2010. Monthly housing costs are the sum of debt payments, taxes, insurance, utilities, fuel costs and other fees. When housing expenses exceed 30 percent of household income, a household is more vulnerable to foreclosure or homelessness in the event that household income decreases.

Table 1. Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months, Owner-Occupied Housing Units with a Mortgage

<table>
<thead>
<tr>
<th>Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months</th>
<th>Owner - Occupied Housing Units with a Mortgage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>6.5% +/-0.2</td>
</tr>
<tr>
<td>Less than 20 percent</td>
<td>0.0% +/-0.1</td>
</tr>
<tr>
<td>20 to 29 percent</td>
<td>0.2% +/-0.1</td>
</tr>
<tr>
<td>30 percent or more</td>
<td>6.3% +/-0.2</td>
</tr>
<tr>
<td>$20,000 to $34,999</td>
<td>11.8% +/-0.3</td>
</tr>
<tr>
<td>Less than 20 percent</td>
<td>0.5% +/-0.1</td>
</tr>
<tr>
<td>20 to 29 percent</td>
<td>2.0% +/-0.1</td>
</tr>
<tr>
<td>30 percent or more</td>
<td>9.4% +/-0.3</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>14.5% +/-0.4</td>
</tr>
<tr>
<td>Less than 20 percent</td>
<td>1.9% +/-0.1</td>
</tr>
<tr>
<td>20 to 29 percent</td>
<td>5.1% +/-0.2</td>
</tr>
<tr>
<td>30 percent or more</td>
<td>7.6% +/-0.3</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>24.1% +/-0.4</td>
</tr>
<tr>
<td>Less than 20 percent</td>
<td>7.5% +/-0.3</td>
</tr>
<tr>
<td>20 to 29 percent</td>
<td>10.7% +/-0.3</td>
</tr>
<tr>
<td>30 percent or more</td>
<td>5.9% +/-0.2</td>
</tr>
<tr>
<td>$75,000 or more</td>
<td>42.6% +/-0.5</td>
</tr>
<tr>
<td>Less than 20 percent</td>
<td>27.9% +/-0.4</td>
</tr>
<tr>
<td>20 to 29 percent</td>
<td>12.1% +/-0.3</td>
</tr>
<tr>
<td>30 percent or more</td>
<td>2.7% +/-0.2</td>
</tr>
<tr>
<td>Zero or Negative Income</td>
<td>0.4% +/-0.1</td>
</tr>
</tbody>
</table>

Home Sales and Inventory

Total homes sales in Ohio have declined sharply since 2006. Figure 6 presents the total number of home sales, the 12-month moving average, and seasonally adjusted home sales from January 2000 to January 2012.

Figure 6. Total Home Sales in Ohio 2000-2011


Figure 7 presents REO sales as a percentage of total single family homes sales in Ohio. The sale of REO properties dropped slightly at the beginning of 2012. However, these properties have consistently maintained a significant presence in the housing market. REO sales hit a high in January 2009, but dramatically declined by the end of the year. Since 2009, there have been slight spikes in REO sales. However, the sale of REO properties consistently remained at approximately 20 percent of single family homes sales in January 2012.

Figure 7. REO Sales as a Percentage of Total Sales in Ohio 2008-2012


Similarly, the percentage of short sales in Ohio has also maintained a steady presence in the housing market. As of early 2012, short sales were 7 percent of total home sales in Ohio. Figure 8 displays short sales as a percentage of total sales by county in Ohio. Since 2006, short sales have become a growing percentage of total home sales in Ohio. For example, in 2006 short sales were 1.5 percent of total homes sales and in 2012 short sales were 7 percent of total home sales in Ohio. Figure 9 shows short sales were more common as measured by the percentage of total sales in the Cleveland-Akron, Columbus, and Cincinnati-Hamilton MSAs.

Figure 8. Short Sales as a Percentage of Total Sales by County in Ohio 2006-2012

Figure 8. Short Sales as a Percentage of Total Sales 2006-2012


Figure 9. Short Sales as a Percentage of Total Sales by County - Ohio

Mortgage Originations

Since the mortgage meltdown of 2008, lenders have taken a more conservative approach to mortgage lending through the tightening of underwriting standards (Bhutta, Brevoort, Canner, & Avery, 2011). Underwriting standards now command higher credit score thresholds, larger down payments, or mortgage insurance. By requiring these additional underwriting standards, potential homebuyers might be shut out of the home buying process which, in part, may have contributed to the decline in home sales in Ohio. New and proposed regulations, many of which are a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act, have the potential to make mortgage credit inaccessible for many low-to moderate-income first time homebuyers.

Figure 10 outlines FTHB purchases as a percentage of all low-to moderate-income loan (LMI) originations in Ohio from 2005 to 2010. In 2010, a slight increase in FTHB purchases as a percentage of all LMI loan originations was seen with an increase to 6 percent of the market share.

Figure 10. FTHB Purchases as a Percentage of All LMI Loan Originations 2005-2010

Sources: OHFA 2005-2010 FTHB and 2005-2010 Home Mortgage Disclosure Act (HMDA) Data
In 2005, high-cost lending accounted for 21 percent of originations in Ohio. However, there has been a steady decrease in the use of high-cost lending products for low-to moderate-income borrowers. High-cost lending among moderate income borrowers decreased from 26 percent in 2005 to only 7 percent in 2009 (see Figure 12). For eligible borrowers, achieving and maintaining homeownership may not be possible without the affordable mortgage products offered by OHFA that mitigate the cost of homeownership as a percentage of other housing expenses. These products must be used in a way that provides the most effective use of every dollar, leveraging other relationships and allocating resources to appropriate locations.

Figure 11 presents Ohio’s FTHB market share of minority borrowers from 2005 to 2010. Minority participation in the OHFA FTHB program has generally risen since 2005. For example, 13 percent of Ohio FTHB loans were to minority borrowers as compared to 23 percent of loans in 2010. Minority FTHB loans as a percentage of all minority moderate income loans in Ohio increased from 3 percent in 2005 to 15 percent in 2010.

Figure 11. Ohio’s Minority Purchases

FHA loans captured a larger portion of the LMI mortgage lending market. Figure 13 presents Ohio’s FHA, FTHB, and Independent loan originations. From 2005 to 2009, FHA purchases steadily increased from 11 percent in 2005 to 51 percent of all mortgage originations in Ohio in 2009. During this same time period Ohio’s FTHB market share decreased from 12 percent in 2008 to only 5 percent in 2009.
Nationally, in 2005, 1,579,593 1 to 4 unit homes required Private Mortgage Insurance (PMI) certificates, 332,912 FHA endorsements were issued and there were 160,294 VA Guaranteed loans. By 2011, PMI certificates had dropped to 266,690, FHA endorsements were 757,025 and VA Guarantees accounted for 379,894 1 to 4 Family Mortgages (see Figure 14). The shift in lending patterns was also reflected by the substitution of PMI-backed to nonconventional or government-backed loans. In recent years, PMI has become a less popular option to FHA and VA loan guarantees for high LTV (loan-to-value) mortgages, particularly for those loans where more than 80 percent of the home’s value is borrowed.

This shift was primarily a result of tightened underwriting of the PMI companies due to the high volume of losses since 2008 (Bhutta, Brevoort, Canner, & Avery, 2011). However, this shift of fewer loans with PMI should be viewed with some degree of caution. The Federal Reserve has noted this trend may hide a rising portion of lending with any type of credit enhancement as evidenced by the ratio of loans with PMI, nonconventional, and loans with junior liens to total loans which has increased from 47.1 percent to 64.1 percent from 2005 to 2009, respectively (Board of Governors of the Federal Reserve System, 2011).

