



Economic Impacts of Seven Wisconsin NeighborWorks® Organizations in 2014

**Prepared for the NeighborWorks® Alliance of Wisconsin
by Jack Northrup, New England Market Research, Inc.**

Report Released July 2016

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

Introduction	2
Methodology.....	3
Input Activities	5
Analysis.....	7
NeighborWorks Green Bay.....	8
Impact Seven.....	12
Select Milwaukee	16
Neighborhood Housing Services of Southwest Wisconsin, Inc.	20
NeighborWorks Blackhawk Region	24
Housing Resources Inc.	28
CommonBond Communities.	32
Summary Numbers.....	35
Multipliers	37
Multiplier Summary	39

Introduction

This report estimates the types and ranges of economic impacts¹ produced by seven NeighborWorks organizations in Wisconsin (NWO) in 2014. These economic impacts include direct, indirect, and induced effects. In addition, the data are used to calculate multipliers that may make the results more easily understood and applied to policy decisions.

NeighborWorks is a national network of 240 independent, community-based nonprofit organizations serving more than 4,500 communities nationwide. The seven organizations considered here, combined, conduct a spectrum of community economic development activities, ranging from foreclosure counseling to affordable housing development. The seven organizations studied were:

- NeighborWorks Green Bay
- Impact Seven
- Select Milwaukee, Inc.
- Neighborhood Housing Services of Southwest Wisconsin, Inc.
- NeighborWorks Blackhawk Region
- Housing Resources, Inc.
- CommonBond Communities

This report:

1. develops and reports a methodology, explaining the input/output effects and multiplier concept, definitions, and data sources
2. provides 2014 activity summaries of each NWO
3. calculates total economic output generated by the business unit and by the total of primary activities
4. calculates the number of jobs generated (part-time and full-time, temporary and permanent, salary and fee-based) resulting from NWO operations and activities
5. calculates the amount of tax revenue² (federal, state and local) generated by the activities on an individual organization basis and the seven organization total
6. calculates the multipliers of:
 - a. total impact
 - b. job creation
 - c. tax revenue - federal, state and local
7. quantifies, through the multipliers, the incremental impact of each additional dollar invested in a NWO

The main body of the report deals with top level output summaries. The **Appendix**³ provides additional details for each organization.

Methodology

We use the IMPLAN⁴ (IMPact analysis for PLANning) model for our calculations of economic impact. IMPLAN is an input-output (I/O) type model. In general, these models focus on the interactions among the sectors in the economy that are affected by spending. I/O models are the ones most frequently used for calculating economic impacts associated with spending events.⁵

Economic impact analysis involves applying a final demand change to a predictive economic input-output model,⁶ and then analyzing the resulting changes in the economy. A concise definition of impact analysis is: an assessment of change in overall economic activity as a result of some change in one or several economic activities.

In practice, economic impact analysis can mean many different things. It might measure the impacts of a new factory moving into an area. It might involve estimating the local impacts of a professional football team moving into an area or the effects of tourist spending. Governments use impact analysis for making policy decisions and for planning purposes. Researchers use impact analysis to study relationships of different elements in an economy. An impact analysis begins by converting a topic of concern (or project) to a set of economic issues and actors (those involved with the impact). For example, our project might be the preservation of an endangered species. This might translate to the economic issues: withdrawal of natural resources from economic development, encouragement of recreational and educational uses of the land, and the development of an administrative and research structure to preserve and enhance the species. Once the issues have been identified, the actors involved can be identified and their actions converted to a set of expenditures. These expenditures are the initial changes that stimulate further economic activity. The actions and the economic activity they stimulate are the impact.

Changing demand in a business sector, e.g., housing construction or rehabilitation, causes the sector producing the good (output) to purchase inputs from other industrial sectors. These sectors, in turn, purchase labor as an additional input. Workers use wages to purchase goods and services from other sectors of the economy. The initial expenditures create a ripple, or a multiplier effect throughout the economy. IMPLAN uses 440 economic sectors as a basis for analysis.

IMPLAN models several kinds of economic impacts:

- The *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- The *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.

- The *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.
- The *Total Effect* is the sum of all of the above effects.

For each type of effect, modeling outputs are further categorized into:

- *Employment*, which does not distinguish between full and part time jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

Statewide impact statements are based upon statewide economic data. Aggregate impact statements are the sum of the individual organizational impacts. The sources of data used in the IMPLAN model are provided in **Attachment One**.

We use 2014 IMPLAN data for Wisconsin. All results are reported in 2016 dollars using an appropriate inflator.

Input Activities

Each NWO may perform a different set of activities. Activities groupings may overlap. Our goal was to define these activities, determine the dollar level to be used as inputs and then calculate the outputs. We break down the activities/inputs into three classes.

Class One Inputs

These are the activities associated with the expenses of each organization.

We model NWO activities using a national and state set of data from similar businesses. Different businesses have different spending patterns and, despite the uniqueness of many NWOs, their activities can be patterned against similar business sectors. Generally, NWOs in this report are providing services or facilitating the provision of services, so output is modeled upon service provision companies/social advocacy groups. However, several of the groups run real estate management divisions, so this part of their business is modeled after real estate management firms. In order to determine the breakdown, we looked at the annual operating statement and broke down business line expenses accordingly.

Class Two Inputs

These are activities associated with the types of community development operations the NWOs are engaged in. These activities cause events to happen, which will have their own impacts. For these activities, each NWO submitted detailed breakdowns of dollar levels. The Class Two inputs used in the analyses are provided below with a methodology for deriving the dollar input.

Homes Saved

The method we use to calculate the economic impact of one saved home is as follows: first, we assume that 20% of families who vacate a foreclosed upon home leave the county.⁷ This represents a loss of household income. Second, we use the median family income provided by the NWO.⁸ We multiply [*# homes saved * 0.20 * family income*] to arrive at a dollar figure that represents the amount of family income/purchase power retained in the community as a result of a home being saved.

PITI Reduction

A reduction in housing payments is an increase in family disposable income. We use the same median family income figures as used in the *Homes Saved* input.

Rehabilitation

In addition to the direct lines of business providing capital for this work, we assume, where informed, that a specified amount of mortgage monies are used for repair and rehabilitation. Subsidy for improvements, where noted, equates to rehabilitation.

Real Estate Development

Total development cost less estimate for cost of land (when provided). Single family construction is included as part of this category.

Capital Improvements

Dollar value used as input.

Services Related to Mortgages

Dollar values used for total expenditures such as appraisals, surveys, inspections, title searches and insurance purchase, among other activities.

Class Three Inputs

These are activities that NWOs engage in, with results that are more difficult to quantify in terms of dollars. One can place many of these activities on some spectrum of social impact. Few, if any, of these activities lend themselves to deriving a dollar input, given the data collection methodologies of the organizations. Many could be quantified if different information were collected from program recipients.

We will want to discuss the sale of a home, as most NWOs are engaged in activities that lead to home sales. The sale of a home is an asset transfer, and little economic impact is associated with the direct sale. Essentially, the bulk of the impact associated with the home has been created when the home was built. Once built, transferring the asset from one owner to the next is paperwork, not wealth creation. There are minor effects, such as real estate commissions, deed recording, etc., but these are nominal at best. Neighborhood stabilization effects, both social and economic, resulting from the sale of a home are real, but an in-depth analysis is beyond the scope of this report.

The above statements are not intended to discount the value of home sales. From the NWO perspective, they facilitate the flow of capital into the community for the transaction, either directly, or through subsidy and education – these effects are more difficult to quantify, as discussed above.

Analysis

In this section we begin our analysis. The analysis follows the progression listed below.

1. Annual operating and activities budgets are presented.
 - a. summary analysis results are shown
 - b. impact is shown by
 - direct effect
 - indirect effect
 - induced effect
 - jobs created (full and part time)
 - sectors affected (top 10 sectors affected by organization and activities impacts).
 - tax effects and breakout⁹

Notes

1. The report tables show job numbers in aggregate; that is for 2014.
2. The **Appendix** provides this information by Class One and Class Two impacts by organization and total for all organizations.

NeighborWorks Green Bay

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for NeighborWorks Green Bay are shown below. All outputs are reported in 2016 dollars. The first table below shows annual operating budget numbers.

