



FHLBank
San Francisco

Affordable Housing Advisory Council Report

2025

A Letter from the Chair, Holly Benson

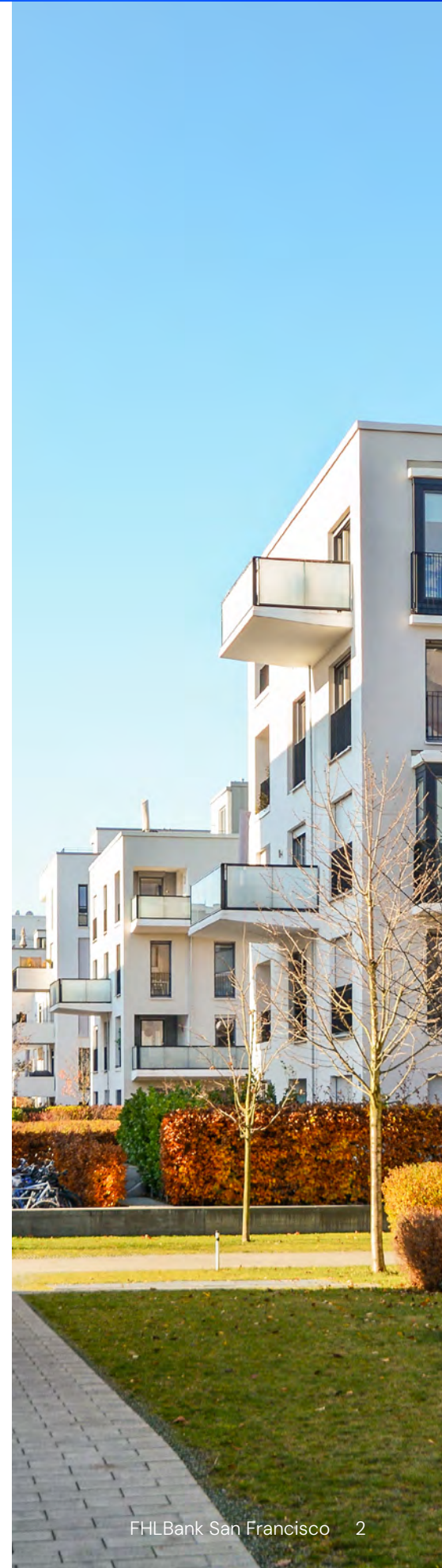
I am pleased to present this year's Affordable Housing Advisory Council (AHAC) report on behalf of FHLBank San Francisco (the Bank), which reflects the Bank's mission to build more vibrant, resilient communities in partnership with its members through its affordable housing, community lending, and economic development activity in 2025.

Each year, the Bank dedicates a portion of its income to grants for affordable housing and economic development. In 2025, we are proud to share that, in collaboration with AHAC and to address our identified key community needs, the Bank committed over \$185 million to affordable housing and economic development programs across its district.

This report provides an analysis of the Bank's community investment activities through these four priorities:

- 1 RENTAL HOUSING SUPPLY
- 2 HOMEOWNERSHIP SUPPLY AND ASSISTANCE
- 3 ECONOMIC DEVELOPMENT
- 4 DISASTER RELIEF

The following pages provide an analysis of how the Bank's community investment programs align with these priorities.



2025 COMMUNITY INVESTMENT PROGRAMS AT-A-GLANCE

\$92.2 Million in Grant Funds
\$1.53 Billion in Advances and Letters of Credit

RENTAL HOUSING & HOMEOWNERSHIP SUPPLY

<p>CIP</p> <p>3,712 housing units</p> <p>\$1B in funding</p>	<p>AHP</p> <p>2,092 housing units</p> <p>\$49.7M in funding</p>	<p>Tribal Nations</p> <p>212 housing units</p> <p>\$6M in funding</p>
------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------

HOMEOWNERSHIP ASSISTANCE

<p>WISH</p> <p>522 homebuyers</p> <p>\$12M in funding</p>	<p>MDPA</p> <p>200 homebuyers</p> <p>\$10M in funding</p>	<p>Empowering Homeownership</p> <p>21 homeownership counseling services</p> <p>\$1.7M in funding</p>
---------------------------------------------------------------------------------	---------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------

ECONOMIC DEVELOPMENT

<p>ACE</p> <p>4,200 jobs</p> <p>\$525.4M in funding</p>	<p>AHEAD</p> <p>64 economic development projects</p> <p>\$8M in funding</p>
-------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------