Figure 14. Shift from Loans With PMI Certificates to FHA Endorsed Loans 2005-2011

For some borrowers the changes in underwriting standards have prevented the purchase of a first home even during a time of unprecedented low mortgage interest rates. Figure 15 presents OHFA’s FTHB average interest rate compared with non-OHFA FHA borrowers. From 2005 to 2008, the average interest rate of borrowers served through OHFA’s FTHB program ranged from 5.12 percent to 6.15 percent, compared with 5.9 percent - 6.56 percent for non-OHFA FHA borrowers. OHFA’s FTHB program provided a more affordable interest rate during this time period with the exception of 2009 originations. In 2009, OHFA’s FTHB program offered an average interest rate of 5.8 percent as compared to non-OHFA FHA loans that had an average interest rate of 5.4 percent.
**Sales Price**

The median total sales price of single family homes (in current dollars) has declined from a high of $124,000 in July 2005 to a low of $73,236 in January 2011. Figure 16 presents the median sales price of total single family sales, new construction, resales, REO, and short sales in Ohio from 2005 to 2011. At the extremes, the median sales price of new construction has been and continues to command a higher median sales price as compared to resale, short sales, and REO. However, the median sales price of REO single family homes remained lower than both resales and short sales in the state.

**Figure 16. Median Sales Price in Ohio**

After adjusting for inflation, it is even clearer that the median sales price of single family homes in Ohio has steeply declined since 2005. Figure 17 presents the median total sales home price measured in current dollars and constant dollars (i.e. adjusted for inflation). The median sales price dipped in March 2009, but has recovered slightly in recent years. Prior to 2008, the median sales price of single family homes in Ohio was substantially higher than today.

Figure 17. Median Home Sales Price – Nominal and Inflation-Adjusted

Delinquency and Foreclosure

When the housing market is strong and credit is available, homeowners who face hardships often have the option to sell their homes, refinance, or take out a second mortgage to make ends meet. Today, the number of home sales and the median price of single family sales are down to pre-2001 levels and lenders have significantly tightened lending requirements, leaving at-risk homeowners with mortgage payments they cannot afford for properties they can neither sell nor refinance.

In Ohio, the number of loans more than 90 days delinquent remains at a high level. Figure 18 shows the number of loans more than 90 days delinquent juxtaposed with Ohio’s unemployment rate for the corresponding time period. Prior to the housing bubble in 2005 and the subsequent recession, unemployment remained relatively steady at roughly 6 percent, however, the number of delinquent loans continued to rise and hit a high in early 2010. More recently, both unemployment and delinquency are on a downward trend. This may suggest economic factors such as unemployment in Ohio had a substantial impact on homeowners experiencing difficulty staying current on mortgage payments in Ohio.

Figure 18. Number of Loans More Than 90 Days Delinquent and Unemployment Rate in Ohio

In March 2012, the numbers of loans more than 90 days delinquent were concentrated in Cuyahoga, Franklin, Montgomery, and Hamilton Counties, but this is largely reflective of the number of homeowners in those areas (see Figure 19). A closer examination of the number of loans more than 90 days delinquent as a percentage of total loans shows distress in additional counties outside of the urban core, including suburban and rural areas.

Figure 19. 90+ Days Delinquent Loans by County

![Map showing delinquent loans by county.](image)

Source: First American Core logic, Inc., Market Trends Report

Figure 20 displays the one year percentage change in the number of loans more than 90 days delinquent. The map reveals that almost all counties saw a reduction in delinquencies between 2011 and 2012. However, several counties, mostly in southern Ohio, have experienced an increase in delinquencies.

Figure 20. 90+ Day Delinquent by County, One Year Change

![Map showing one year percentage change in delinquent loans.](image)

The number of foreclosures of single family homes in Ohio has steadily risen. The foreclosure rate has changed little since 2010, holding steady at 3.0 percent to 3.5 percent of loans in Ohio. Single family foreclosures in Ohio have nearly doubled since the height of the housing boom in 2005. In early 2011, the number of foreclosures hit record highs with 53,353 loans in foreclosure (see Figure 21). Figure 23 displays a map of foreclosure filings by county and the change in pre-foreclosure filings from 2008 to 2012 in Ohio.

The shadow inventory of single family homes is the number of homes that are either in active foreclosure or likely to end up in foreclosure (i.e. pre-foreclosure filings). The HUD estimated the national shadow inventory of single family homes to be 3.6 million homes at the end of 2011 (U.S. Department of Housing and Urban Development and the U.S. Department of the Treasury, December 2011). The shadow inventory in Ohio has fluctuated in recent years. Figure 22 shows the steady rise and recent decline in the number of properties with pre-foreclosure filings in Ohio. The recent drop in the number of pre-foreclosure filings should be reviewed with caution as it is most likely due to the moratorium on foreclosures placed by servicers and not a reduction in actual pre-foreclosure activity.
Figure 22. Number of Loans More Than 90 Days Delinquent and Pre-foreclosure Filings Ohio 2000-2011


Figure 23. Foreclosure Filings by County

Negative Equity

Homeowners faced with financial hardships including unemployment, divorce, disability, death of a spouse, or medical bills have often found themselves unable to sell their homes or unable to sell at a price that would enable them to pay off their mortgage. The resulting foreclosure inventory had a negative impact on all home values, which in some states, were already grossly inflated due to a housing price bubble. The estimated number of negative equity loans has steadily increased since 2010. Figure 24 and Figure 25 presents the number of negative equity loans from 2009 to 2012 in Ohio.

**Figure 24. Number of Negative Equity Loans in Ohio 2009-2012**


**Figure 25. Number of Negative Equity Loans In Ohio 2009-2012 By County**

Multifamily Strategic Plan At A Glance

Consistent with OHFA’s mission, We Open the Doors to an Affordable Place to Call Home, the Offices of Planning, Preservation & Development and Program Compliance are committed to leading the development and management of innovative and effective multifamily projects that strengthen Ohio communities and address affordable housing needs throughout the state. OHFA provides financial support and tax incentives to developers of multifamily housing and serves as a resource for maintaining regulatory compliance to ensure ongoing financial viability of multifamily developments throughout the state. A description of all multifamily programs appears in Appendix B.

Fiscal Year 2013 Multifamily Goals

Goal One
Preserve and develop affordable multifamily housing to meet needs of low- to moderate-income Ohioans.

- Finance the construction and/ or redevelopment of 3,000 rental units using a competitive review process and rigorous, fair underwriting standards which together allow for the optimization of OHFA resources.
- Expand the development of affordable multifamily housing using the anticipated Tax Credit Assistance Program (TCAP) interest and principal repayments.
- Sustain 2011 production levels of 100 renovated rental units owned by local mental health boards and providers through continued use of the Capital Improvements Pilot Program (CIPP).
- Improve Agency efficiency in issuing Form 8609s, Letters of Eligibility of Bond Housing Tax Credits, and Environmental Reviews for the Housing Development Assistance Program (HDAP).

Goal Two
Maintain high quality affordable multifamily properties by balancing due diligence and customer responsiveness.

- Maintain 15-day average turnaround time for the issuance of reports from compliance monitoring visits.
- Increase the number of participants attending regular compliance trainings to ensure that consumers (owners and property managers) are equipped with the latest information regarding compliance policies and procedures.
- Develop and implement new compliance and income calculation training modules to further promote compliance with multifamily housing programs.
- Identify the nature of cited noncompliance’s that lead to the issuance of 8823s and identify areas to execute strategic corrective action to reduce future compliance findings.
Policy Development Opportunities

In addition to the aforementioned goals and objectives, OHFA is committed to building its technical and administrative capacities in the following areas:

Fostering the development of multifamily housing that responds to the housing needs in rural and Appalachian regions of Ohio.

OHFA is particularly interested in understanding the impact on housing associated with the development of shale drilling activities in Ohio. It is the Agency’s intent to assess the potential future impact on the housing market and to monitor the availability of housing as shale development activity increases. OHFA expects to engage partners invested in the welfare of the Appalachian region in order to identify recommendations that will position the Agency to more adequately respond to the housing needs of this region. Such partners include the Appalachian Task Force and affiliates; Appalachian Regional Commission of the Governor’s Office of Appalachia; the Coalition on Homelessness in Ohio; as well as other organizations.

Developing strategies to reduce the impact of vacant and abandoned homes throughout Ohio.

