



EAST TENNESSEE HOUSING DEVELOPMENT CORPORATION 2024 IMPACT STATEMENT

The East Tennessee Housing Development Corporation (ETHDC) is a community-based housing development organization (CHDO) dedicated to providing quality, affordable homes for low to moderate income residents in Knoxville and the East Tennessee region.

Our primary focus as an organization is to provide affordable homeownership opportunities as a powerful wealth building tool for low income residents and the generations that follow. We directly facilitate economic empowerment of low income residents through one-on-one financial mentoring, an activity which significantly shapes our work and contributes to successful outcomes for the beneficiaries of our program.

2024 AFFORDABLE HOUSING IMPACT AT A GLIMPSE

With the continuing challenges to affordable housing in the region, ETHDC has worked closely with our funding partners, lenders, and development team to find ways to best meet the needs of low-income homebuyers in our community.

Because of our solid partnerships, ongoing policy recommendations to our major partners and the continued support that we receive, ETHDC was able to empower prospective low-income borrowers to secure mortgage qualification and purchase a home of their own. We project continued growth as we work together to ensure that we make it possible for low-income residents to have access to both quality and affordability in the housing opportunities we provide.

ETHDC has completed 44 affordable homes, with 2 additional homes being completed in December and 2 lots purchased for development in 2025.

Affordable Housing Production

- ✓ 1 Existing Home Acquired, Rehabilitated and Sold
- ✓ 1 New Home Built and Sold
- ✓ 2 Homes Completing Construction in December for Sale to Homebuyers in 2025
- ✓ 2 additional Lots Purchased and Financing Secured for New Homeownership Projects in 2025

ETHDC's 2024 STRATEGIC ACTIVITIES

ETHDC continued to look for existing homes and vacant lots to provide quality, affordable homeownership opportunities throughout the year. We purchased and completed the rehabilitation of 1 existing home in East Knoxville and sold the home to a qualified buyer.



We also purchased a lot in East Knoxville from the City's Homemaker Program and built a new home, now also owned by a first-time buyer. In addition, we purchased another lot in East Knoxville and one in Lonsdale to develop for new homeownership opportunities for buyers in 2025. We were especially grateful to receive new funding support from the **African American Equity Restoration Task Force (AAERTF)** in 2024 to support our equity-building homeownership opportunities in East Knoxville, the primary development area of our focus in 2024.

Down Payment and Closing Cost Assistance has always been necessary to make homeownership a possibility for low-income buyers. For every buyer, ETHDC has either helped secure down payment and closing cost assistance from the City of Knoxville or provided direct assistance to our buyers ourselves when the development side was funded by Tennessee Housing Development Agency (THDA). We continue to actively pursue additional options on behalf of our buyers to bring down the mortgage costs in the current, high-priced real estate environment and look for new ways to partner with agencies that serve families with limited resources.

Through our HOME Rental Program, we have continued to work with two families living in ETHDC-owned homes, providing quality, affordable, energy efficient homes at modest cost to the renters. We worked with our renters and our homeowners alike during the year to help ensure housing stability and keep current in rent or mortgage payments during difficult economic times for low-income residents of our community.

IMPACTS TO FAMILIES AND INDIVIDUALS

Numerous studies have clearly indicated that moving into homeownership often results not only in children doing better in school, but also positively affects the job and educational prospects of the adults in the family. ETHDC's Affordable Housing program is significantly and purposefully designed to be client centered. Participation in our Homebuyer Mentoring Program is frequently cited the asset most valued by our clients. We clearly understand that purchasing a home is the single greatest purchase most residents make in their lives. It provides the greatest financial asset and foundation for many community residents to stabilize their economic wellbeing, especially as it relates to their future and for the generations that follow.

ETHDC secured or directly contributed a total of \$90,367 in Down Payment and Closing Cost Assistance for our homebuyers in 2024. Cumulatively that amounts to \$565,131 in direct assistance made by ETHDC or secured from the City of Knoxville by ETHDC on behalf of our homebuyers. Supporting our homebuyer mentoring work in 2024 were **US Bank and Regions Bank.**



ETHDC additionally impacts our homebuyers through the actual design and quality construction of our homes. Our intent is to provide a safe, affordable structure for the buyers, with no major investments for our buyers needed for at least the first five years.