DISASTER RELIEF

<p>Disaster Initiative</p> <p>45 organizations</p> <p>\$4.5M in funding</p>

Community Investment Programs

REGULATED PROGRAMS

Affordable Housing Program (AHP): General Fund and Nevada Targeted Fund

The Bank's AHP grants help to expand access to affordable housing by contributing to the construction, acquisition, and preservation of affordable rental and owner-occupied housing. Funding prioritizes those earning below 80% of the area median income (AMI). The AHP General Fund supports affordable housing projects in Arizona, California, Nevada, and other areas where our members do business, and the Nevada Targeted Fund supports affordable housing projects in Nevada. AHP grants are awarded annually by application to our members who work in partnership with housing developers and community organizations to deploy the funds.

WISH (AHP Homeownership Set-Aside Program)

A portion of the Bank's annual AHP contribution is set aside annually for our Workforce Initiative Subsidy for Homeownership (WISH) downpayment assistance program for very low-, low-, and moderate-income first-time homebuyers to expand access to homeownership in the neighborhoods served by our members. This program is designed to help homebuyers earning less than 80% AMI.

Community Investment Cash Advances (CICA) & Letters of Credit (LOC)

The Bank offers members access to discounted advances and letters of credit that they use to promote affordable housing, neighborhood revitalization, small businesses, and other targeted economic development activities that benefit low- to moderate-income people and underserved communities.

WISEPlace PSH, Santa Ana, CA



36 Amber Drive, San Francisco, CA

VOLUNTARY PROGRAMS

Access to Housing and Economic Assistance for Development (AHEAD)

AHEAD grants support innovative, targeted initiatives that create new economic opportunities in low- to moderate-income communities.

Middle-Income Downpayment Assistance (MDPA)

The MDPA program was established in 2023 in response to extraordinarily high homebuying costs that have pushed homeownership out of reach for millions of our residents. This program is designed to help first-time homebuyers with incomes greater than 80% and less than 140% of area median income.

Empowering Homeownership (EH)

In recognition of the key role education plans in accessing and sustaining homeownership, the Bank created the EH program in 2022 to partner with its members to support HUD-approved Housing Counseling Agencies that provide pre- and post-purchase homeownership counseling in Arizona, California, and Nevada.

Tribal Nations

The Bank launched this program to provide outreach and technical assistance for tribes in Arizona, California, and Nevada to apply for affordable housing funding, and grants to tribal organizations for land acquisition, infrastructure, and construction for housing development.

Disaster Relief

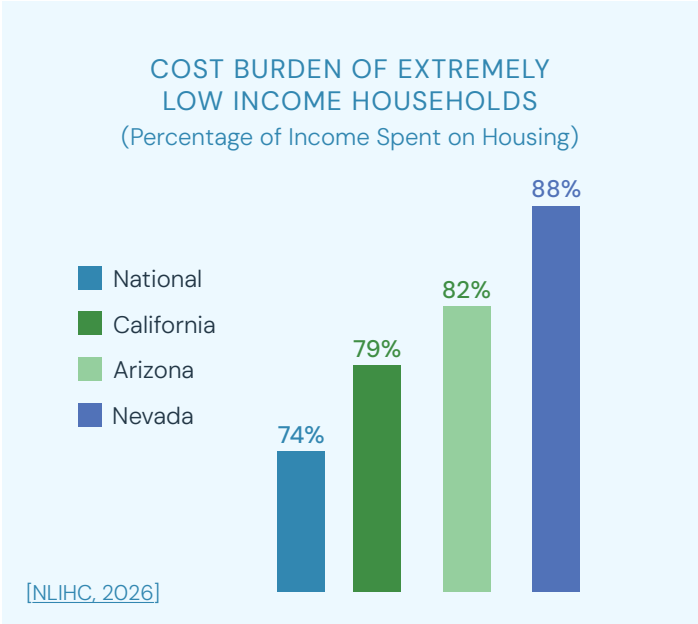
Because people who may be most severely affected by a natural disaster or other crisis rely on local nonprofits for critical services and resources, the Bank responded to urgent community needs across the district by partnering with members to make charitable donations to nonprofit organizations to support relief and recovery efforts.