OHFA seeks to work closely with local, state, federal and private organizations to leverage the Agency’s resources in targeted areas destabilized by the high incidence of vacant and abandoned housing. OHFA will continue to monitor the impact of vacant housing to identify opportunities where the Agency’s involvement in neighborhood stabilization efforts can be expanded.

Encouraging the development of responsible, accessible, and healthy multifamily housing.

OHFA is committed to improving housing conditions statewide through education and outreach to stakeholders and partners engaged in the development of affordable housing. It is the Agency’s intent to promote healthier and safer housing conditions in Ohio. OHFA also makes it a priority to serve extremely low-income renters with special housing needs. The Agency will continue to work closely with a variety of partners including the Ohio Departments of Aging, Health, and Mental Health, the Office of Health Transformation, and the Department of Developmental Disabilities to create integrated and cost-effective supportive housing units.
Multifamily Housing Trends

This section begins with a brief discussion on multifamily housing trends that impact the affordability of rental housing. Providing access to affordable and quality rental housing is a priority for OHFA as rental housing plays an integral role in meeting the housing needs of low- to moderate-income Ohioans who experience barriers to homeownership and are more vulnerable to economic cycles.

In Ohio, nearly 1.5 million (or 32.4 percent) of housing units were occupied by renters. As shown in Figure 26, the number of renter-occupied homes increased by 1.5 percent (more than 100,000 units) between years 2000 and 2010. These shifts in housing tenure can likely be attributed to turbulence in the economy, especially with regard to homeownership, unemployment, and declining household incomes.

![Figure 26. Occupied Housing by Tenure 1990, 2000 and 2010](http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml)

Growing demand for rental housing coincides with a shrinking supply of rental opportunities creating increased competition for already scarce affordable units. As shown in Figure 27, the number of rental units identified as vacant decreased by more than 15,000 between 2006 and 2010.

Figure 27. Vacancy Status, Rental Units 2006-2010

Figure 28 presents 2010 American Community Survey data that describe rental housing in Ohio. One third of renter-occupied units in Ohio were constructed between 1960 and 1979, the second largest majority constructed between 1940 and 1959. A further analysis revealed that 57 percent of renters resided in either a detached home or a larger structure featuring 10 or more units; 66 percent of renters lived in a two or three bedroom unit.

A Demographic Profile of Renters in Ohio

Figure 29 and Figure 30 present the demographic composition of renter-occupied households living in Ohio. The greatest proportions of renter-occupied households were headed by a tenant under the age of 35. Sixty-nine percent of renters in Ohio are white and 67 percent possess a high school diploma or better. In 2010, the median annual household income for renter-occupied households in Ohio was $24,532 which represents a decline of nearly 7 percent since 2008. As shown in Figure 30, the majority of renters earned between $25,000 and $49,999 per year in 2010. However, more than 200,000 renter-occupied households earned incomes below the federal poverty level.

Figure 29. A Demographic Profile of Renters in Ohio

Figure 30. Household Income in the Past 12 Months (Adjusted for Inflation), Percent Distribution for Renter-Occupied Housing Units

Housing Costs

Median monthly housing costs for renter-occupied units is one measure of housing affordability. Figure 31 and Figure 32 present the median monthly housing cost for renter occupied units in Ohio. The median monthly housing cost for renter-occupied units in Ohio was $685 in 2010. This represents a 2.2 percent annualized increase (9 percent total increase) between 2006 and 2010 when the median monthly housing cost for renter-occupied units was estimated to be $627 (U.S. Census Bureau, 2010); all MSA’s in Ohio experienced an increase in median monthly housing costs for renter-occupied units between 2006 and 2010. In 2010, the majority of renters in Ohio paid between $500 and $799 for rent and utilities. Columbus was the only MSA in which the median costs for renter-occupied units exceeded the state median cost of $685. Akron, Canton, Cincinnati, Cleveland, Dayton, Toledo and Youngstown each had median housing costs for renter-occupied units less than the state median cost. Of the eight MSA’s shown below, Youngstown was the most affordable MSA with a monthly housing cost of $554.

Figure 31. Median Monthly Housing Costs for Renter-Occupied Units in 2006 and 2010, Principal Cities by MSA

Sources: OHFA 2005-2010 FTHB and 2005-2010 Home Mortgage Disclosure Act (HMDA) Data
Figure 32. Monthly Housing Costs (in Dollars) for Rent and Utilities, Renter-Occupied Housing Units

Housing Cost Burden

While housing remains affordable for many households in Ohio, more than 51 percent of Ohioans face housing cost burdens, or spend more than 30 percent of household income on housing and utilities (see Figure 33) (U.S. Census Bureau, 2010). Seventy-four percent of households who faced housing burdens were renters. For these households, housing cost burdens diminished the availability of resources to secure other essentials including food, healthcare, and transportation.

Figure 33. Percentage of Renter-Occupied Households Spending 30% or More of Household Income for Rent and Utilities

More than 300,000 households in Ohio were identified as having worst case housing needs as depicted in Figure 34. This measure of housing burden accounts for very low-income households who do not receive government housing subsidies, paid more than 50 percent of their household income toward housing and utility expenses, or lived in severely substandard housing conditions.

**Figure 34. Worst Case Housing Needs, State of Ohio**

323,579 WORST CASE HOUSING NEEDS

One in every five households in the state of Ohio is classified as having worst case housing needs, i.e., are extremely low-income, do not receive any form of government assistance, pay more than 50% of their household income for housing and/or live in severely inadequate conditions.


Those individuals with significant and long-term disabilities who rely on Social Security Income (SSI) to pay for housing and other necessities are among the most severe worst case housing needs in Ohio. In 2010, the annual income of a person receiving SSI in Ohio was approximately $8000, equal to 18 percent of area median income. Considering that households at 30 percent of area median income are identified as extremely low-income according to HUD, the 188,094 SSI recipients residing in Ohio comprise one of the poorest income groups eligible for federal housing assistance in the state (Cooper, O’Hara, & Zovistoski, 2010).
Figure 35 shows the wage a worker in Ohio must earn to afford a two-bedroom unit at fair market rent (FMR); known as the housing wage. The housing wage for Ohio in 2010 translated to an annual salary of $27,926; however, the median household income of renter-occupied households was only $24,532 yielding an affordability gap of nearly $3,500 per year. Earning $13.43 per hour, a worker in Ohio could spend no more than $583 per month on housing.
The affordability gap for renters in Ohio has consistently grown each year since 2006. Figure 36 presents the annual salary deficit of renter occupied households to afford a two-bedroom apartment in Ohio. This suggests that the cost of housing is becoming increasingly more out of reach for working households.

Figure 36. Salary Required To Afford two-bedroom Apartment at Fair Market Rent and Median Household Income Renter Occupied Households ($) 2006-2010

Mobility

Eighty-eight percent of renters in Ohio moved to their present residence in 2000 or later. Figure 37 shows that renters, for the most part, relocated within the same county as their prior residence. Figure 38 shows only a small proportion (2 percent) of renters relocated to Ohio from abroad. Seventeen percent of households relocated from different counties and 9 percent from another state.

![Figure 37. Year Householder Moved Into Unit, Renter-Occupied Housing Units](image)


![Figure 38. Mobility, Householder in Renter-Occupied Housing Units](image)

Multifamily Policy Issues

The policy issues in multifamily housing are organized by key areas identified through the planning process and echo the concerns and priorities addressed in the discussion of rental housing market trends.

Preservation

In Ohio, there are 2,623 affordable housing projects encompassing more than 188,000 units (see Table 2). Many projects in this large portfolio of affordable housing units are at-risk for leaving the affordable housing pool during the next 10 years. Recent estimates suggest one quarter of the properties (43,000 units) could be at risk. Among the pool of Housing Tax Credit properties, 265 projects will reach the Year 15 commitment between 2011 and 2015. However, only seven of these projects do not have an Extended Use agreement as of December 2010. Of the remaining properties 186 are in Extended Use, 54 were released with a Qualified Contract, and 10 had other types of releases.