NeighborWorks Green Bay	2014
organization	1,004,008
real estate management	1,580,733

This next table show Class Two activities, or dollar values associated with the activities performed by the organization.

NeighborWorks Green Bay	2014
homes saved ¹⁰	603,980
PITI reduction	52,000
capital improvements	27,349
real estate development ¹¹	254,105
services related to mortgages/purchase ¹²	360,545

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts¹³

NeighborWorks Green Bay

2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	30.4	801,845	2,198,110	3,439,125
Indirect Effect	6.7	280,988	511,529	840,301
Induced Effect	35.6	1,788,722	2,781,722	4,429,018
Total Effect	72.7	2,871,555	5,491,361	8,708,443

2014 Top 10 Sectors Affected

The economic activities of NeighborWorks Green Bay are spread out among the many sectors in which the organization operates. The top ten sectors for 2014 are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
360	Real estate establishments	21.4	170,176	1,740,677	2,378,434
424	Grantmaking- giving- and social advocacy orga	9.9	544,744	544,443	1,081,162
438	* Special (S&LG Ed Emp & Payroll)	3.3	222,776	253,077	262,480
413	Food services and drinking places	3.2	66,330	94,208	190,066
40	Maint & repair construct of residential structures	2.3	131,054	162,697	337,642
437	* Special (S&LG Non-Ed Emp & Payroll)	2	121,689	138,240	143,377
397	Private hospitals	1.6	113,320	120,960	255,138
394	Offices of physicians- dentists- and other he	1.1	121,775	129,842	207,961
319	Wholesale trade businesses	1	85,474	146,240	163,640
398	Nursing and residential care facilities	1	36,224	39,106	70,992

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impact

Tax impacts are associated with the economic activity of NeighborWorks Green Bay. The summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	343	-	176,195	7,578	32,684
Total Federal Tax	317,159	15,047	41,839	134,125	94,568

2014 Multipliers

NeighborWorks Green Bay	multiplier
Total Economic Output/Total Annual Budget	3.37
Total Annual Budget/Total Jobs	35,554
Total Tax Revenue/Total Annual Budget	0.32

- *Total Economic Output/Total Annual Budget*
2014 sum of total economic output for the Class One and Class Two impacts divided by the 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 annual operating budget divided by total full and part time permanent and temporary jobs

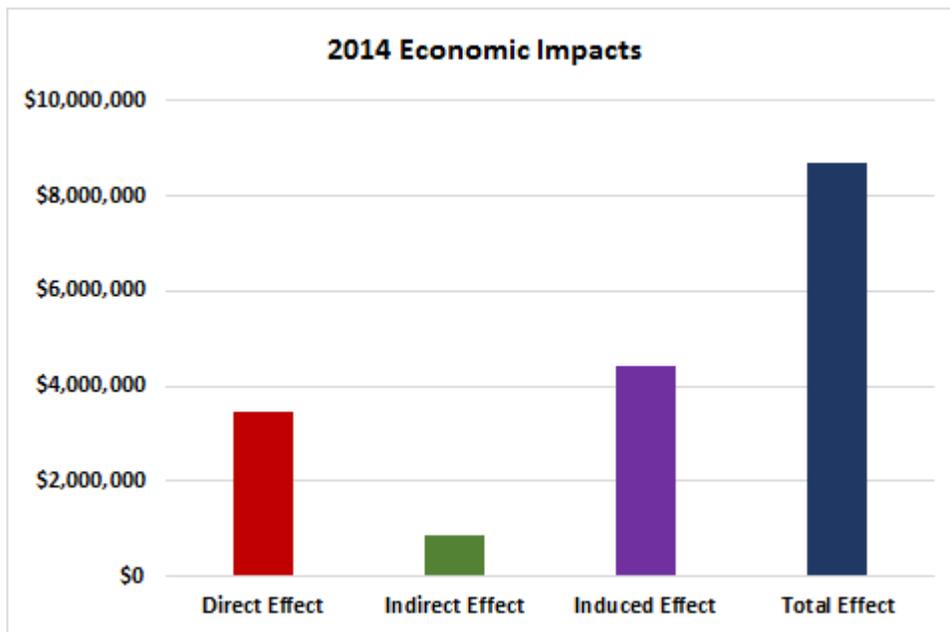
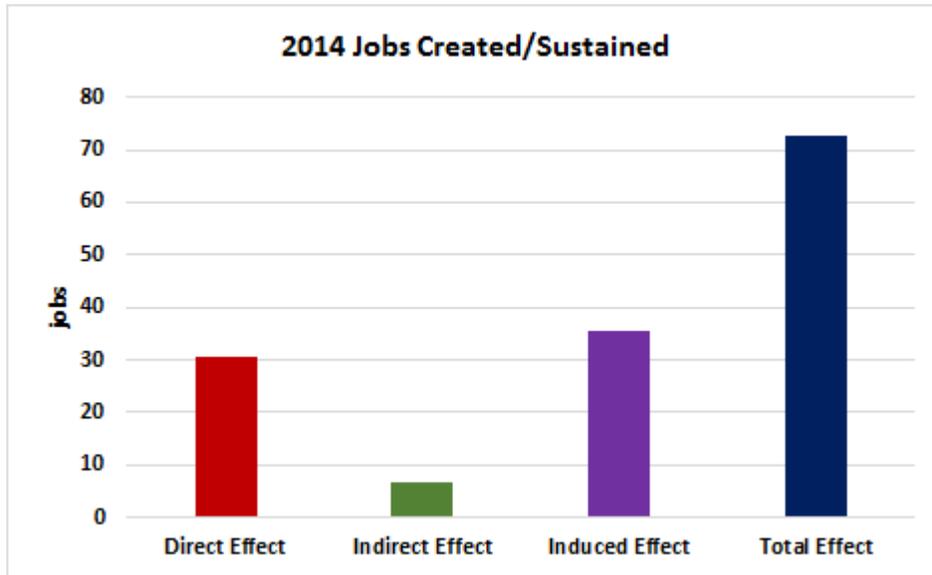
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 total tax revenue divided by annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

In 2014 NeighborWorks Green Bay was responsible for over \$8.8 million in economic activity as a result of its operations. \$3.4 million of this was a direct effect, \$0.8 million an indirect effect and \$4.4 million was an induced effect. On an annual basis, the organization sustains over 72 jobs.



Impact Seven

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for Impact Seven are shown below.¹⁴ All outputs are reported in 2016 dollars. These are annual operating budget numbers.

Impact Seven	2014
organization	1,277,718
lending	662,688
real estate development	300,896
property management	1,664,431
asset management	4,461,522

This next table show Class Two activities, or dollar values associated with the activities performed by the organization.

Impact Seven	2014
single family development ¹⁵	5,372,958
multi family rehab	24,734
lending	8,977,524

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts

Impact Seven

2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	146.2	7,786,194	14,377,711	23,776,853
Indirect Effect	56.4	2,495,101	3,940,196	7,503,404
Induced Effect	58.2	2,443,538	4,410,625	7,869,234
Total Effect	260.9	12,724,833	22,728,532	39,149,492

2014 Top 10 Sectors Affected

The economic activities of Impact Seven are spread out among the many sectors in which the organization operates. The top ten sectors for 2014 are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
434	Nondepository credit intermediation and	75.8	5,314,779	5,631,986	10,275,459
59	Construction of new single-family residential structures	35.1	1,795,165	2,693,809	5,639,510
440	Real estate	32.3	502,623	5,911,351	7,755,226
514	Grantmaking, giving, and social advocacy organizations	9	361,408	1,037,291	1,335,210
501	Full-service restaurants	5.5	98,424	108,285	224,322
438	Insurance agencies, brokerages, and related activities	4.4	223,013	368,350	746,998
502	Limited-service restaurants	3.8	64,842	157,796	298,849
407	Retail - Nonstore retailers	3.5	74,200	218,524	371,153
464	Employment services	3.5	115,779	167,120	210,056
482	Hospitals	3.4	237,516	292,069	523,674

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impact

Tax impacts are associated with the economic activity of Impact Seven. The summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	23,484.00	-	1,572,733.00	348,409.00	102,281.00
Total Federal Tax	1,285,660	93,496	198,880	885,777	615,744

2014 Multipliers

Impact Seven	multiplier
Total Economic Output/Total Annual Budget	4.7
Total Annual Budget/Total Jobs	32,071
Total Tax Revenue/Total Annual Budget	0.61

- *Total Economic Output/Total Annual Budget*
2014 sum of total economic output for the Class One and Class Two impacts divided by the 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 annual operating budget divided by total full and part time permanent and temporary jobs.