Rental Housing Supply

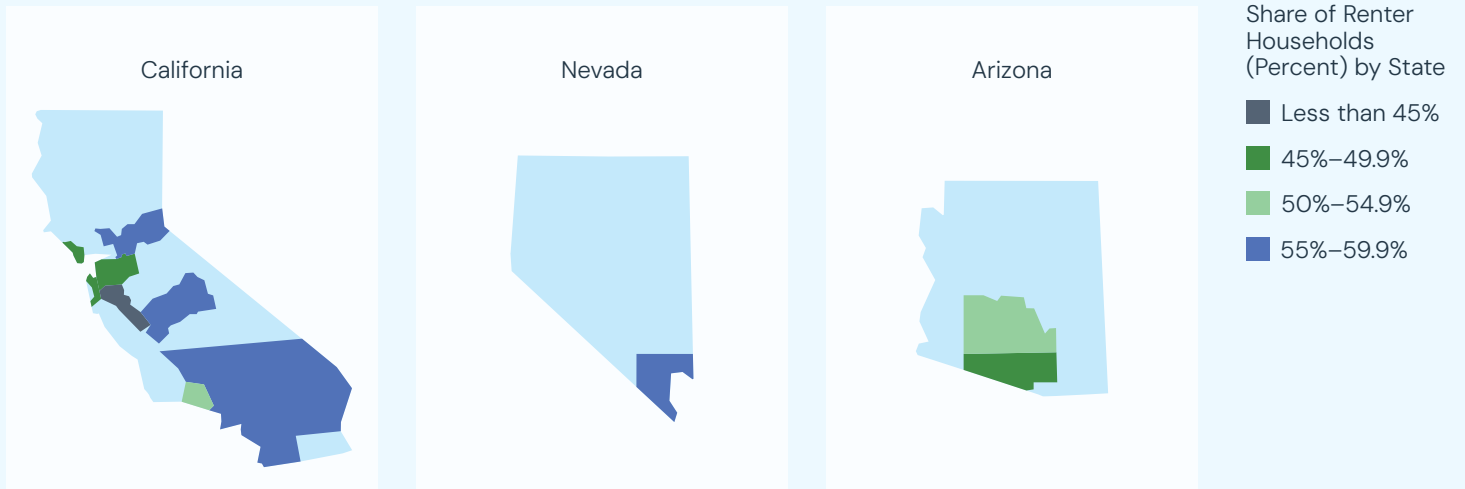
Key conditions in the Bank’s district:

Renter cost burdens hit a record high in 2025. Arizona, California, and Nevada remain among the five states with the highest cost burden for extremely low-income households, meaning half their income or more is spent on housing.

According to the National Low Income Housing Coalition’s The Gap report, all three states in the Bank’s district remain among the least affordable for Extremely Low-income (ELI) renters (with incomes less than or equal to 30% AMI). Arizona has only 26 affordable units available per 100 ELI households, California has only 25, and Nevada has only 16 [NLIHC, 2026].



WESTERN METROS HAVE SOME OF THE HIGHEST COST-BURDEN RATES

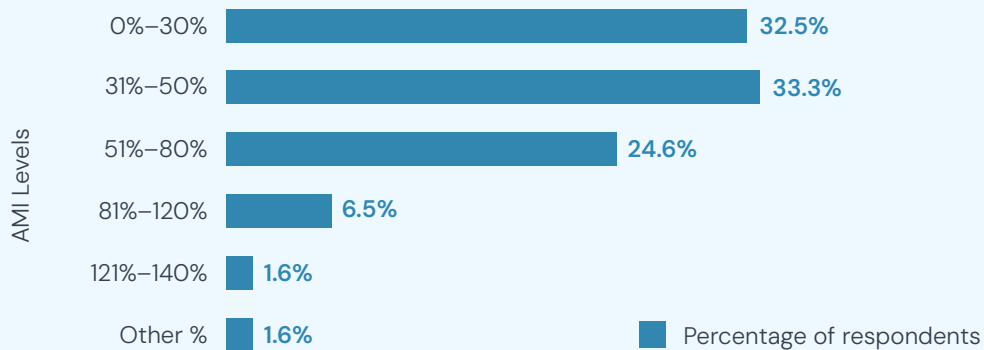


[JCHS, 2026]

The Bank's Targeted Community Lending Plan (TCLP) survey of members and community investment project sponsors, including AHAC members, identified the following rental housing priorities for household income levels and project types.