Since 2009 OHFA, in partnership with the Coalition on Homelessness and Housing in Ohio (COHHIO) and the Ohio Capital Finance Corporation (a subsidiary of Ohio Capital Corporation for Housing), have facilitated the preservation of nearly 1,400 multifamily units using a multifaceted approach. A statewide database of subsidized properties is maintained as a tool to inform and engage stakeholders and to guide preservation decisions. Additionally, $23 million has been disbursed throughout the state through a revolving loan providing assistance to less capitalized projects otherwise unable to compete against market investors.

<table>
<thead>
<tr>
<th>Type</th>
<th>Projects</th>
<th>Affordable Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Credits</td>
<td>1,097</td>
<td>75,291</td>
</tr>
<tr>
<td>Rural Development</td>
<td>395</td>
<td>14,464</td>
</tr>
<tr>
<td>Section 8</td>
<td>940</td>
<td>69,237</td>
</tr>
<tr>
<td>Section 202</td>
<td>531</td>
<td>6,772</td>
</tr>
<tr>
<td>Section 236</td>
<td>87</td>
<td>7,761</td>
</tr>
<tr>
<td>FHA-Insured</td>
<td>513</td>
<td>45,693</td>
</tr>
<tr>
<td>Public Housing</td>
<td>412</td>
<td>47,231</td>
</tr>
<tr>
<td>Unduplicated Count</td>
<td>2,823</td>
<td>188,167</td>
</tr>
</tbody>
</table>

Table 2. Affordable Housing Units in Ohio per 1,000 Total Housing Units by County

Very Low-Income Housing Assistance

Figure 39 describes Ohio tenants who used Housing Choice Vouchers in 2009. In Ohio, 26 percent of households were classified under HUD’s definition of very low-income, earning 50 percent AMI or less. Funding multifamily projects to preserve project-based rental subsidies is one way OHFA continues to serve those with very low incomes. While OHFA must strike a balance between creating new affordable housing units and rehabilitating existing units, the preservation of existing units for very low-income tenants remains a priority for the Agency. In the 2012 funding cycle, OHFA directed 35 percent (or $8.5 million) of the total housing tax credit allocation toward the preservation of affordable rental housing.

Figure 39. Housing Choice Voucher Households in Ohio

Permanent Supportive Housing

Homelessness remains a significant issue in Ohio’s communities. An examination of Point-in-Time (PIT) counts during the past five years demonstrated that homelessness continues to be a persistent issue throughout the state. PIT counts document the number of sheltered and unsheltered homeless persons observed on a single day in January, as recorded by each Continuum of Care (CoC). As shown in Figure 39, 13,003 homeless persons were counted in the state of Ohio on a single day in January 2011; this represents a 4.8 percent increase from the previous year (Coalition on Homelessness and Housing in Ohio, 2011). Unfortunately, data limitations make it difficult to accurately measure homelessness in Ohio due to a variety of factors include differences in the methods of data gathering between CoC’s and the transient nature of homelessness.

Figure 40. Point-in-Time Counts 2007-2011

Permanent Supportive Housing (PSH) is one housing model to house homeless persons in Ohio. PSH links affordable housing with flexible services to meet the diverse needs of the tenants. This model has proven to reduce emergency shelter use, hospitalization and incarceration as well as psychiatric symptoms for the most severely disabled, including those with severe and persistent mental illness, substance abuse problems or long-term disabilities. National estimates suggest that approximately 38 percent of the homeless population living in shelters had a disability (U.S. Department of Housing and Urban Development, 2009).
**Existing Special Needs Housing**

Special needs populations include older adults, individuals with severe and persistent mental illnesses, and those with developmental, intellectual or physical disabilities. Providing affordable housing to meet the needs of these populations can be challenging. The housing units must be accessible, provide supportive services to facilitate long-term stability, and be affordable for extremely low-income (earn ≤30 percent AMI) individuals.

Forty percent of households in the U.S. with a member aged 65 and older continue to struggle with onerous housing costs, physically inadequate housing and overcrowded housing (Federal Interagency Forum on Aging-Related Statistics, 2010). The 2003 American Housing Survey indicates that 55 percent of senior renters paid over 30 percent of their annual income on housing (Bright, 2005). Moreover, older adults aged 65 and over in rent-assisted housing units reported more physical disabilities (33 percent) than renters in unsubsidized units (24.5 percent) (Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century, 2002).

The average annual income of tenants residing in tax credit senior properties in Ohio was $13,948 in 2009. Most reported their primary sources of income were social security income and pensions, while only 10 percent reported income from employment. The average monthly rent paid was $338 and over half (53 percent) of residents reported using project-based assistance to subsidize their housing expenses. Eighteen percent of residents in tax credit senior properties throughout the state indicated at least one member of the household had a disability. The estimated number of individuals with physical disability, intellectual disability or severe mental illness exceeds 1 million persons (Mehdizadeh, 2008).

Transitioning individuals from institutional care to community living is a priority. Since 2008, the Ohio Department of Jobs and Family services have transitioned 2,283 individuals from institutional settings to community settings using the Money Follows the Person (MFP) Demonstration Grant. This program is expected to serve as a catalyst to reform housing and increase the number of vulnerable Ohioans living in their own home. This is especially important given the current economic environment and the relative economic efficiency of community-based services compared to institutional delivery (Sommers & Cohen, 2006).
**Accessible Housing**

Developing multifamily housing with accessibility features not only addresses the growing need for housing for low- to moderate-income households with disabilities, but also is a socially and fiscally responsible policy. The design elements that assure visitability (a no step entrance accessed via an accessible route, doors and openings with a minimum width of 32 inches and a bathroom or half bath on the main floor) may allow a person to remain in their home if one becomes suddenly disabled or chooses to age in place. Since 2007, OHFA’s policy requiring that all newly constructed units incorporate such access features facilitated the construction of more than 1,100 visitable units that would not have been built under the prevailing Fair Housing requirements. As the state’s housing leader, OHFA leverages its experience and expertise to promote visitability and the integration of universal design elements in Ohio’s affordable housing stock.

**Table 3. OHFA Visitable Unit Production Since 2007**

<table>
<thead>
<tr>
<th>Tax Credit Funding Year</th>
<th>Total Units Funded</th>
<th>Total New Construction Units Funded</th>
<th>Total Single Family Detached Units Funded</th>
<th>Total Townhomes Funded</th>
<th>Total 1-Story Units in Duplex/Triplex Buildings Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>2,206</td>
<td>1,170</td>
<td>172</td>
<td>34</td>
<td>0</td>
</tr>
<tr>
<td>2008</td>
<td>2,087</td>
<td>1,223</td>
<td>340</td>
<td>33</td>
<td>0</td>
</tr>
<tr>
<td>2009</td>
<td>2,014</td>
<td>826</td>
<td>113</td>
<td>58</td>
<td>42</td>
</tr>
<tr>
<td>2010</td>
<td>1,419</td>
<td>702</td>
<td>115</td>
<td>131</td>
<td>0</td>
</tr>
<tr>
<td>2011</td>
<td>1,777</td>
<td>739</td>
<td>100</td>
<td>0</td>
<td>12</td>
</tr>
</tbody>
</table>

*Source: OHFA Administrative Data 2012*

**Rural and Appalachian Regions**

According to the Affordable Housing Market Study of the 32 counties comprising Appalachian Ohio, the Appalachian region encompass more than 20 percent of the state population. Capacity for developing quality affordable housing in rural and Appalachian Ohio is constrained by factors such as: smaller and aging populations, lack of zoning regulations and controls, stagnant economic growth, job loss, substandard existing housing stock and lack of appropriate sites, infrastructure and capacity for development. Further, an estimated 36 percent of renter-occupied households in rural Ohio paid more than 30 percent of their household income on rent and utilities (U.S. Census Bureau, 2010). Because of these challenges, there is a strong demand for subsidized, affordable rental housing the region (Vogt Santer Insights, 2012). Table 3 compares occupancy levels of subsidized units for each Appalachian Ohio county. Findings suggest that 28 of the total 32 counties had subsidized rental housing occupancy rates of 98 percent or higher.
### Table 4. Surveyed Conventional Rentals