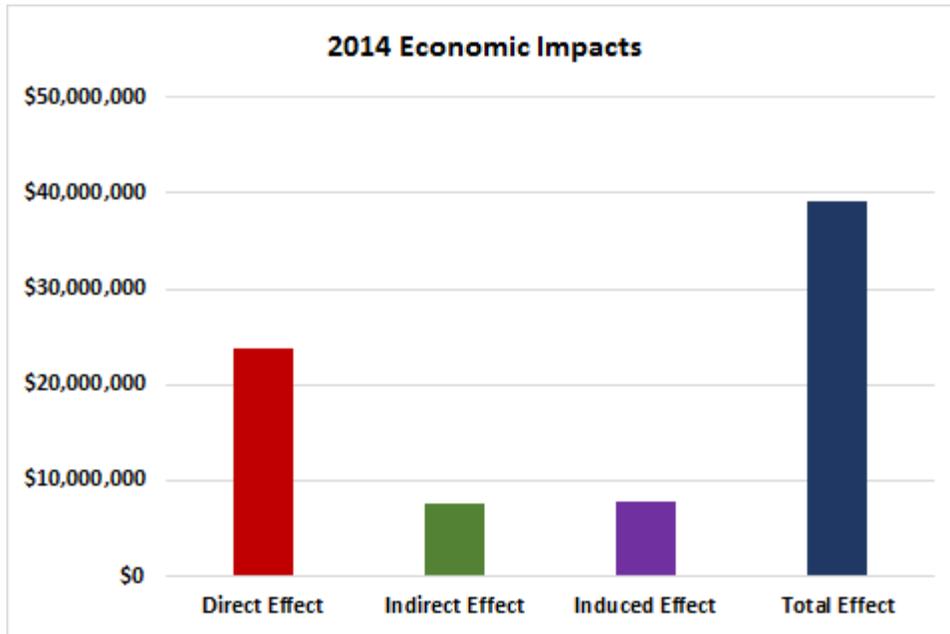
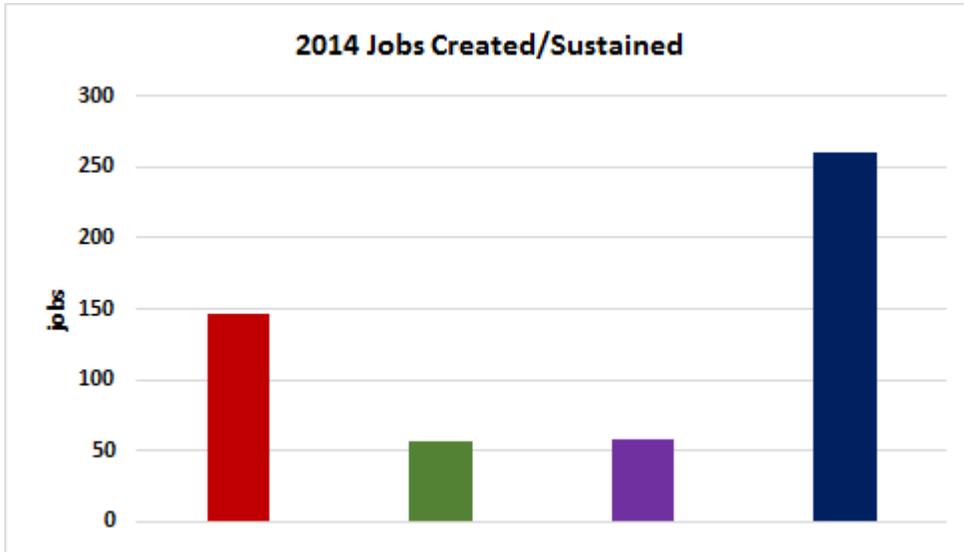
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 total tax revenue divided by annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

In 2014 Impact Seven, at minimum, was responsible for over \$39.17 million in economic activity as a result of its operations. \$23.77 million of this was a direct effect, \$7.5 million an indirect effect and \$7.8 million was an induced effect. On an annual basis, the organization sustains over 260 jobs.



Select Milwaukee

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for Select Milwaukee are shown below. Outputs are reported in 2016 dollars. These are annual operating budget numbers.

Select Milwaukee	2014
organization	1,700,000

This next table shows Class Two activities, or dollar values associated with the activities performed by the organization.

Select Milwaukee	2014
homes saved ¹⁶	884,503
PITI reduction	9,644
rehabilitation	342,031
subsidy for improvements ¹⁷	166,250
services related to mortgages	2,696,901

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts

Select Milwaukee

2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	46.1	1,418,094	3,277,669	5,227,977
Indirect Effect	10.6	450,776	799,265	1,312,246
Induced Effect	58.5	2,962,245	4,557,516	7,146,182
Total Effect	115.1	4,831,115	8,634,450	13,686,405

2014 Top 10 Sectors Affected

The economic activities of Select Milwaukee are spread out among the many sectors in which the organization operates. The top ten sectors for the study period are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
360	Real estate establishments	30.2	333,943	2,458,127	3,358,696
424	Grantmaking- giving- and social advocacy organizations	16.7	933,573	921,012	1,828,972
438	* Special (S&LG Ed Emp & Payroll)	6.5	433,451	492,407	510,703
413	Food services and drinking places	5.2	107,136	152,165	306,993
40	Maint & repair construct of residential structures	4.1	233,377	289,727	601,264
437	* Special (S&LG Non-Ed Emp & Payroll)	3.9	236,767	268,971	278,965
397	Private hospitals	2.6	184,910	197,376	416,322
394	Offices of physicians- dentists- and other he	1.9	196,545	209,564	335,648
319	Wholesale trade businesses	1.6	133,439	228,303	255,466
398	Nursing and residential care facilities	1.6	58,780	63,457	115,198

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impacts

Tax impacts are associated with the economic activity of Select Milwaukee. The 2014 summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	10,315	-	658,258	134,850	169,555
Total Federal Tax	263,705	31,149			

2014 Multipliers

Select Milwaukee 2014 Summary	multiplier
Total Economic Output/Total Annual Budget	8.1
Total Annual Budget/Total Jobs	14,770
Total Tax Revenue/Total Annual Budget	0.75

- *Total Economic Output/Total Annual Budget*
2014 sum of total economic output for the Class One and Class Two impacts divided by the 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 annual operating budget divided by total full and part time permanent and temporary jobs