Housing for households below 30% and 50% of AMI (extremely low- and very low-income) was ranked as the greatest income level need:

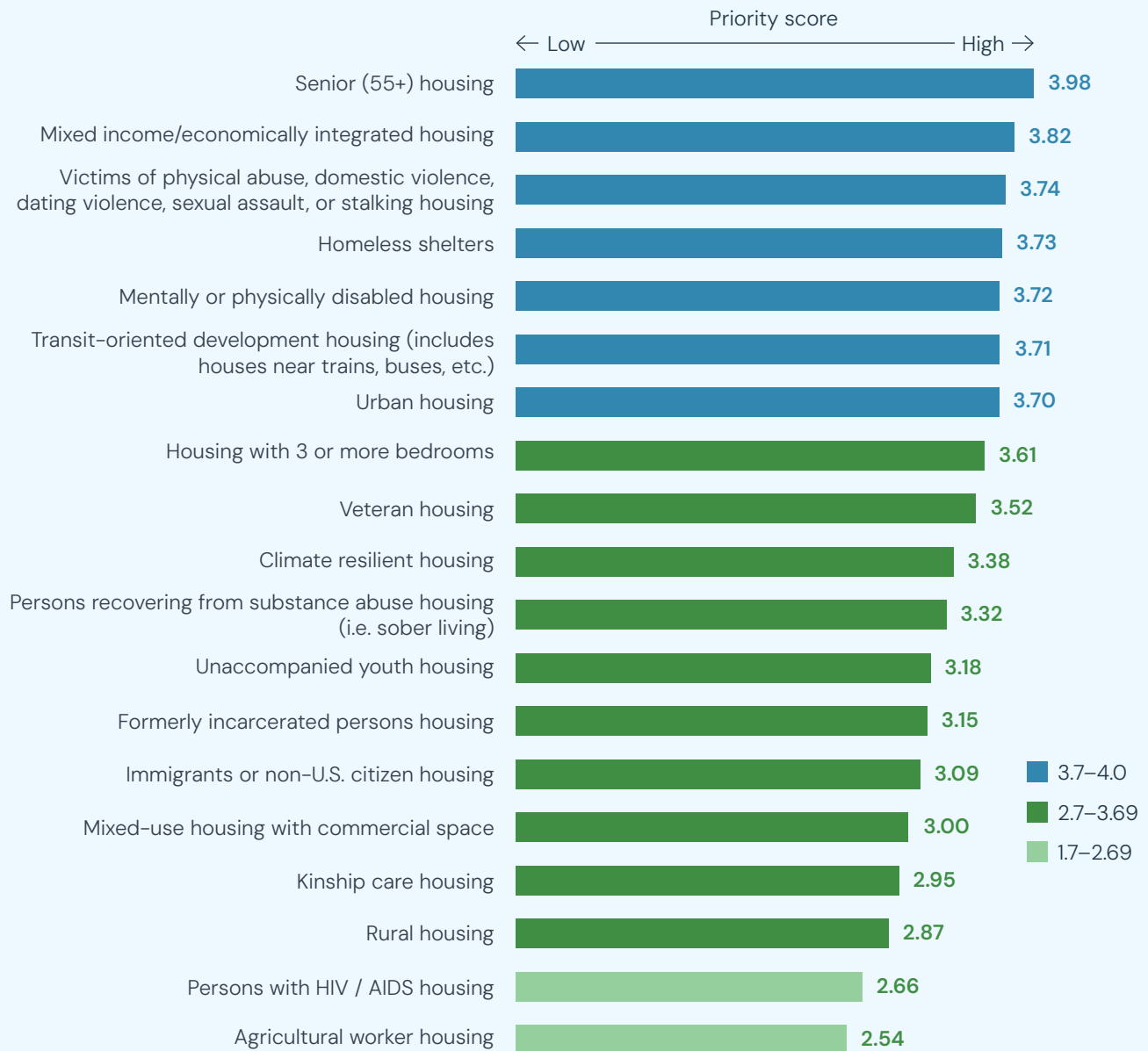
AMI LEVELS WITH GREATEST RENTAL AFFORDABLE HOUSING NEED



[2025 TCLP 11th District Survey]



AFFORDABLE HOUSING NEEDS RANKED BY TYPE



[2025 TCLP 11th District Survey]

2x national rate of homelessness



The Bank’s three-state district collectively accounts for 27.5% of the nation’s total homeless population: California has more than twice the national rate of people experiencing homelessness (48 per 10,000) (HUD, 2024), and all three states rank among those with the highest rates of unsheltered homelessness.