<table>
<thead>
<tr>
<th>County</th>
<th>Market Rate Units</th>
<th>Market Rate, % Occupied</th>
<th>(Non-Sub) Tax Credit Units</th>
<th>(Non-Sub) Tax Credit Units, % Occupied</th>
<th>Subsidized Units</th>
<th>Subsidized, % Occupied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams</td>
<td>85</td>
<td>92.90%</td>
<td>62</td>
<td>93.50%</td>
<td>435</td>
<td>99.30%</td>
</tr>
<tr>
<td>Ashtabula</td>
<td>1,134</td>
<td>94.10%</td>
<td>279</td>
<td>98.40%</td>
<td>1,438</td>
<td>99.80%</td>
</tr>
<tr>
<td>Athens</td>
<td>2,961</td>
<td>93.50%</td>
<td>72</td>
<td>100.00%</td>
<td>626</td>
<td>97.30%</td>
</tr>
<tr>
<td>Belmont</td>
<td>669</td>
<td>98.80%</td>
<td>149</td>
<td>98.00%</td>
<td>1,397</td>
<td>99.10%</td>
</tr>
<tr>
<td>Brown</td>
<td>215</td>
<td>96.30%</td>
<td>30</td>
<td>100.00%</td>
<td>689</td>
<td>98.70%</td>
</tr>
<tr>
<td>Carroll</td>
<td>4</td>
<td>100.00%</td>
<td>41</td>
<td>95.10%</td>
<td>282</td>
<td>100.00%</td>
</tr>
<tr>
<td>Clermont</td>
<td>7,748</td>
<td>95.30%</td>
<td>1,210</td>
<td>96.90%</td>
<td>1,832</td>
<td>100.00%</td>
</tr>
<tr>
<td>Columbiana</td>
<td>948</td>
<td>96.40%</td>
<td>327</td>
<td>100.00%</td>
<td>1,419</td>
<td>99.80%</td>
</tr>
<tr>
<td>Coshocton</td>
<td>80</td>
<td>99.00%</td>
<td>73</td>
<td>98.60%</td>
<td>520</td>
<td>99.00%</td>
</tr>
<tr>
<td>Gallia</td>
<td>163</td>
<td>96.30%</td>
<td>0</td>
<td>-</td>
<td>377</td>
<td>98.10%</td>
</tr>
<tr>
<td>Guernsey</td>
<td>507</td>
<td>92.70%</td>
<td>150</td>
<td>96.00%</td>
<td>661</td>
<td>98.30%</td>
</tr>
<tr>
<td>Harrison</td>
<td>56</td>
<td>85.70%</td>
<td>92</td>
<td>100.00%</td>
<td>178</td>
<td>100.00%</td>
</tr>
<tr>
<td>Highland</td>
<td>215</td>
<td>88.80%</td>
<td>138</td>
<td>100.00%</td>
<td>604</td>
<td>97.70%</td>
</tr>
<tr>
<td>Hocking</td>
<td>82</td>
<td>97.60%</td>
<td>97</td>
<td>100.00%</td>
<td>487</td>
<td>99.40%</td>
</tr>
<tr>
<td>Holmes</td>
<td>44</td>
<td>88.60%</td>
<td>0</td>
<td>-</td>
<td>164</td>
<td>91.50%</td>
</tr>
<tr>
<td>Jackson</td>
<td>158</td>
<td>95.60%</td>
<td>129</td>
<td>100.00%</td>
<td>713</td>
<td>99.70%</td>
</tr>
<tr>
<td>Jefferson</td>
<td>468</td>
<td>97.90%</td>
<td>293</td>
<td>98.30%</td>
<td>1,256</td>
<td>99.00%</td>
</tr>
<tr>
<td>Lawrence</td>
<td>230</td>
<td>95.70%</td>
<td>172</td>
<td>98.80%</td>
<td>598</td>
<td>99.30%</td>
</tr>
<tr>
<td>Meigs</td>
<td>6,494</td>
<td>93.00%</td>
<td>968</td>
<td>95.10%</td>
<td>2,889</td>
<td>97.70%</td>
</tr>
<tr>
<td>Monroe</td>
<td>11</td>
<td>72.70%</td>
<td>0</td>
<td>-</td>
<td>127</td>
<td>100.00%</td>
</tr>
<tr>
<td>Morgan</td>
<td>33</td>
<td>87.90%</td>
<td>48</td>
<td>91.70%</td>
<td>136</td>
<td>100.00%</td>
</tr>
<tr>
<td>Muskingum</td>
<td>1,867</td>
<td>94.60%</td>
<td>379</td>
<td>98.90%</td>
<td>1,391</td>
<td>99.00%</td>
</tr>
<tr>
<td>Noble</td>
<td>56</td>
<td>100.00%</td>
<td>0</td>
<td>-</td>
<td>75</td>
<td>100.00%</td>
</tr>
<tr>
<td>Perry</td>
<td>68</td>
<td>95.60%</td>
<td>26</td>
<td>57.70%</td>
<td>680</td>
<td>96.90%</td>
</tr>
<tr>
<td>Pike</td>
<td>164</td>
<td>97.00%</td>
<td>88</td>
<td>96.60%</td>
<td>465</td>
<td>100.00%</td>
</tr>
<tr>
<td>Ross</td>
<td>1,119</td>
<td>92.90%</td>
<td>310</td>
<td>100.00%</td>
<td>494</td>
<td>98.20%</td>
</tr>
<tr>
<td>Scioto</td>
<td>688</td>
<td>97.80%</td>
<td>65</td>
<td>100.00%</td>
<td>1,731</td>
<td>99.40%</td>
</tr>
<tr>
<td>Trumbull</td>
<td>5,474</td>
<td>95.10%</td>
<td>519</td>
<td>98.50%</td>
<td>2,965</td>
<td>95.70%</td>
</tr>
<tr>
<td>Tuscarawas</td>
<td>746</td>
<td>95.80%</td>
<td>30</td>
<td>100.00%</td>
<td>681</td>
<td>99.30%</td>
</tr>
<tr>
<td>Vinton</td>
<td>24</td>
<td>91.70%</td>
<td>0</td>
<td>-</td>
<td>162</td>
<td>100.00%</td>
</tr>
<tr>
<td>Washington</td>
<td>608</td>
<td>96.90%</td>
<td>202</td>
<td>95.00%</td>
<td>626</td>
<td>99.80%</td>
</tr>
<tr>
<td>Total</td>
<td>33,167</td>
<td>5,949</td>
<td>26,339</td>
<td></td>
<td></td>
<td>99.00%</td>
</tr>
</tbody>
</table>

Vacant Housing

Many communities throughout Ohio are confronted with vacant and abandoned housing. Vacant housing destabilizes neighborhoods and community tax bases, creating additional challenges to revitalizing impacted neighborhoods. The recent surge in the number of vacant properties is due, in part, to the steady increase in foreclosure filings and declining industrial core cities. Table 5 presents estimates of the number of vacant housing units in Ohio from the 2010 American Community Survey. This data suggests there were more than 600,000 vacant homes in Ohio (U.S. Census Bureau, 2010).