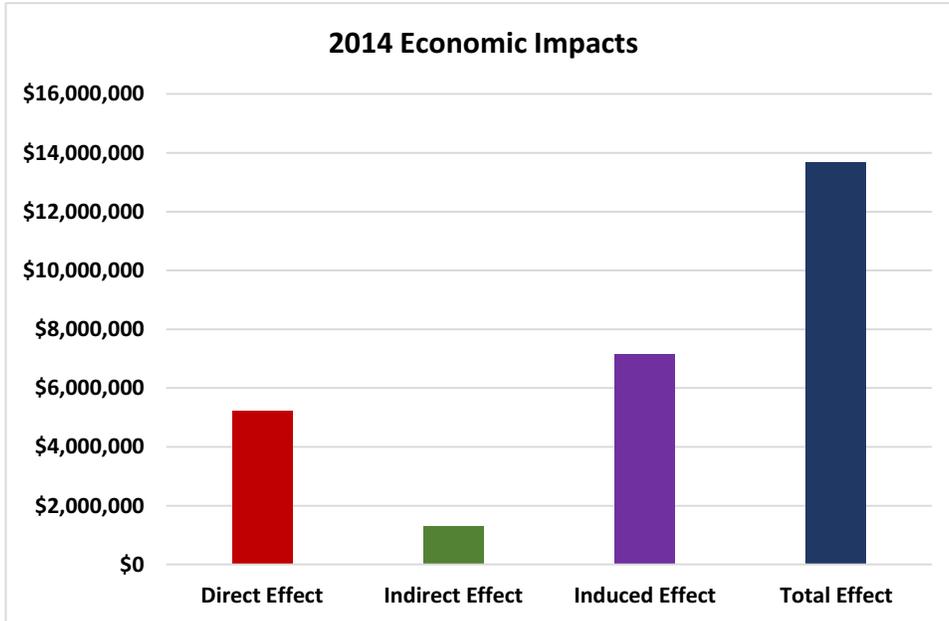
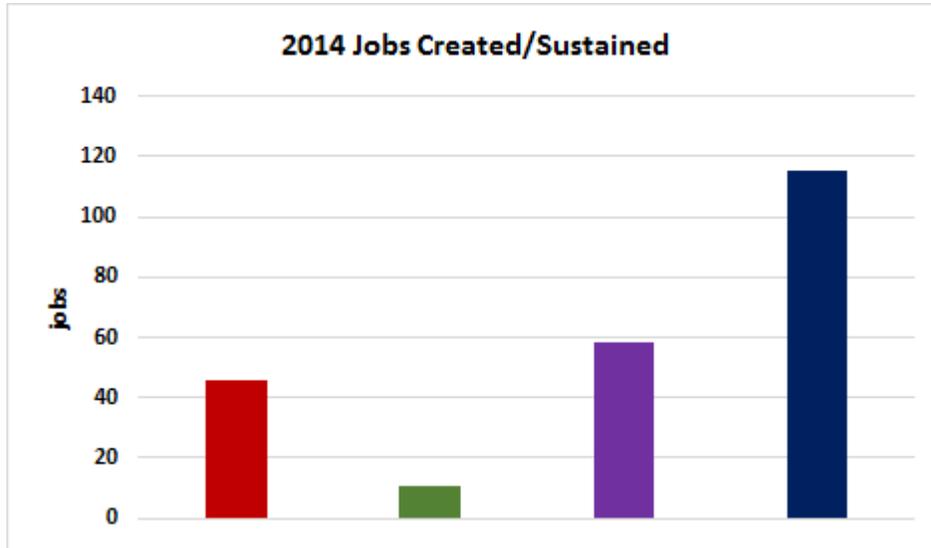
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 total tax revenue divided by annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

During 2014 Select Milwaukee has been responsible for over \$13.7 million in economic activity as a result of its operations. \$5.2 million of this was a direct effect, \$1.3 million an indirect effect and \$7.1 million was an induced effect. On an annual basis, the organization sustains over 115 jobs.



Neighborhood Housing Services of Southwest Wisconsin, Inc.

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for Neighborhood Housing Services of Southwest Wisconsin (NHSSW) are shown below. Outputs are reported in 2016 dollars. These are annual operating budget numbers.

NHSSW	2014
organization	544,363
multi family property management	137,671

This next table shows Class Two activities, or dollar values associated with the activities performed by the organization.

NHSSW	2014
homes saved	71,346
s.f. construction	143,130
capital improvements	6,685
rehabilitation	86,037
PITI reduction	815

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts

NHSSW				
2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	5.6	222,516	631,450	945,788
Indirect Effect	2.1	83,984	128,675	245,669
Induced Effect	2.4	99,071	178,455	317,828
Total Effect	10.0	405,571	938,580	1,509,286

2014 Top 10 Sectors Affected

The economic activities of NHSSW are spread out among the many sectors in which the organization operates. The top ten sectors for the study period are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
514	Grantmaking, giving, and social advocacy organizations	3.7	150,109	430,833	554,571
59	Construction of new single-family residential structures	0.9	47,821	71,760	150,231
440	Real estate	0.8	11,731	137,969	181,004
61	Construction of other new residential structures	0.3	13,416	16,809	90,305
501	Full-service restaurants	0.2	3,306	3,637	7,534
407	Retail - Nonstore retailers	0.2	3,762	11,081	18,820
436	Other financial investment activities	0.2	6,331	7,823	25,427
474	Other educational services	0.2	3,580	3,369	6,110
482	Hospitals	0.1	9,835	12,094	21,683
406	Retail - Miscellaneous store retailers	0.1	2,474	2,747	4,566

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impacts

Tax impacts are associated with the economic activity of NHSSW. The 2014 summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	773	-	48,851	11,078	5,939
Total Federal Tax	42,315	2,489	6,177	28,164	35,752

2014 Multipliers

NHSSW	multiplier
Total Economic Output/Total Annual Budget	2.2
Total Annual Budget/Total Jobs	68,203
Total Tax Revenue/Total Annual Budget	0.27

- *Total Economic Output/Total Annual Budget*
2014 total economic output for the Class One and Class Two impacts divided by 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 operating budgets divided by 2014 sum of total full and part time permanent and temporary jobs

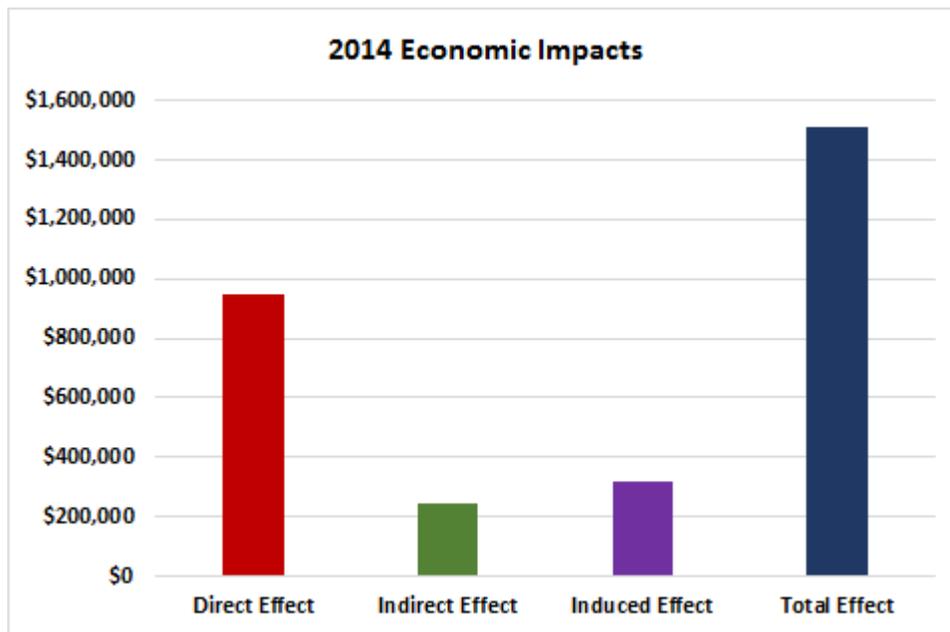
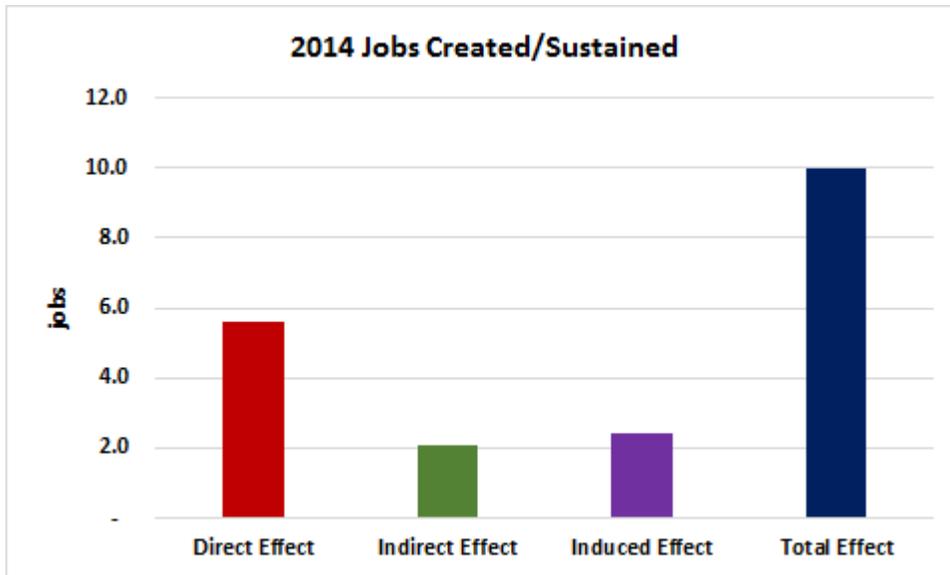
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 sum of total tax revenue divided by 2014 sum of annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

During 2014 Neighborhood Housing Services of Southwest Wisconsin has been responsible for \$1.5 million in economic activity as a result of its operations. \$946,000 of this was a direct effect, \$246,000 an indirect effect and \$318,000 an induced effect. On an annual basis, the organization sustains 10 jobs.



