



WASHINGTON STATE  
HOUSING FINANCE  
COMMISSION

*Opening doors to a better life*

**2019 Impact Report**

# Transforming Washington

*from 1983-2019*

*Helping transform lives and  
communities in Washington State.*

 [www.wshfc.org](http://www.wshfc.org)

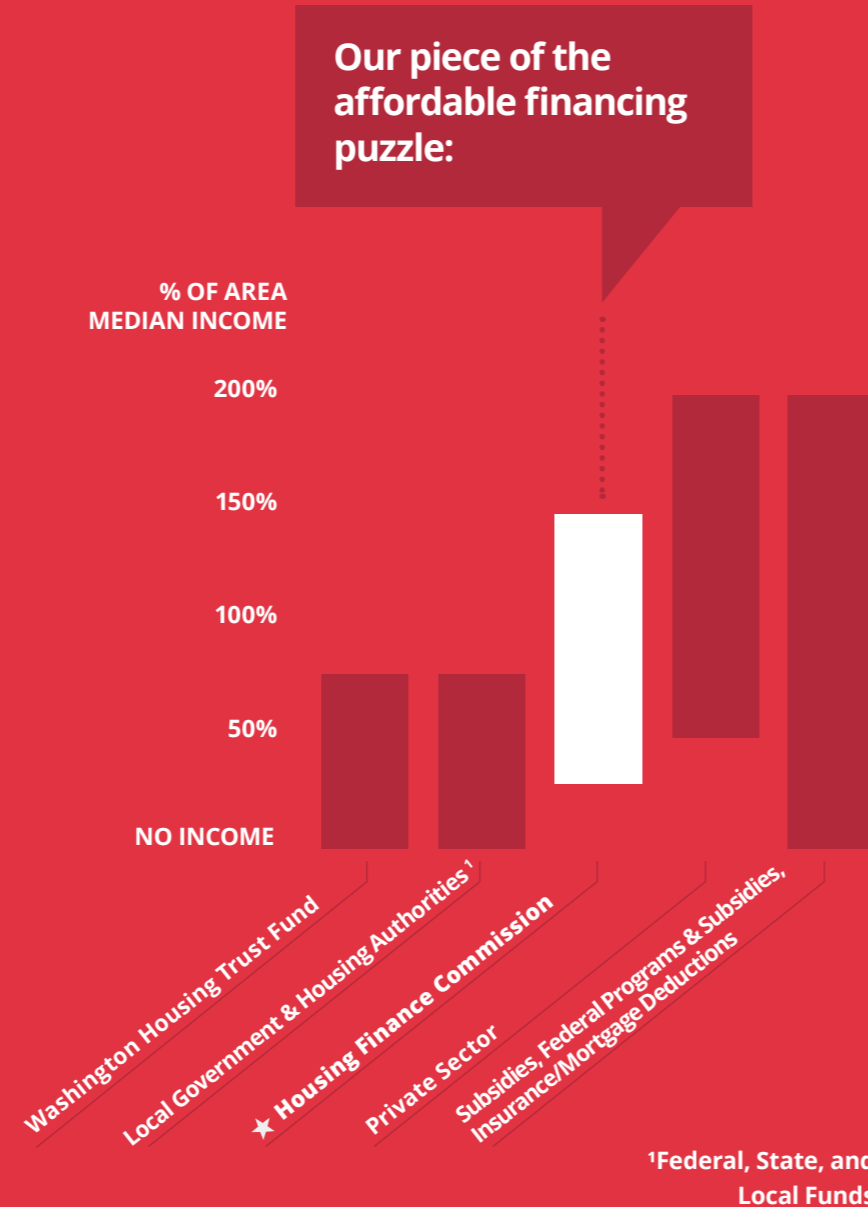


# Who We Help

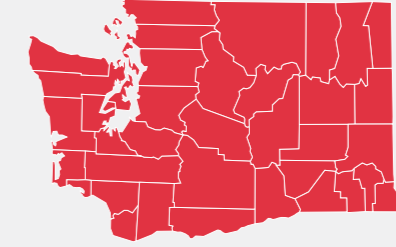
Our financing programs support affordable housing developments, home loans, nonprofit facilities, energy-efficient upgrades, and new farms and ranches.

The majority of the people we serve earn less than the area median income, which ranged from \$108,600 in King and Snohomish county to \$53,200 in Okanogan County.

*We offer affordable and flexible financing for people with low to moderate incomes.*



## Statewide 36 YEARS Impact



### Commission programs & services support:

- Affordable housing
- Community facilities
- Farms and ranches
- Energy projects
- Job creation
- State economy
- Thousands of families

Since 1983



81,295

single-family homes financed

+



132,093

multifamily units financed

×



2.1

people per household

=

448,115

people who have safe and affordable housing, thanks to the Commission.