Table 5. Vacant Housing in Ohio

<table>
<thead>
<tr>
<th>Vacancy Status</th>
<th>2006 Estimated number of Units</th>
<th>Margin of Error</th>
<th>2007 Estimated number of Units</th>
<th>Margin of Error</th>
<th>2008 Estimated number of Units</th>
<th>Margin of Error</th>
<th>2009 Estimated number of Units</th>
<th>Margin of Error</th>
<th>2010 Estimated number of Units</th>
<th>Margin of Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Housing Units</td>
<td>545,850</td>
<td>13,189</td>
<td>559,259</td>
<td>13,487</td>
<td>571,371</td>
<td>14,910</td>
<td>567,910</td>
<td>14,260</td>
<td>603,047</td>
<td>16,088</td>
</tr>
<tr>
<td>For Rent</td>
<td>164,338</td>
<td>8,353</td>
<td>154,377</td>
<td>7,712</td>
<td>151,501</td>
<td>6,940</td>
<td>148,126</td>
<td>7,253</td>
<td>151,266</td>
<td>7,487</td>
</tr>
<tr>
<td>Rented, not Occupied</td>
<td>25,712</td>
<td>2,933</td>
<td>23,068</td>
<td>3,062</td>
<td>17,782</td>
<td>2,903</td>
<td>21,516</td>
<td>2,828</td>
<td>20,344</td>
<td>3,097</td>
</tr>
<tr>
<td>For Sale Only</td>
<td>88,567</td>
<td>5,752</td>
<td>94,195</td>
<td>5,660</td>
<td>94,434</td>
<td>5,957</td>
<td>80,034</td>
<td>5,798</td>
<td>75,435</td>
<td>5,074</td>
</tr>
<tr>
<td>Sold, Not Occupied</td>
<td>24,047</td>
<td>3,557</td>
<td>28,665</td>
<td>3,433</td>
<td>26,450</td>
<td>2,802</td>
<td>21,224</td>
<td>2,969</td>
<td>23,564</td>
<td>2,702</td>
</tr>
<tr>
<td>For Seasonal, Recreational, or Occasional Use</td>
<td>47,088</td>
<td>4,184</td>
<td>52,022</td>
<td>3,821</td>
<td>50,396</td>
<td>3,855</td>
<td>56,584</td>
<td>4,231</td>
<td>58,776</td>
<td>4,048</td>
</tr>
<tr>
<td>For Migrant Workers</td>
<td>536</td>
<td>461</td>
<td>366</td>
<td>349</td>
<td>979</td>
<td>516</td>
<td>392</td>
<td>385</td>
<td>270</td>
<td>304</td>
</tr>
<tr>
<td>Other Vacant</td>
<td>195,562</td>
<td>8,275</td>
<td>206,566</td>
<td>9,035</td>
<td>22,829</td>
<td>8,699</td>
<td>240,034</td>
<td>8,217</td>
<td>273,392</td>
<td>10,946</td>
</tr>
</tbody>
</table>


As a result of the Ohio Attorney General settlement, reached in February 2012 with the nation’s five largest mortgage servicers, $75 million has been allocated among Ohio’s 88 counties to assist with the demolition of vacant and blighted properties. Still, city governments continue to bear the burden created by the increasing number of abandoned homes and vacant homes. Monitoring the incidence of vacancy and maintaining properties is a challenge for local governments across Ohio, both large and small. A study of eight Ohio cities (Cleveland, Columbus, Dayton, Ironton, Lima, Springfield, Toledo and Zanesville) revealed that the maintenance of vacant and abandoned homes in these eight cities cost the local governments an estimated $64 million per year. This figure accounts for $15 million in direct service costs related to the maintenance of vacant and abandoned properties and $49 million in lost tax revenue (Community Research Partners, 2008).

OHFA continues to focus on vacant housing and the impact that these properties have on neighborhoods throughout Ohio. OHFA administered a portion of the Neighborhood Stabilization Program funds providing direct assistance to 15 projects resulting in 400 units of affordable housing.
Environmental Sustainability

Housing affordability is impacted when housing is not safe, sanitary or energy efficient. Environmental sustainability needs are those that affect the ability of tenants to lead healthy and productive lives in the housing of their choice. Environmentally sustainable housing prescribes measures to enhance building performance but also mitigate the negative environmental impacts of the built environment on occupants through design (Beatly, March 2011). OHFA's has encouraged the use of energy efficient and green building standards to reduce maintenance and energy consumption expenses for owners and tenants alike.
Table 6. OHFA Program Funding Estimates FY2013

<table>
<thead>
<tr>
<th>OHFA Program</th>
<th>Goal</th>
<th>Indicator/Measure</th>
<th>Goal Year One: FY 2013</th>
<th>Major Program Funding (A) Year One: FY 2013</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Single Family Housing</td>
<td>1. Promote affordable, stable homeownership opportunities to low-to-moderate income homebuyers in Ohio by offering fixed rate mortgage products and down payment assistance</td>
<td>Number of First-Time Homebuyer loans closed</td>
<td>3300</td>
<td>$320,000,000</td>
<td>OHFA Tax-Exempt Residential Housing Revenue Bonds OHFA General Fund</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Down Payment Assistance Grants</td>
<td>2700</td>
<td>$7,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Expand the capacity of housing counseling in Ohio by offering resources, training and technical assistance</td>
<td>Number of counseling agencies assisted</td>
<td>40</td>
<td>$30,000</td>
<td>HUD Comprehensive Counseling Grant National Foreclosure Mitigation Counseling Grant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$760,000</td>
<td>US Dept. of Treasury - Restoring Stability Program</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$4,500,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Provide counseling and resources to homeowners to reduce hardship and strengthen the economy through the Restoring Stability Program</td>
<td>Number of Ohioans avoiding foreclosure through rescue and mortgage payment assistance</td>
<td>5000</td>
<td>$53,000,000</td>
<td>US Dept. of Treasury - Restoring Stability Program</td>
</tr>
<tr>
<td>II. Multifamily Housing</td>
<td>1. Preserve and develop affordable multifamily housing to meet needs of low-to-moderate income Ohioans using a competitive review process and fair underwriting standards to optimize OHFA resources</td>
<td>Number of rental units to be constructed or renovated with OHFA funding</td>
<td>3000</td>
<td>$24,000,000</td>
<td>OHFA Low Income Housing Tax Credit Awards</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$18,000,000</td>
<td>Ohio Housing Trust Fund</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$4,500,000</td>
<td>Federal HOME Investment Partnerships Program</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$61,400,000</td>
<td>OHFA Tax-Exempt Multifamily Bonds</td>
</tr>
<tr>
<td></td>
<td>2. Sustain production levels for renovated rental units owned by local mental health boards and providers</td>
<td>Number of units renovated</td>
<td>100</td>
<td>$1,000,000</td>
<td>OHFA Capital Improvements Pilot Program</td>
</tr>
</tbody>
</table>

Notes: (A) Major program funding estimates based on information available at time of publication of this report

Source: OHFA’s Office of Finance and Program Offices

**TOTAL:** $494,190,000
Putting It All Together

Every Ohioan should have access to quality, affordable housing, which is a key component of building a strong future for Ohio. Our mission, We Open the Doors to an Affordable Place to Call Home, is not only achieved through the efforts of our staff, partners and stakeholders, but also the policies we have established in collaboration with the General Assembly to address Ohio’s critical housing needs. OHFA has responded to the turmoil in the housing industry with strategic product and policy changes. As we move into the future, OHFA will continue to collaborate to develop innovative, cost-effective solutions to address the housing issues outlined in this plan. The following goals and objectives reflect the important role of our single-family and multifamily programs to address the housing needs of low- to moderate-income Ohioans.
### Single Family Goals and Strategies

<table>
<thead>
<tr>
<th>Performance Measures</th>
<th>FY 2012</th>
<th>Current Quarter</th>
<th>Progress Indicator</th>
<th>YTD</th>
<th>1-Year Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal One: Promote affordable, stable homeownership opportunities by offering a variety of fixed-rate mortgage products, down payment assistance and pre-purchase education for low-and moderate-income homebuyers.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Number of FTHB Loans</td>
<td>3,308</td>
<td></td>
<td>3,330</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Number of MCC Loans</td>
<td>297</td>
<td></td>
<td>300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Number of assisted homebuyers for down payment assistance</td>
<td>2,546</td>
<td></td>
<td>2,700</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Percentage of FTHB loans in target areas</td>
<td>14%</td>
<td></td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. Percentage of minority participants in OHFA FTHB program</td>
<td>16%</td>
<td></td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F. Number of lenders participating in FTHB program</td>
<td>85</td>
<td></td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G. Number of new lenders in FTHB*</td>
<td>--</td>
<td></td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. Increase in % of loan deliveries from existing lenders</td>
<td>--</td>
<td></td>
<td>50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Number of real estate professionals educated</td>
<td>677</td>
<td></td>
<td>675</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goal Two: Expand the capacity of housing counseling in the State of Ohio by offering resources, training and technical assistance.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. Number of HCA monthly sessions*</td>
<td>--</td>
<td></td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Number of HCA quarterly sessions*</td>
<td>--</td>
<td></td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>J. Number of HCA third party training sessions*</td>
<td>--</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>K. Number of HCA technical assistance sessions*</td>
<td>--</td>
<td></td>
<td>40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L. Percentage of HCA’s with at least one annual site visit*</td>
<td>--</td>
<td></td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goal Three: Provide foreclosure counseling and resources to homeowners to reduce hardship and strengthen the economy of Ohio.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M. Number of Restoring Stability registrations*</td>
<td>--</td>
<td></td>
<td>25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N. Number of Restoring Stability applications*</td>
<td>--</td>
<td></td>
<td>7,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>O. Number of Restoring Stability closed loans*</td>
<td>--</td>
<td></td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Performance measure was not tracked prior to FY 2013.