Linnet Corner

BANK AFFORDABLE HOUSING ACTIVITIES

In 2025, AHAC regularly convened with the Bank to discuss and provide guidance on the Bank's community programs. Based in part on these discussions and in response to housing supply needs, the Bank allocated \$50 million to the 2025 Affordable Housing Program, of which it awarded \$49.7 million across its General Fund and Nevada Targeted Fund to create more than 2,050 units of affordable housing across 31 projects throughout Arizona, California, and Nevada including:

- 75% of funded project units were for very low-income households (31-50% AMI)
- 22% of funded project units were for extremely low-income households (0-30% AMI)
- Senior housing totaling 414 units and homeless housing totaling 399 units

2025 AHP PROJECT AWARD HIGHLIGHT

PuraVida Senior Living
North Las Vegas, Nevada

Member: Town & Country Bank

Project Sponsor: Foresight Housing Partners

Project will construct 74 new affordable apartment units that prioritize accessibility and ADA compliance for very low-income seniors.



ECONOMIC IMPACT OF AHP IN ARIZONA

A January 2026 study by Arizona State University's Morrison Institute for Public Policy underscores the economic impact of, and housing supply created by, the Bank's AHP program in Arizona. Over 20 years, these grants added \$82.7 million to the state's GDP and the equivalent of 1,040 full-time jobs held for at least one year.

In 2025, the Bank funded \$695.7 million in Community Investment Program (CIP) advances. Nine different members used 33 CIP advances to fund mortgages for low- and moderate-income households, finance first-time homebuyer programs, create and maintain affordable housing, or support other eligible lending activities related to housing for low- and moderate-income households. The Bank also issued \$381.4 million of CIP Standby Letters of Credit on behalf of three members to credit enhance financing for multifamily rental projects in Northern and Southern California, Indiana, Kansas, Michigan, and Washington.

In addition to AHP grants and CIP advances and letters of credit, the Bank leveraged its authority to invest in mission-consistent securities, committing more than \$100 million in housing bond investments in 2025 to help preserve thousands of affordable homes for very low-income households across Arizona, California and Nevada. This included:

\$10M in a Freddie Mac bond issuance to preserve affordable housing units for low-income households in [Phoenix, Arizona](#).

\$52M in a Fannie Mae bond issuance to preserve 230 affordable housing units for very low-income households in [San Francisco](#).

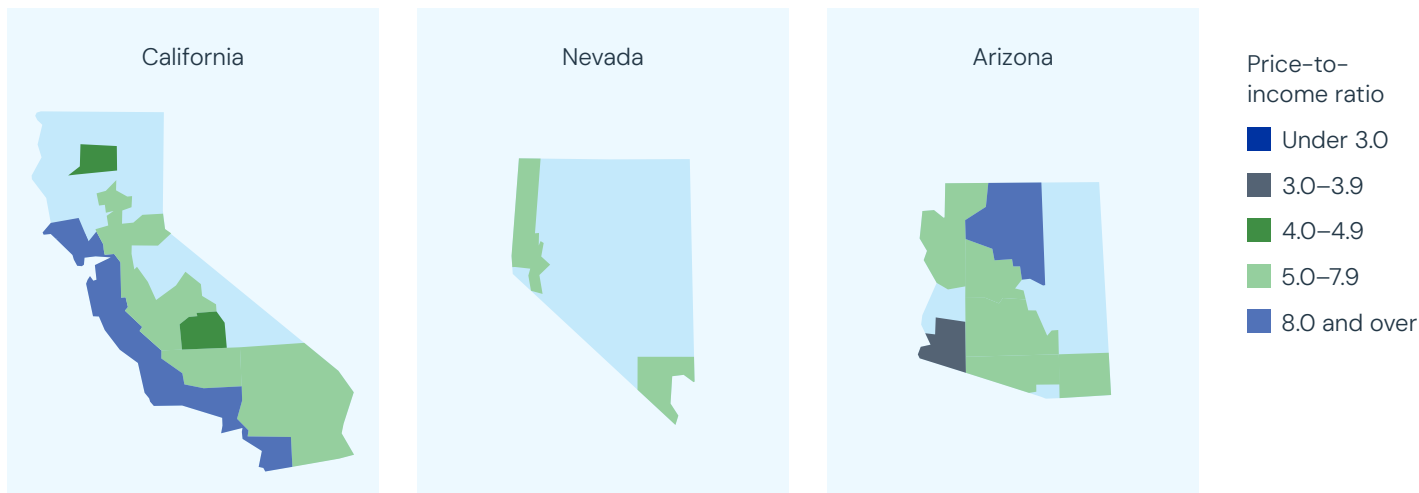
Lastly for rental housing activities, the Bank's Tribal Nations program awarded \$6 million in 2025 for outreach and technical assistance to tribes to apply for affordable housing funding, and grants for eight tribal organizations for affordable housing and related land acquisition and infrastructure. These funds contributed to the construction and rehabilitation of an estimated 212 housing units.

