

Fahe Impact: Tennessee's 3rd District

Fahe is a Network of over 50 nonprofit organizations building the American Dream in Appalachia. We do this by channeling investments through our Community Development Financial Institution (CDFI), leading community and economic development work, and by building, repairing, and rehabbing homes that our neighbors can afford. **Since 2016, the Fahe Network has invested more than \$150.3 million to produce 1,434 safe and affordable housing units in TN-03.**

Types of Network Investment TN-03



Figure 1. Categories not displayed, in descending order: Single Family Lending, Single Family Home Rehabilitation, Business/Business Relief, Homeowner Development, Rental Rehabilitation, Homeowner Repairs

The Housing Shortage in TN-03

Despite the over \$150.3 million we have invested since 2016, there is still much work to be done. Due to a shortage of private investment in new affordable housing construction and a hot real estate market in Chattanooga and the Knoxville exurbs, TN-03 is characterized by an aging and insufficient supply of affordable housing, as reflected in the data on the next page. This shortage creates challenges for economic and workforce development, as having a safe place to call home is a prerequisite to stability for working families.

Housing Shortage by the Numbers

Source: National Low Income Housing Coalition tabulations of 2021 American Community Survey

- Rental shortage:
 - 14,421 affordable rental units for extremely low-income households (<30% AMI)
 - 11,590 affordable rental units for very low-income households (<50% AMI)
 - 226 affordable rental units for low-income households (<80% AMI)
- Rent burden:
 - 22% of renters are severely burdened by housing costs
 - 67% of extremely low-income renters are severely burdened by housing costs
 - A minimum-wage employee would need to work between 72 and 104 hours per week to afford a two-bedroom apartment in TN-03
- Homeownership:
 - Homeownership rate: 69%
 - 13% of homeowners live in manufactured homes, which depreciate in value
- Aging stock:
 - 74.5% of homes were built before 2000 (at least 23 years old)
 - 48.5% of homes were built before 1980 (at least 43 years old)

Why It Matters

Affordable housing is the backbone of healthy local economies. When a community has an adequate supply of workforce housing, employers can attract talent, and local residents can find the stability needed to make long-term plans such as pursuing a career, starting a family, and achieving homeownership. Furthermore, construction is a common economic engine in every community, creating jobs, providing training and career development, and injecting funds via wages into local economies.

One Way We're Building the American Dream in TN-03



Fahe Member Oak Ridge Housing Authority (ORHA) manages 128 units of affordable housing in TN-03, including Joel Lane (left), a 12-unit apartment complex reserved for disabled residents.

ORHA also distributes housing assistance vouchers to 260 low-income households, including veterans. Overall, ORHA contributes around \$1.6 million to the local economy of Oak Ridge each year.

Fahe Members Active in Tennessee

Aid to Distressed Families of Appalachian Counties (ADFAC)
Appalachia Habitat for Humanity
Appalachia Service Project, Inc. (ASP)
Blount County Habitat for Humanity
Clinch-Powell Resource Conservation & Development Council
Creative Compassion (CCI)
Crossville Housing Authority (CHA)
Eastern Eight Community Development (E8)

HomeSource east tennessee
Kingsport Housing and Redevelopment Authority (KHRA)
Knoxville Leadership Foundation (KLF)
Loudon County Habitat for Humanity
Mountain Tennessee Outreach Project (Mountain T.O.P.)
Oak Ridge Housing Authority (ORHA)
Tennessee Community Assistance Corp.