---

**LEGEND KEY FOR THE PROGRESS INDICATOR**

- **RED:** BELOW TARGET
- **YELLOW:** IN PROGRESS
- **GREEN:** ON TARGET
Multifamily Goals and Strategies

<table>
<thead>
<tr>
<th>Performance Measures</th>
<th>FY 2012</th>
<th>Current Quarter</th>
<th>Progress Indicator</th>
<th>YTD</th>
<th>1-Year Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal One:</strong> Preserve and develop affordable multifamily housing to meet the needs of low-to-moderate income Ohioans.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Total number of funded projects*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>50</td>
</tr>
<tr>
<td>B. Total number of units</td>
<td>4,544</td>
<td></td>
<td></td>
<td></td>
<td>3,000</td>
</tr>
<tr>
<td>C. Total number of projects preserved</td>
<td>47</td>
<td></td>
<td></td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>D. Total number of units preserved (CY)</td>
<td>2,139</td>
<td></td>
<td></td>
<td></td>
<td>1,400</td>
</tr>
<tr>
<td>E. Total number of units funded with multifamily bonds*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>500</td>
</tr>
<tr>
<td>F. Total number of units funded with CIPP*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>G. Number of days for OHFA to accept, reject, or request information in response to an 8609*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>10 business days</td>
</tr>
<tr>
<td>H. Number of days for owners to respond to 8609 request for information*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>10 business days</td>
</tr>
<tr>
<td>I. Number of days to issue Letters of Eligibility of Bond Housing Tax Credits*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>10 business days for initial review; 30 days to issue</td>
</tr>
<tr>
<td>J. Number of days to issue environmental reviews for HDAP*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>150</td>
</tr>
<tr>
<td><strong>Goal Two:</strong> Maintain high quality affordable multifamily properties by balancing due diligence and customer responsiveness.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>K. Average number of days to issue compliance monitoring reports</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>L. Number of participants attending compliance training*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M. Number of 8823’s issued</td>
<td>16</td>
<td></td>
<td></td>
<td></td>
<td>32</td>
</tr>
<tr>
<td>N. Number by type of non-compliance leading to an 8823†</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
</tbody>
</table>

*Performance measure was not tracked prior to FY 2013; †Types of non-compliances were not tracked prior to FY 2013.
Appendix A Single Family Programs

The First-Time Homebuyer (FTHB) program provides affordable mortgages for qualified low- to moderate-income first-time homebuyers in Ohio. OHFA uses the proceeds of tax exempt bonds to purchase mortgage backed securities made up of loans that qualify for the FTHB program. Applicants for FTHB program must meet OHFA income limits and properties must meet purchase price limits. To meet the needs of each homebuyer, OHFA offers a variety of loan products including government-insured loans including traditional FHA, VA, and USDA-RD loans and Fannie Mae conventional loans with special features and flexible terms. Some of the products offered by OHFA include the Target Area Loans, Ohio Heroes, New Home Sweet Home, Down Payment Assistance Grants, Grants for Grads, Zero-Point, and the FHA 203(k) loans.

First-Time Homebuyer Mortgage Products

Target Area Loan

OHFA’s Target Area Loan helps revitalize federally-designated target areas by making affordable loan products and competitive interest rates available to any qualifying buyer purchasing a home in these areas. A target area is defined as an economically distressed area designated by the HUD. Target Area Loan applicants do not have to be first-time buyers, and the income and purchase price limits are higher for Target Area loans.

Ohio Heroes

Ohio Heroes offers all the benefits of the FTHB program at a .25 percent lower interest rate for homebuyers who work in critical jobs, including active military, military veterans, firefighters, emergency medical technicians or paramedics, licensed health care workers, commissioned law enforcement officers and full time teachers.

Home Sweet Home

The New Home Sweet Home mortgage product offers an extended lock option for homebuyers who purchase a new home and want to use OHFA’s FTHB program. By allowing for a conditional loan reservation, a lender can offer a rate lock for up to 180 days while a builder completes the construction of the home. The interest rate at the time of reservation will be set at .25 percent higher than OHFA’s standard rate. New Home Sweet Home is limited to one-unit single family dwellings.

Down Payment Assistance Grant

The Down Payment Assistance Grant assists eligible borrowers participating in the FTHB program, Target Area Loan, Ohio Heroes, or the New Home Sweet Home reduce out-of-pocket expenses associated with buying a home. OHFA issues a grant in an amount up to 2.5 percent of a home’s purchase price. The grant can be used to pay for the down payment, closing costs or other prepaid expenses incurred prior to closing. The mortgage interest rate for homebuyers choosing this option is .5 percent higher than OHFA’s unassisted mortgage rates.
### FHA 203(K)

The FHA 203(k) loan is available for new homebuyers to combine a repair loan and the mortgage loan into one long-term, fixed-rate mortgage to finance both the acquisition and the rehabilitation of the property. The total mortgage amount is based on the projected value of the property after all of the repairs and updates have been completed, including labor costs. A streamlined 203(k) is available to finance modest repairs up to $35,000 and the full 203(k) loan provides funding for more extensive work involving structural change.

### Mortgage Credit Certificates

Mortgage Credit Certificates (MCCs) can help some families realize the dream of homeownership. A MCC is an alternative to Mortgage Revenue Bond financing. It creates an income tax deduction that reduces a household’s federal income tax liability and allows the household to have more available income to make mortgage payments. Homebuyers who qualify for the program receive a MCC from OHFA, which can be used to reduce their household’s tax burden every year for the life of their mortgage loan. With a MCC, a percentage of mortgage interest (20, 25 or 30 percent) becomes a tax credit that can be deducted dollar-for-dollar from the homebuyers’ income tax liability.

### Grants For Grads

Recent college graduates can receive down payment and closing cost assistance and a favorable mortgage interest rate from an OHFA participating lender through the Grants for Grads Program. Eligible borrowers can use the grant to reduce the out-of-pocket expenses associated with buying a home.

Income-eligible first-time homebuyers who have graduated from high school or have a GED and have earned an associate’s, bachelor’s, master’s, doctorate or other postgraduate degree within the last 24 months and have not had ownership interest in a principal residence in the past 3 years, can take advantage of the Grants for Grads Program.
Appendix B Multifamily Programs

Low-Income Housing Tax Credits

The Housing Credits (also referred to as the LIHTC program) is a tax incentive program designed to increase the supply of quality, affordable rental housing by helping developers offset the costs of low-income rental housing developments. Organizations committed to developing low- to moderate-income homes for Ohioans can apply for an allocation of federal housing tax credits. Recipients can use the housing tax credit to offset the cost of acquiring, substantially rehabilitating, and/or constructing residential rental housing to be occupied by low-income individuals and families. These units must be available to the general public and have initial leases of six months or longer.

The amount of housing tax credits is based on the total development cost to be financed. Developers use the credits by selling them to investors to raise cash for acquisition, rehabilitation, and construction costs. The individual or corporation that purchases the housing tax credit will receive the credit for 10 years and can subtract the amount of the housing credit on a dollar-for-dollar basis from federal income tax liability. In exchange for the credits, the owner of the development must maintain income and rent restrictions for 15 years. Following the compliance period, the owner must enter into an extended use period of an additional 15 years by filing a Restrictive Covenant on the development with the County Recorder.