Homeownership Supply and Assistance

Key conditions in the Bank’s district:

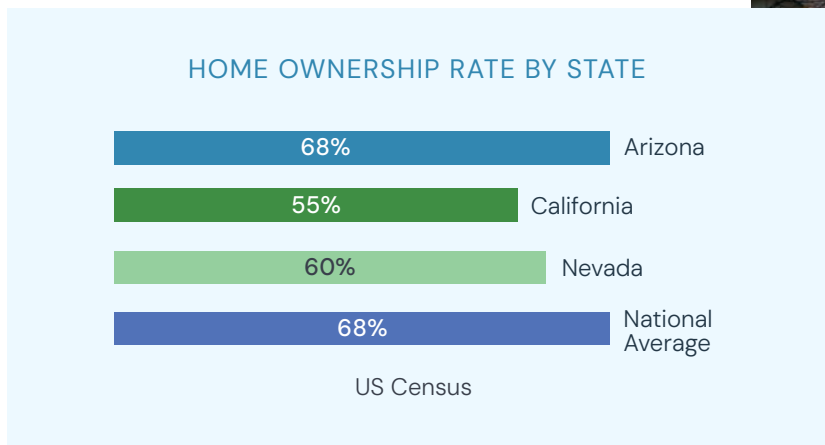
Homeownership remains out of reach for middle-income households in our district, especially in high-cost-of-living metro

areas like San Diego, Los Angeles County, and San Francisco Bay Area [JCHS, 2025]:



Note: Home prices are the median sale price of existing single family homes and incomes are the median household income within markets. Income data for 2024 are based on Moody’s Analytics forecasts. Source: JCHS tabulations of National Association of Realtors, Metropolitan Median Area Prices, and Moody’s Analytics estimates.

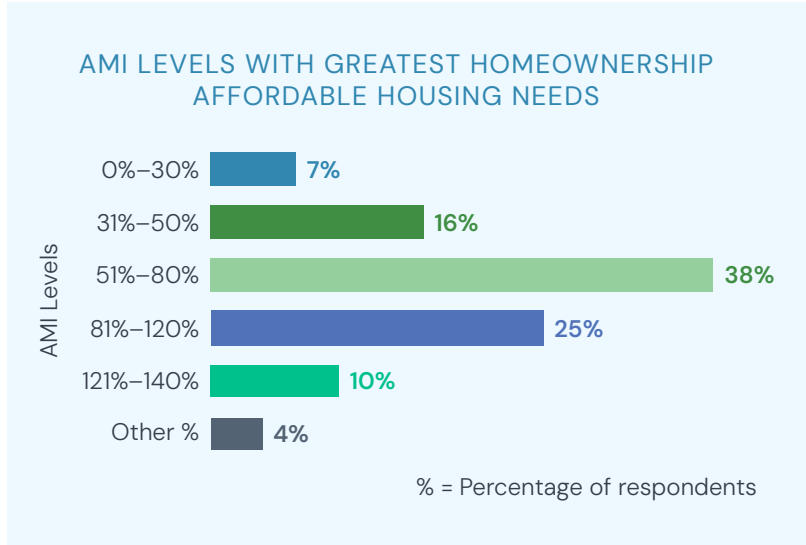
Homeownership opportunities remain uneven across the Bank’s district, especially compared to the national average [US Census 2025]:



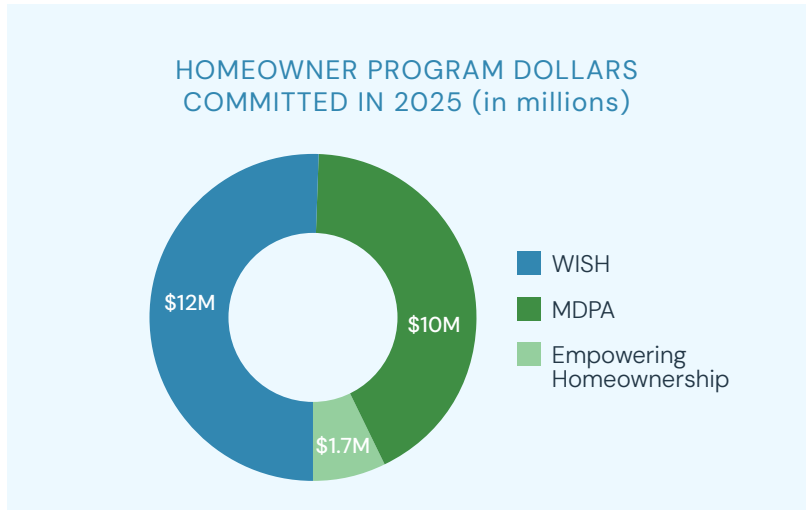
The Bank’s Targeted Community Lending Plan survey identified households below 80% of AMI (low-income) as having the greatest need for homeownership housing.