NeighborWorks Blackhawk Region

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for NeighborWorks Blackhawk Region are shown below. Outputs are reported in 2016 dollars. These are annual operating budget numbers.

NeighborWorks Blackhawk Region	2014
organization	417,703
homeless shelter	253,467
real estate development	172,846

This next table shows Class Two activities, or dollar values associated with the activities performed by the organization.

NeighborWorks Blackhawk Region	2014
homes saved	198,667
2 nd mortgages	243,234
capital improvements	4,173
real estate development	294,623
PITI reduction	35,532
services related to mortgages	433,498

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts

NeighborWorks Blackhawk Region				
2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	12.1	482,119	1,205,639	1,887,803
Indirect Effect	4.2	175,247	285,579	544,822
Induced Effect	5.7	237,094	432,173	768,563
Total Effect	22	894,459	1,923,391	3,201,188

2014 Top 10 Sectors Affected

The economic activities of NeighborWorks Blackhawk Region are spread out among the many sectors in which the organization operates. The top ten sectors for the study period are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
440	Real estate	3.1	48,241	567,360	744,332
486	Community food, housing, and other relief services, including rehabilitation services	3	99,710	137,114	260,602
514	Grantmaking, giving, and social advocacy organizations	2.9	115,894	332,633	428,168
434	Nondepository credit intermediation and related activities	2	138,994	147,290	268,728
63	Maintenance and repair construction of residential structures	1.8	99,264	118,020	323,182
501	Full-service restaurants	0.5	8,945	9,841	20,387
464	Employment services	0.3	11,202	16,170	20,324
436	Other financial investment activities	0.3	12,308	15,209	49,435
482	Hospitals	0.3	22,436	27,590	49,467
502	Limited-service restaurants	0.3	5,453	13,271	25,134

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impacts

Tax impacts are associated with the economic activity of NeighborWorks Blackhawk Region. The 2014 summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	1,704	-	126,174	24,432	11,018
Total Federal Tax	93,291	5,501	15,955	62,115	66,331

2014 Multipliers

NeighborWorks Blackhawk Region	multiplier
Total Economic Output/Total Annual Budget	3.3
Total Annual Budget/Total Jobs	44,122
Total Tax Revenue/Total Annual Budget	0.42

- *Total Economic Output/Total Annual Budget*
2014 total economic output for the Class One and Class Two impacts divided by 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 operating budgets divided by 2014 sum of total full and part time permanent and temporary jobs

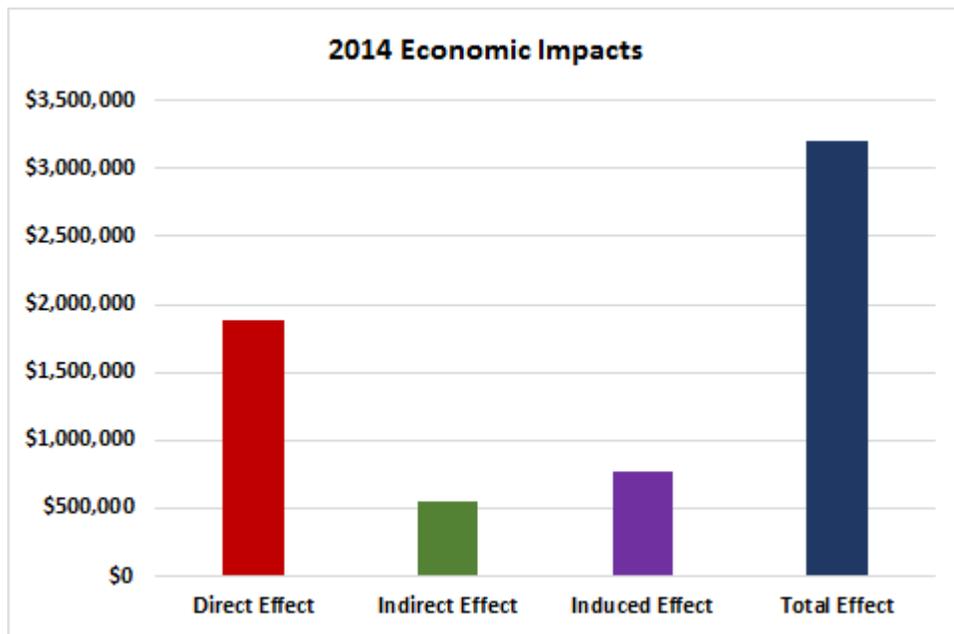
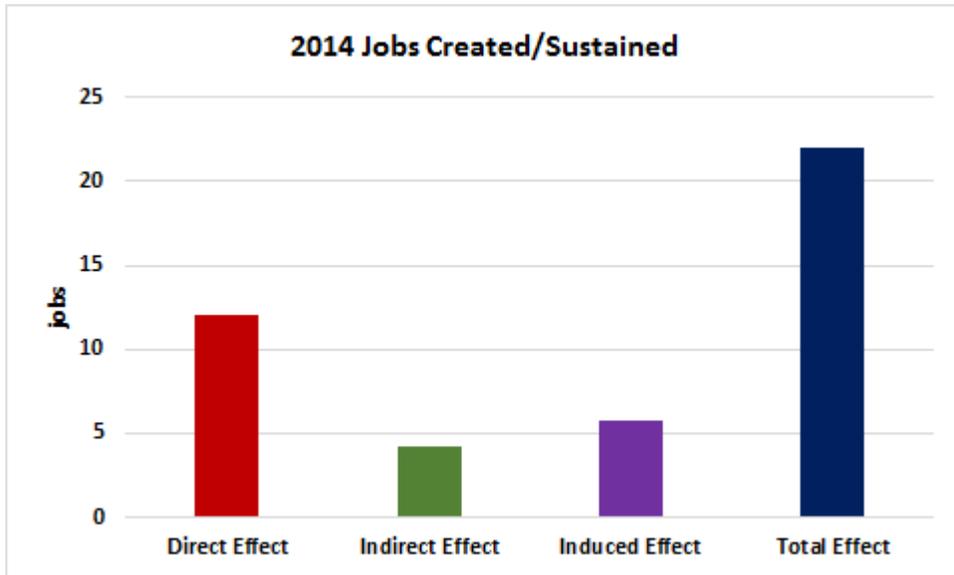
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 sum of total tax revenue divided by 2014 sum of annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

During 2014 NeighborWorks Blackhawk Region has been responsible for \$3.2 million in economic activity as a result of its operations. \$1.9 million of this was a direct effect, \$545,000 an indirect effect and \$769,000 an induced effect. On an annual basis, the organization sustains 22 jobs.



Housing Resources Inc.

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

Expense numbers for Housing Resources Inc. are shown below. Outputs are reported in 2016 dollars. These are annual operating budget numbers.

Housing Resources, Inc.	2014
organization	1,436,738

This next table shows Class Two activities, or dollar values associated with the activities performed by the organization.