# Multifamily Housing

*Since 1983, our financing has created, rehabilitated and preserved thousands of affordable apartments statewide using tax-exempt bonds and housing tax credits.*

*The Commission monitors and inspects the properties to ensure they remain safe, decent, and affordable for at least 40 years.*



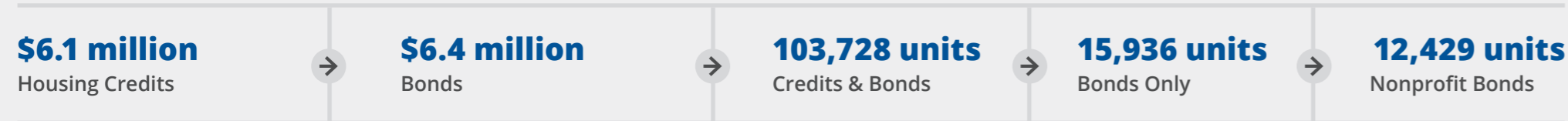


# Multifamily Units & Investments by County

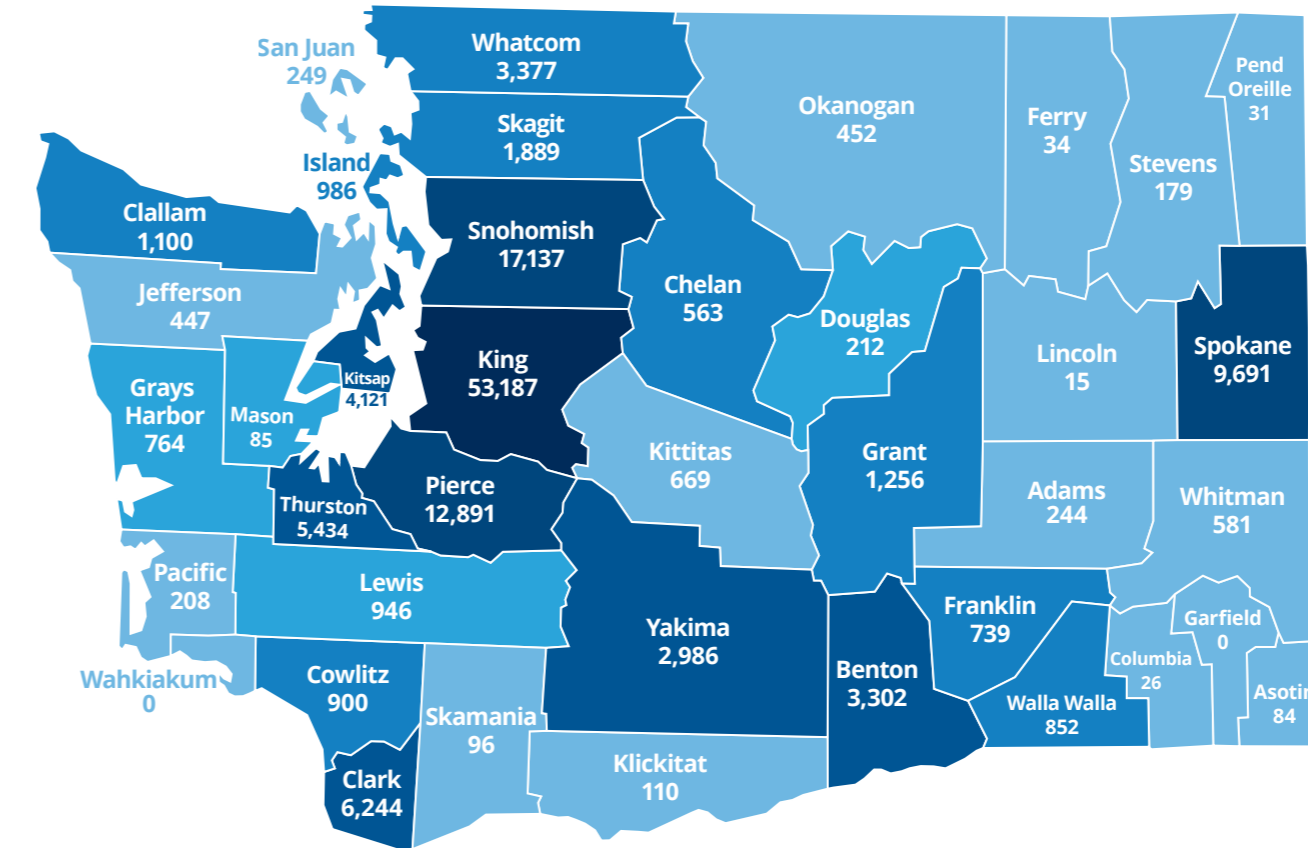
County	Amount Financed		Units Financed		
	Housing Credits	Bonds	Credits & Bonds	Bonds Only	Nonprofit Bonds
Adams	\$18,687,363	\$0	214	-	30
Asotin	\$4,867,162	\$0	84	-	-
Benton	\$125,342,332	\$124,500,000	2,875	427	-
Chelan	\$27,787,360	\$7,390,000	383	146	90
Clallam	\$61,490,825	\$17,876,394	961	87	52
Clark	\$240,469,696	\$304,067,899	5,079	1,165	-
Columbia	\$1,947,125	\$0	26	-	-
Cowlitz	\$33,292,228	\$4,818,000	686	214	-
Douglas	\$12,998,489	\$0	212	-	-
Ferry	\$2,928,555	\$0	34	-	-
Franklin	\$25,711,464	\$23,975,000	739	-	-
Garfield	\$0	\$0	0	-	-
Grant	\$88,261,046	\$9,600,000	1,152	24	80
Grays Harbor	\$46,795,163	\$25,800,000	751	-	13
Island	\$31,801,904	\$38,167,902	844	-	92
Jefferson	\$8,376,657	\$2,280,913	288	159	-
King	\$2,758,868,848	\$3,111,902,913	42,252	5,463	5,472
Kitsap	\$107,323,594	\$98,856,614	2,591	851	679
Kittitas	\$35,251,186	\$0	669	-	-
Klickitat	\$13,134,539	\$0	110	-	-