Bank affordable housing activities:

In consultation with the Advisory Council and in response to the district’s homeownership needs, the Bank allocated \$22M in 2025 for downpayment assistance and closing-cost grants for the WISH and Middle Income Downpayment Assistance programs. The Bank assisted 722 households through 40 of our members to lay the foundation for generational wealth.



Home loans for low-income households, were identified as the top priority for community lending credit and market opportunities in our district in 2025.



Moreover, in recognition that successful homeownership often begins with educational resources, the Bank worked with 11 members, in partnership with 21 housing counseling agencies, to collectively award over \$1.68 million in grants through the Bank's Empowering Homeownership program. These funds help ensure that both homebuyers and homeowners have access to the information and guidance they need to successfully purchase or maintain ownership of a home.

EMPOWERING HOMEOWNERSHIP PROGRAM OVERVIEW

11
Bank
members

21
counseling
agencies

\$1.7M
in grants



"Their \$2-for-\$1 matching program has made an extraordinary difference for housing agencies like ours, allowing us to stretch limited funding and continue the critical work of supporting future homeowners. Even when demand is hard to quantify, this kind of meaningful action stands out and strengthens our advocacy efforts."

Nikki Beasley

Executive Director, Richmond Neighborhood Housing Services, Inc.
Member, Affordable Housing Advisory Council

For lower- and middle-income families and individuals, access to quality homebuyer education helps remove barriers to homeownership, supports long-term housing stability, and enables the development of intergenerational wealth.

Economic Development

Key conditions in the Bank’s district:

Small businesses and local economies across the district face persistent inflationary and operational pressures [[Federal Reserve Bank, 2025](#)]:

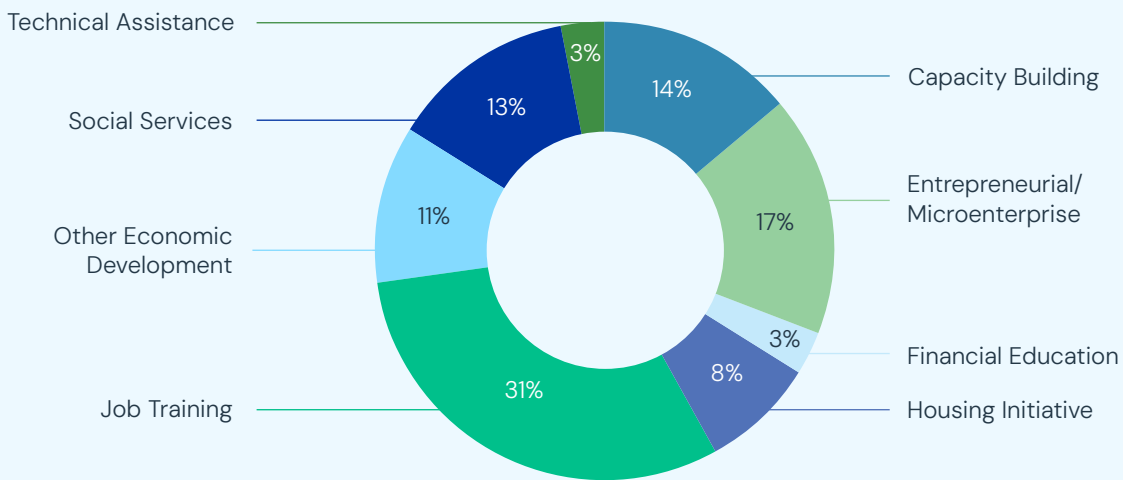
- Rising costs of goods and services, difficulty hiring or retaining qualified workers
- Supply chain disruptions
- Increased operating expenses

These conditions are particularly acute in low- and moderate-income communities and tribal areas, where access to credit, technical assistance, and growth capital remains uneven.

Bank economic development activities:

In 2025, the Bank awarded \$8 million through the AHEAD program to 64 economic development projects serving low- and moderate-income communities in the district to address the following needs:

AHEAD GRANT PROJECTS FUNDED AS A % OF \$8 MILLION



Workforce training, support for entry level workers, and small business loans are the top economic development priorities identified in the district survey for 2025, aligning with how the Bank awards these grants.