Upgrades to energy efficiency and visitability are made to every home. Every new construction project is Energy Star compliant or greater, as well as constructed to be fully visitable and accessible to those with disabilities. Our homes are designed to allow buyers to comfortably “age in place.”

Over the last several years, 25 of our homes have been purchased by participants in the housing authority’s Self-Sufficiency Program, making ETHDC very successful in serving

clients with lower incomes than many affordable homeownership programs. ETHDC has played a major role in moving each homebuyer into greater our Self-Sufficiency through the development of quality, affordable housing, one-on-one Mentoring, and the provision of down payment and closing cost assistance, all making their home purchases possible.

DEMOGRAPHICS OF HOMEBUYERS	Race/ Ethnicity	Section 8	Male/ Female Head of Household	Senior	Veteran	Disability
2024 TOTALS	2 Black	1	1 F 1 M	1	0	0
CUMULATIVE TOTALS 2011 - 2024 (Cumulative totals include children)	74 Black 14 White 2 Other 3 Hispanic	25	21 F 13 M 11 M/F	7	3	20 (Number represents adults; 3 children also have disabilities)

OTHER FINANCIAL/ECONOMIC IMPACTS

With the help of our funding and lending partners, ETHDC’s development activities have continued to make financial impact throughout Knox County during 2024. The total development impact of our homeownership projects last year was **\$864,193 with a cumulative total of \$7,072,228**. This number represents the direct Acquisition and Rehabilitation or development cost of each home, including soft costs needed to develop the homeownership projects. **These funds directly stimulate our local economy through payments made for construction contracts with a variety of small, minority and women subcontractors, contributing to support the growth of these businesses over the last decade, as well as any lots purchased on the open market.**

PROJECTS:	TOTAL DEVELOPMENT COSTS	CITY OR THDA HOME FUNDS	ETHDC FUNDS	GAP FINANCING	SALES PRICE OF HOMES TO OUR BUYERS	DOWN PAYMENT & CLOSING COSTS TO BUYERS
TOTALS FOR 2024 CALENDAR YEAR	864,193	749,761	99,737	296,292	430,761 (+490,000 for 2 homes under construction)	90,367
CUMULATIVE TOTALS (2011 – 2024)	7,072,228	3,632,18	1,676,315	2,541,246	5,607,261 + Rental homes valued at approximately \$440,000	565,131

ETHDC receives Federal HOME Funds from both the **City of Knoxville and The Tennessee Housing Development Agency (THDA)**. Our gap financing partners are **Pinnacle Financial Partners and the Affordable Housing Trust Fund of the East Tennessee Foundation**. Having secure sources of revolving funds and trusted partners for needed development activity has significantly improved ETHDC’s ability to act quickly on potential projects and real estate opportunities as they become available.



IMPACTS TO COMMUNITY AND ORGANIZATIONS

With our strong track record in successful affordable homeownership development through Acquisition/Rehabilitation and New Construction, ETHDC receives ongoing referrals from area Lenders, Knoxville's Community Development Corporation (KCDC), the City's Housing and Neighborhood Development staff, and numerous other agencies that serve low-income residents in the area. Affordable homeownership is greatly needed by our community and in high demand throughout all sectors of the City and County.

The organizations we have communicated with directly about our program are the Knoxville Area Urban League, HomeSource of East Tennessee, Knoxville Community Development Corporation, Centro Hispano, the Lonsdale Union of Churches, Operation Hope, Boys and Girls Club, CAC the United Way and numerous other churches and organizations which have programs serving residents who might qualify for our affordable housing initiatives. ETHDC is a direct liaison for programs that seek to boost the Economic Mobility of their clients.



The overall goal of our program and our outreach efforts at ETHDC is to help facilitate equitable community development practices so neighborhoods can revitalize and residents of our community are able to thrive.

We look forward to our continued good work together with our partners and our community in 2025!