Housing Resources, Inc.	2014
rehabilitation	65,968
homes saved	495,137
PITI reduction	12,870

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

Sum of Class One and Class Two Impacts

Housing Resources, Inc.				
2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	10.2	416,421	1,159,432	1,529,124
Indirect Effect	2.6	107,570	151,862	298,605
Induced Effect	7.3	308,955	555,070	986,367
Total Effect	20.1	832,946	1,866,364	2,814,097

2014 Top 10 Sectors Affected

The economic activities of Housing Resources, Inc. are spread out among the many sectors in which the organization operates. The top ten sectors for the study period are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
514	Grantmaking, giving, and social advocacy organizations	9.9	396,331	1,137,524	1,464,230
501	Full-service restaurants	0.5	8,805	9,687	20,067
436	Other financial investment activities	0.5	17,084	21,111	68,617
482	Hospitals	0.5	31,465	38,692	69,373
474	Other educational services	0.4	9,458	8,900	16,139
63	Maintenance and repair construction of residential structures	0.4	23,411	27,835	76,222
440	Real estate	0.4	5,640	66,328	87,017
502	Limited-service restaurants	0.4	6,038	14,695	27,830
405	Retail - General merchandise stores	0.3	7,329	11,331	17,870
400	Retail - Food and beverage stores	0.3	6,965	9,837	15,237

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impacts

Tax impacts are associated with the economic activity of Housing Resources, Inc. The 2014 summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	1,688	-	77,738	22,640	11,752
Total Federal Tax	92,431	3,086	9,830	57,560	70,748

2014 Multipliers

Housing Resources, Inc.	multiplier
Total Economic Output/Total Annual Budget	1.96
Total Annual Budget/Total Jobs	71,480
Total Tax Revenue/Total Annual Budget	0.24

- *Total Economic Output/Total Annual Budget*
Sum of total economic output for the Class One and Class Two impacts divided by 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
Annual operating budget divided by sum of total full and part time permanent and temporary jobs

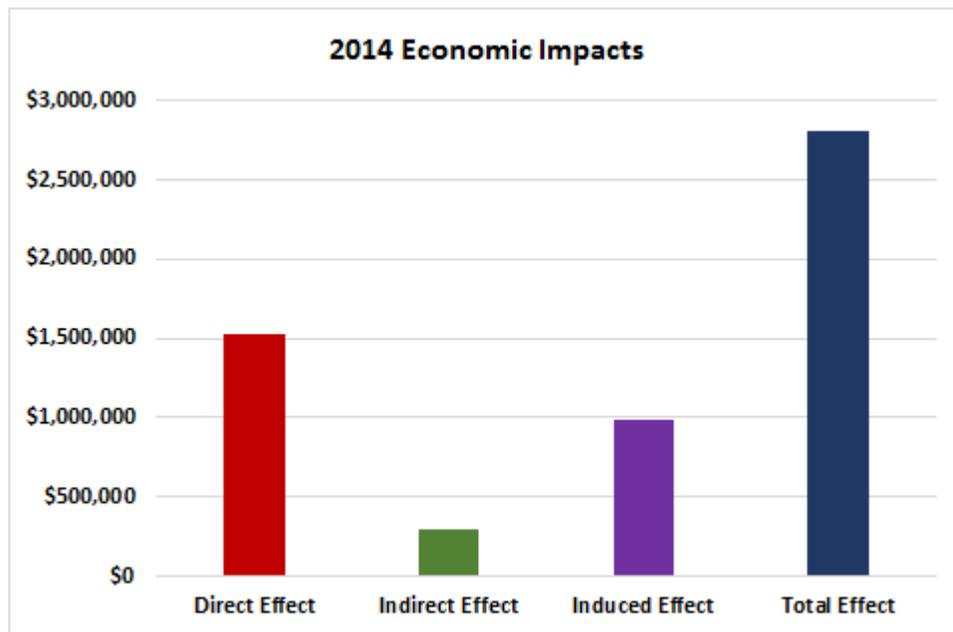
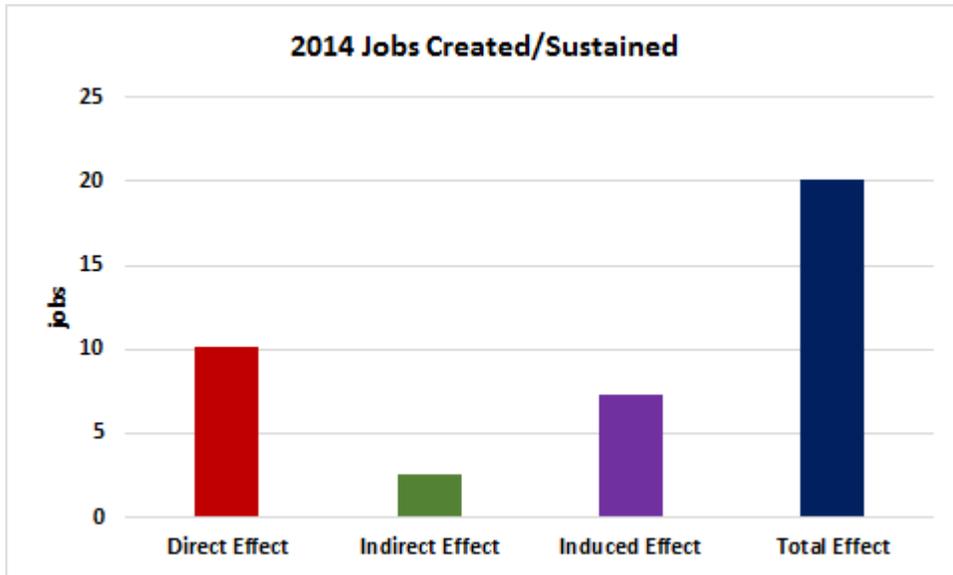
This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
Sum of total tax revenue divided by annual operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

In 2014 Housing Resources, Inc. has been responsible for over \$2.8 million in economic activity as a result of its operations. \$1.5 million of this was a direct effect, \$298,000 an indirect effect and \$986,000 an induced effect. On an annual basis, the organization sustains over 20 jobs.



CommonBond Communities

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.

- *Total Effect* is the sum of all of the above effects.
- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

2014 Input

CommonBond Communities operates both in and outside of Wisconsin. The data presented here is for asset management activities related to Wisconsin. Class One impacts were not completely calculated as these data were not provided. Some of the organization's inputs that could be attributed to Wisconsin were not collected during the fiscal year, so the impacts will be under-reported for 2014. All outputs are reported in 2016 dollars.

The table below shows Class Two activities, or dollar values associated with the activities performed by the organization.

CommonBond Communities	2014
administration	445,373
supplies	78,461
services	443,557
utilities	481,136
capital improvements	34,443
property taxes	654,634

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Impact

CommonBond Communities (Wisconsin)				
2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	9.3	162,661	1,655,869	2,213,628
Indirect Effect	3.5	140,778	251,656	469,878
Induced Effect	1.7	72,002	129,947	231,853
Total Effect	14.5	375,441	2,037,472	2,915,359

2014 Top 10 Sectors Affected

The economic activities of CommonBond Communities are spread out among the many sectors in which the organization operates. The top ten sectors for 2014 are shown below with the associated dollar impacts.

Sector	Description	Employment	Labor Income	Value Added	Output
440	Real estate	9.2	143,389	1,686,394	2,212,416
464	Employment services	0.6	21,153	30,534	38,378
63	Maintenance and repair construction of residential structures	0.5	28,681	34,101	93,381
468	Services to buildings	0.4	8,523	9,151	14,806
62	Maintenance and repair construction of nonresidential structures	0.4	22,338	26,937	68,359
501	Full-service restaurants	0.2	3,179	3,498	7,245
469	Landscape and horticultural services	0.1	4,471	5,375	8,103
502	Limited-service restaurants	0.1	2,090	5,087	9,634
467	Investigation and security services	0.1	3,695	3,988	5,719
407	Retail - Nonstore retailers	0.1	2,313	6,812	11,570

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

2014 Tax Impact

Tax impacts are associated with the economic activity of CommonBond Communities. The summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	619	-	212,938	10,361	17,670
Total Federal Tax	33,881	4,244	26,927	26,341	106,375

2014 Multipliers

CommonBond Communities	multiplier
Total Economic Output/Total Prop. Mgmt. Admin	6.5
Total Prop. Mgmt. Admin./Total Jobs	30,715
Total Tax Revenue/Total Prop. Mgmt. Admin.	0.99

- *Total Economic Output/Total Annual Budget*
2014 sum of total economic output for the impacts divided by the 2014 property management budget for Wisconsin

The multiplier above can be read as the total economic output for every \$1 of NWO property management budget.