Multifamily Bonds

Multifamily Bonds (also known as tax-exempt bonds) are a tool OHFA uses to increase affordable housing opportunities for Ohioans. Through the issuance of tax-exempt mortgage revenue bonds, the program provides lower-cost debt financing for the acquisition, construction, and substantial rehabilitation of multifamily housing for low- and moderate-income residents. The program can be effective as a sole financial resource; however, many developers choose to combine tax-exempt bond proceeds with housing tax credits.

Housing Development Assistance

The purpose of Housing Development Assistance (HDAP) is to provide financing for the construction or rehabilitation of affordable housing projects to expand, preserve, or improve the supply of decent, safe affordable housing for low- to moderate-income households. Funding for the program primarily comes from the federal HOME Investment Partnerships Program (HOME) and/or the Ohio Housing Trust Fund (OHTF).

HDAP funds are awarded as low-interest, deferred payment loans, or as grants in certain cases. Entities receiving an award must act as the sole owner or managing general partner during the entire construction phase.

HDAP is divided into two parts: Housing Credit Gap Financing (HCGF) - provides additional resources to affordable housing rental projects that are financed under the Housing Tax Credit program; and, Housing Development Gap Financing (HDGF) - provides financing for rental or homeownership projects with no more than 25 units that cannot be financed with Housing Tax Credits.
Appendix B Multifamily Programs

Housing Development Loans

The Housing Development Loans (HDL) program provides financial support for the development of affordable housing for low- to moderate-income Ohioans. Three types of loans are available: (1) Construction Deposit Grant: financing that “writes down” the cost of construction loan interest; (2) Equity Bridge Loan: interim financing to defer equity payments from the sale of housing credits; (3) Flex Loan: flexible product that may be used to address financing needs unmet by other OHFA products. Loans must be used in concert with OHFA’s three major housing development programs: Low Income Housing Tax Credit (LIHTC or Housing Tax Credits), Housing Development Gap Financing (HDGF), or the Multifamily Revenue Bond. Almost all the loans made have been to projects that have received Housing Tax Credits.

Ohio Housing Trust Fund

OHTF is a flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income Ohioans. The Fund supports a wide range of housing activities including housing development, emergency home repair, handicapped accessibility modifications, and services related to housing and homelessness. OHTF is targeted to those who need help the most: low-income working Ohioans. A broad range of organizations are eligible to apply for money from OHTF including local governments, housing authorities, nonprofit organizations, private developers and private lenders.
Other Multifamily Initiatives

Neighborhood Stabilization Program

As a result of the enactment of the Housing and Economic Recovery Act of 2008, HUD awarded more than $3.9 billion of NSP funds to states and communities across the country to address the nation’s abandoned and foreclosed homes crisis. In total, Ohio received an allocation of $116.8 million. The Ohio Department of Development (ODOD) is responsible for the administration of the program. To meet the legislative requirement that NSP recipients expend 25 percent of the allocation to benefit households with incomes at or below 50 percent of the area median income, ODOD allocated approximately $30.2 million of the NSP allocation to OHFA to allocate to rental developments involving the redevelopment of vacant or foreclosed properties.

In 2009, OHFA committed the funds to nine NSP-eligible projects, four of which also leveraged other OHFA resources. Significant progress has been made to date on all these properties and over 80 percent of the funds have been drawn. OHFA has until March 2013 to close out the funding award.

A second round of NSP awards was allocated in 2009. OHFA did not receive any funding in that round. In 2011, Ohio received an allocation of $11.6 million. For this round, ODOD awarded the entire NSP allocation to OHFA to allocate to rental developments involving the redevelopment of vacant or foreclosed properties. OHFA committed funds to four properties. All projects have yet to close. It is anticipated that work will begin on these projects later in 2012. There have been no indications from HUD or Congress that this program will be continued in the future and OHFA is not anticipating any additional funds.

CHDO Operating Grant

A Community Housing Development Corporation (CHDO) is a private nonprofit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves. The purpose of the CHDO Operating Grant is to build or increase the capacity of these organizations to provide support contributing to the increased production of affordable housing for low-income people in their service area. OHFA has certified 66 organizations as CHDOs. An organization designated as a CHDO may potentially qualify for special project funds, operating funds, or technical assistance associated with the HOME Investment Partnership (HOME). In LIHTC project, partnering with a CHDO may make the affordable housing project eligible for HOME funds to help assist with gap financing.

CHDO is the official designation given to private nonprofit housing development corporations that meet requirements set by the U.S. Department of Housing and Urban Development (HUD). A CHDO must have in its charter, resolutions or by-laws, a statement that among its purposes is the development of decent housing that is affordable to low- and moderate-income persons. Each CHDO must demonstrate the capacity for carrying out housing development in the geographic area that the organization serves.
Ohio Preservation Compact

In December 2007, The John D. and Catherine T. MacArthur Foundation (“MacArthur”) announced a $35 million initiative called the Window of Opportunity. This effort is designed to support policy analysis, data collection and expert assistance to encourage investment in the preservation of rental housing and sound policies at federal, state and local levels. OHFA, the Ohio Capital Finance Corporation (OCFC)/Ohio Capital Corporation for Housing (OCCH), and the Coalition on Homelessness and Housing in Ohio (COHHIO) joined together to form the Ohio Preservation Compact (OPC) in order to compete in this initiative. As the applicant to MacArthur, the Compact’s application entailed six statewide initiatives which are to:

• Develop and manage an on-line database/clearing house of affordable housing data;
• Determine properties most at risk and develop strategies to “save” them;
• Identify, structure and close preservation deals;
• Provide technical assistance to owners and managers;
• Complete policy work surrounding preservation; and
• Implement a scalable and sustainable Preservation Loan Fund.

The Compact’s award is broken into three parts:

• A $500,000 grant to cover the costs of implementing Initiatives #1-5 above;
• A $500,000 grant to OCFC to help establish a loan loss reserve for Initiative #6; and
• A $4,000,000 program related investment (“PRI”) to serve as seed capital to the Ohio Preservation Loan Fund (OPLF).

OPLF was created to provide a flexible source of financing that is not available in the marketplace for developers of affordable housing. OPLF offers three products: 1) predevelopment funding (architectural drawings, permitting, professional fees, environmental investigation and engineering), 2) acquisition financing for existing projects, and 3) bridge financing for investors of preservation projects. This revolving loan fund will fund 80 projects over a 10 year period and is estimated to preserve 7,500 units of affordable housing. The grant activities were completed at the end of 2011, the OPLF will remain operational over the next seven years for a total of ten years. To date, 24 loans have been closed for a total loan amount of more than $23 million. The fund has helped to preserve over 1,400 units of affordable rental housing.
Subsidy Layering Review

OHFA received approval in September 2010 to perform Subsidy Layering Reviews (SLR) on behalf of HUD for projects that propose to use Section 8 Project Based Voucher (PBV) Housing Assistance Payments with the LIHTC. The purpose of a SLR is to certify that projects using multiple sources of federal/state funding do not receive subsidies in excess of the total amount necessary to produce and/or maintain affordability. A summary of the review process and requirements is described in the July 9, 2010 edition of the Federal Register. By providing this service, OHFA is able to expedite the development process for the developers. In 2011, OHFA approved seven projects and estimates to receive approximately five to ten reviews per year. An application fee of $5,000 per project is assessed to cover any additional OHFA administrative costs.

Physical Inspection Pilot

In November 2011, OHFA signed a MOU with HUD, Rural Development, and the Ohio Department of Development covering physical inspections of multifamily housing projects. Under the MOU, physical inspections will be shared among the parties to the MOU. This sharing of information will reduce duplicative physical inspections during a one year pilot period. By sharing inspection information, costs for property owners, managers, and the involved housing agencies will be reduced. Residents of the projects will also benefit by having fewer inspectors disrupting their daily activities.
Works Cited