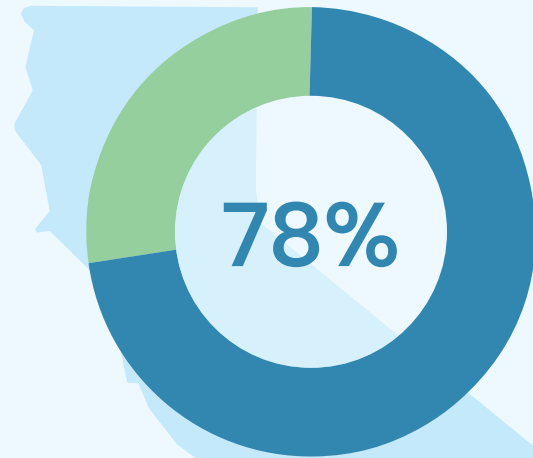
In 2025, the Bank provided \$525.4 million in Advances for Community Enterprise (ACE) funds to support community lending and economic development activities, including small business loans. The funding is expected to create or retain over 4,200 jobs.

Disaster Relief

Key conditions in the Bank's district:

- Among the 60 million housing units located in areas with at least moderate risk from climate disasters nationwide, many are in the Bank's district [[JCHS Nation's Housing, 2023](#)]. California has the most units at risk, as 4.6 million rental units (78% of its stock) have at least moderate hazard exposure [[JCHS Nation's Housing, 2025](#)]
- Since 2017, eight of the 10 worst wildfire events happened in California (in terms of insured financial claims), and the 2025 Los Angeles wildfires were the most destructive yet [[McKinsey, 2025](#)]
- Insurers have stopped offering coverage in some markets altogether, and several insurance companies announced plans to reduce the number of policies they offer in California

CLIMATE RISK EXPOSURE IN CALIFORNIA'S RENTAL HOUSING



of rental stock in California have at least moderate climate disaster exposure, totaling **4.6 million units**.

JCHS America's Rental Housing 2026

Bank disaster relief activities:

- In the wake of Southern California January 2025 wildfires, the Bank launched a rapid-response program with \$1.4 million available to match member donations for nonprofits providing relief efforts. The Bank matched 70 member donations from 41 member financial institutions delivering \$4 million in critical funding to nearly 50 local nonprofits to help communities devastated by the wildfires
- The Bank also made two direct donations of \$600,000 total — \$300,000 each to the California Fire Foundation and Habitat for Humanity of Greater Los Angeles—to support immediate emergency response and long-term rebuilding efforts
- With the help of the Bank and its member institutions' donations, the American Red Cross reached an estimated 178,000 people with relief and recovery services, including nearly \$54 million in financial assistance



Looking Ahead

Beyond the Bank's voluntary fund contributions, the 2026 Implementation Plan incorporates insights gleaned from AHAC's analysis of community investment activities. In 2025, in addition to the district survey, the Bank convened several focused discussions with AHAC on program effectiveness, resulting in targeted policy updates and increased program funding to better support the various needs across the district:

- Due to rising construction costs and unexpected project challenges, sponsors may now reapply for higher awards if projects are incomplete and have not yet received disbursement from the Bank
- To further support upcoming and existing Nevada affordable housing developers, the 2026 Implementation Plan adds AHP scoring preference points to nonprofit sponsors located in Nevada
- To align with other housing funding sources and simplify the application process, we've increased the required Transit & Amenities location radius to a half mile of the AHP project
- To address AHAC members' concern about general limited access to funding, we've increased preference points for small-scale rental projects in Nevada
- To spur more homeownership development, we've changed the program scoring to increase available points and subsidy by:
 - Introducing a tiered subsidy per unit scoring system for homeownership projects, so that they can ask for more funding per unit, up to \$100,000
 - Allowing homeownership projects to receive additional scoring points for first-time homebuyers
- The Bank increased funding in 2026 for the AHP General Fund, Nevada Targeted Fund, and WISH programs, and MDPA and AHEAD voluntary programs, compared to 2025

Collectively, these changes aim to accelerate construction, expand production where infrastructure and funding are constrained, and keep more projects moving from award to completion.

On behalf of the Affordable Housing Advisory Council, I extend heartfelt gratitude to our members, community partners, and FHLBank San Francisco for strengthening access to housing and economic development across the Bank's district. We are excited to continue the important work of creating more resilient communities in the year ahead.

Thank you,



Holly Benson

Chair, Affordable Housing Advisory Council,
FHLBank San Francisco