- *Total Annual Budget/Total Jobs*
2014 property management budget divided by total full and part time permanent and temporary jobs

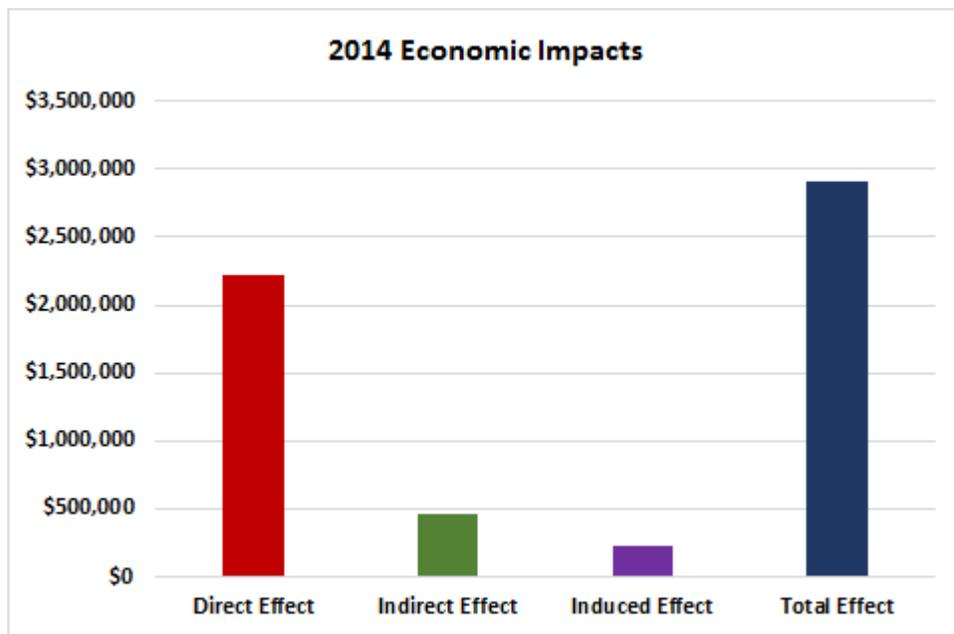
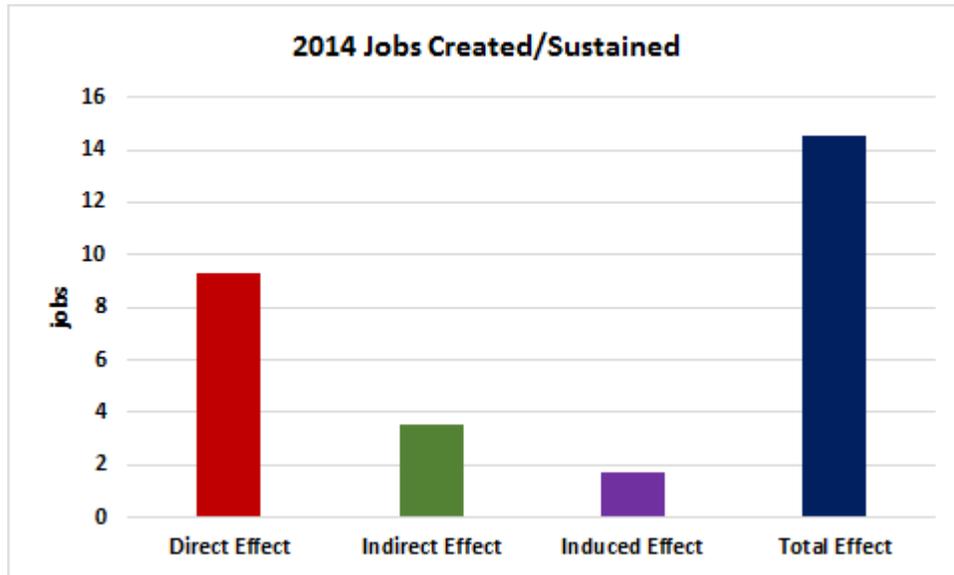
This multiplier can be read as the dollars of the property management budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 total tax revenue divided by total property management budget for Wisconsin.

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO the property management budget for Wisconsin.

Summary

In 2014 CommonBond Communities' Wisconsin activities were responsible for over \$2.9 million in economic activity as a result of its operations. \$2.2 million of this was a direct effect, \$0.5 million an indirect effect and \$0.2 million was an induced effect. On an annual basis, the organization sustains over 14 jobs in Wisconsin?



Summary Numbers

Below, we sum up impacts for the seven organizations in 2014.

We first review the output definitions below.

- *Direct Effect* consists of production changes associated with changes in demand for the good itself: it is an initial impact on the economy.
- *Indirect Effect* is the secondary impact caused by changing input needs of directly affected industries. For example, building homes requires the purchase of lumber, cement, and architectural services. These transactions are captured within the indirect effect.
- *Induced Effect* is the impact caused by household change in spending due to additional employment caused by direct and indirect effects. For example, as construction workers are paid, they will use that money to shop at the grocery store or buy clothing. These transactions are captured within the induced effect.
- *Total Effect* is the sum of all of the above effects.

For each type of effect, modeling outputs are further categorized into:

- *Employment*, full and part time, temporary and permanent jobs.
- *Labor income*, the sum of employee compensation and proprietor income.
- *Value added*, meaning payments made by industry to workers, interest, profits and indirect business taxes. (Labor income is a sub-category of value added).
- *Output*, the total economic activity generated by the project. Output equals value added plus intermediate outlays (which are the goods and services purchased during the project).

Sum of Class One and Two Impacts – Seven Organizations

2014 Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	249.7	10,873,430	23,346,448	37,491,174
Indirect Effect	83.5	3,626,873	5,916,900	10,916,321
Induced Effect	162.2	7,602,671	12,490,439	20,762,677
Total Effect	495.4	22,102,974	41,753,785	69,170,172

Economic Impacts of Seven Wisconsin NeighborWorks® Organizations: 2014

Tax Impacts

Tax impacts are associated with the economic activity of the organizations. The 2014 summary tax outputs are shown in the table below.

Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Total State and Local Tax	37,240	-	2,795,148	536,709	339,146
Total Federal Tax	2,295,234	151,927	385,153	1,362,346	1,041,370

Multipliers

2014 All Organizations Summary	multiplier
Total Economic Output/Total Annual Budget	4.32
Total Annual Budget/Total Jobs	32,309
Total Tax Revenue/Total Annual Budget	0.56

- Total Economic Output/Total Annual Budget*
 2014 sum of total economic output for the Class One and Class Two impacts divided by 2014 sum of annual operating budgets

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- Total Annual Budget/Total Jobs*
 2014 sum of annual operating budgets divided by 2014 sum of total full and part time permanent and temporary jobs

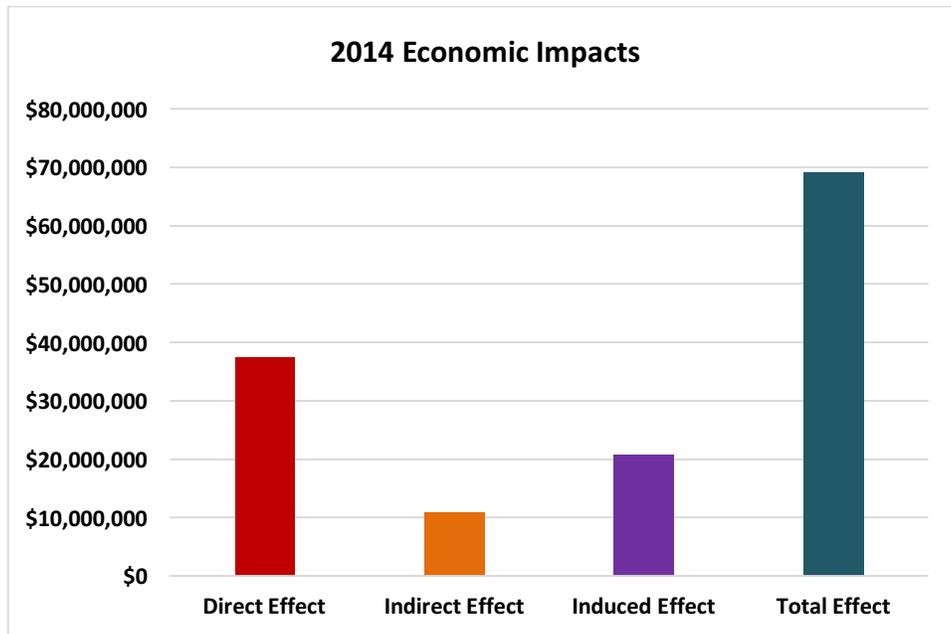
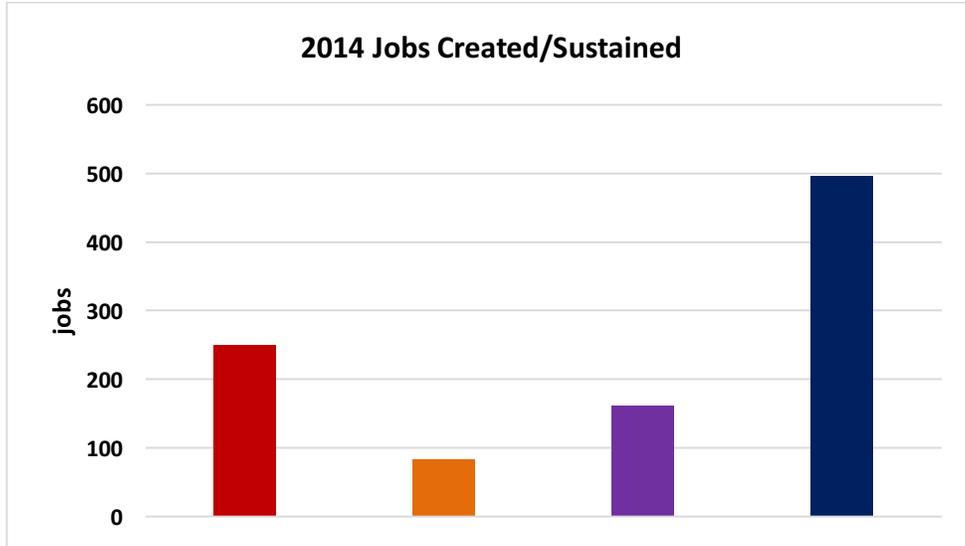
This multiplier can be read as the dollars of an annual budget associated with one job.

- Total Tax Revenue/Total Annual Budget*
 2014 sum of total tax revenue divided by 2014 sum of annual operating budgets

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

Summary

During 2014 the seven organizations have been responsible for over \$69.17 million in economic activity as a result of its operations. \$37.5 million of this was a direct effect, \$10.9 million an indirect effect and \$20.76 million an induced effect. On an annual basis, the organizations sustain over 495 jobs.



Multiplier Summary

Multipliers can be used as a shorthand for discussing economic impacts. We calculate these multipliers below.

The multipliers below are calculated as follows:

- *Total Economic Output/Total Annual Budget*
2014 total economic output for the Class One and Class Two impacts divided by 2014 annual operating budget

The multiplier above can be read as the total economic output for every \$1 of NWO annual budget.

- *Total Annual Budget/Total Jobs*
2014 annual operating budget divided by 2014 sum of total full and part time permanent and temporary jobs

This multiplier can be read as the dollars of an annual budget associated with one job.

- *Total Tax Revenue/Total Annual Budget*
2014 sum of total tax revenue divided by 2014 operating budget

This multiplier can be read as total federal state and local taxes collected for each dollar of a NWO operating budget.

NeighborWorks Green Bay

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	3.37
Total Annual Budget/Total Jobs	35,554
Total Tax Revenue/Total Annual Budget	0.32

Impact Seven

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	4.7
Total Annual Budget/Total Jobs	32,071
Total Tax Revenue/Total Annual Budget	0.61

Select Milwaukee

2014 Year Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	8.1
Total Annual Budget/Total Jobs	14,770
Total Tax Revenue/Total Annual Budget	0.75

Neighborhood Housing Services of Southwest Wisconsin

2014 Year Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.2
Total Annual Budget/Total Jobs	68,203
Total Tax Revenue/Total Annual Budget	0.27

NeighborWorks Blackhawk Region

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	3.3
Total Annual Budget/Total Jobs	44,122
Total Tax Revenue/Total Annual Budget	0.42

Housing Resources, Inc.

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	1.96
Total Annual Budget/Total Jobs	71,480
Total Tax Revenue/Total Annual Budget	0.24

CommonBond Communities

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	6.5
Total Annual Budget/Total Jobs	30,715
Total Tax Revenue/Total Annual Budget	0.99

Seven NWO Organizations

2014 Summary	<i>multiplier</i>
Total Economic Output/Total Annual Budget	4.32
Total Annual Budget/Total Jobs	32,309
Total Tax Revenue/Total Annual Budget	0.56

Attachment One Sources of Data

- US Bureau of Economic Analysis Benchmark I/O Accounts of the US
- US Bureau of Economic Analysis Output Estimates
- US Bureau of Economic Analysis REIS Program
- US Bureau of Labor Statistics Covered Employment and Wages (ES202) Program
- US Bureau of Labor Statistics Consumer Expenditure Survey
- US Census Bureau County Business Patterns
- US Census Bureau Decennial Census and Population Surveys
- US Census Bureau Economic Censuses and Surveys
- US Department of Agriculture Crop and Livestock Statistics
- US Geological Survey

Attachment Two Industry Benchmarks

Below, we show national comparative industry multipliers. These can be used to benchmark each organization and all organizations.

construction of single family homes	<i>multiplier</i>
Total Economic Output/Total Annual Budget	1.7
Total Annual Budget/Total Jobs	59,172
Total Tax Revenue/Total Annual Budget	0.25

construction other residential structures	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.2
Total Annual Budget/Total Jobs	58,140
Total Tax Revenue/Total Annual Budget	0.21

maintenance & repair of residential structures	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.3
Total Annual Budget/Total Jobs	49,504
Total Tax Revenue/Total Annual Budget	0.24

real estate establishments	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.3
Total Annual Budget/Total Jobs	43,478
Total Tax Revenue/Total Annual Budget	0.44

homeless shelters	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.5
Total Annual Budget/Total Jobs	28,818
Total Tax Revenue/Total Annual Budget	0.24

social advocacy organizations	<i>multiplier</i>
Total Economic Output/Total Annual Budget	2.4
Total Annual Budget/Total Jobs	41,841
Total Tax Revenue/Total Annual Budget	0.24

Endnotes

¹ The accuracy of all dollar amounts shown can be interpreted as follows: for each sector analyzed, the impacts are calculated based on the average results of the IMPLAN I/O model. There may be variation within each sector. As an example, if an impact is calculated for rehabilitation of single family homes, this impact is based on the total dollar value of the economic impact produced by rehabilitation of single family homes in Wisconsin divided by the total rehabilitation of single family homes input. This multiplier is applied to the dollar amount of this activity conducted by the organization. As such, there may be variation, however given a large enough sample (which we have with these groups) the variation will tend towards \$0.

² Tax revenue assumes NWO do not pay tax on corporate (proprietor) profits. Corporate profit taxes reported are for indirect and induced effects only.

³ The Appendix to this report includes detailed output for the seven NWOs.

⁴ For a more detailed description of the IMPLAN model, see http://implan.com/index.php?view=list&slug=internal-docs&option=com_docman&Itemid=1764.

⁵ The seminal text for I/O models and their explanation is Wassily W. Leontief, *Input-Output Economics, 2nd ed.*, New York: Oxford University Press, 1986.

⁶ Much of this section is taken from IMPLAN Manual, vol.2, 3rd edition, 2000.

⁷ See Molloy, Raven and Shan, Hui: *The Post-Foreclosure Experience of U.S. Households*, Federal Reserve Board of Governors, May, 2011.

⁸ For NeighborWorks Green Bay we use 80% of Green Bay household median income which equals \$42,566. Source: U Census ACS 1 Year Survey.

\$40,000; for NHSSW we used \$18,000 for 2006-2009 and \$21,000 for 2010. For Beloit and HRI we used data provided by the organization.

⁹ See **Attachment Two** for industry benchmarks.

¹⁰ Seven homes were brought current or refinanced, 13 received mortgage modifications and 81 received HECM (home equity conversion mortgage). The median income used for the homes brought current, refinanced or modified is \$38,000. For the HECM, we use \$27,900.

¹¹ This was modeled as all rehabilitation. \$100,000 was subtracted for land acquisition costs.

¹² Per NWGB email 2/1/16: 181 homes * 2% purchase price * average purchase price of \$99,598.

¹³ Jobs are summed up for Class One and Class Two.

¹⁴ Note that we have a list of the sectors where Impact Seven loaned money, and the amount loaned. We presume that the effect of loan capital in these sectors is similar to sector changes occurring in our modeling; however, the scope of this contract does not allow us to look at each of the 39 loans made in 2016. These loans totaled approximately \$9 million.

¹⁵ Land costs are excluded per email Matt Wysocki, January 22, 2016.

¹⁶ 133 homes * 20% * 33,252.

¹⁷ Modeled as rehabilitation.