County	Amount Financed		Units Financed		
	Housing Credits	Bonds	Credits & Bonds	Bonds Only	Nonprofit Bonds
Lewis	\$54,001,266	\$19,925,000	906	-	40
Lincoln	\$413,440	\$0	15	-	-
Mason	\$2,856,114	\$1,266,243	61	24	-
Okanogan	\$37,055,679	\$0	452	-	-
Pacific	\$6,076,395	\$0	168	-	40
Pend Oreille	\$283,295	\$0	31	-	-
Pierce	\$472,515,120	\$455,925,696	8,842	2,501	1,548
San Juan	\$8,863,735	\$8,622,114	201	48	-
Skagit	\$74,874,674	\$54,000,677	1,761	-	128
Skamania	\$2,526,411	\$0	24	-	72
Snohomish	\$782,976,811	\$1,442,051,470	14,256	1,989	892
Spokane	\$422,394,476	\$275,945,000	7,087	1,157	1,447
Stevens	\$11,477,681	\$0	179	-	-
Thurston	\$148,821,395	\$211,181,261	3,167	1,059	1,208
Wahkiakum	\$0	\$0	0	-	-
Walla Walla	\$47,421,925	\$20,939,700	571	210	71
Whatcom	\$183,840,986	\$122,249,912	3,017	92	268
Whitman	\$21,312,906	\$2,770,000	289	264	28
Yakima	\$221,399,386	\$9,336,125	2,751	56	179
<b>TOTALS</b>	<b>\$6,144,447,250</b>	<b>\$6,393,448,835</b>	<b>103,728</b>	<b>15,936</b>	<b>12,429</b>

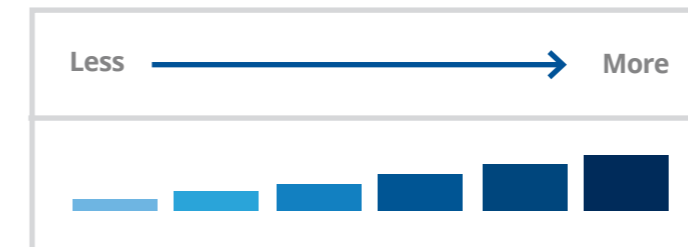
Cumulative Totals: by county from 7/1/1983 - 6/30/2019



# Multifamily Units by County



## Impact Measure



## OVERVIEW



**132,093**  
total housing units



**33,164**  
senior housing units  
*(incl. in total unit count)*



**4,594**  
homeless units  
*(incl. in total unit count)*



**\$14.8 billion**  
total amount invested  
*(bonds & housing credits)*





## Low Income Housing Tax Credit (1986 – 2019)



**\$6.1 billion**  
allocated



**1,254**  
properties created  
or preserved

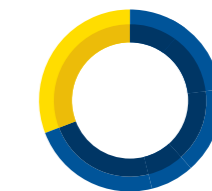


**103,728**  
total units

The Low-Income Housing Tax Credit is a federal income-tax incentive that encourages private investment in affordable housing. The Commission allocates the credit to build and preserve housing projects statewide.

### Two Types of Credit:

#### 1. Credits Only (9%) (equity)



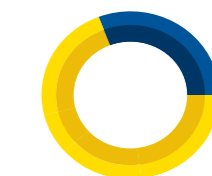
..... pays up to **70%**  
of project costs

Serves lower incomes and special needs

37,264 units

787 properties

#### 2. Credits Plus Bonds (4%) (equity + debt)



..... pays up to **30%**  
of project costs

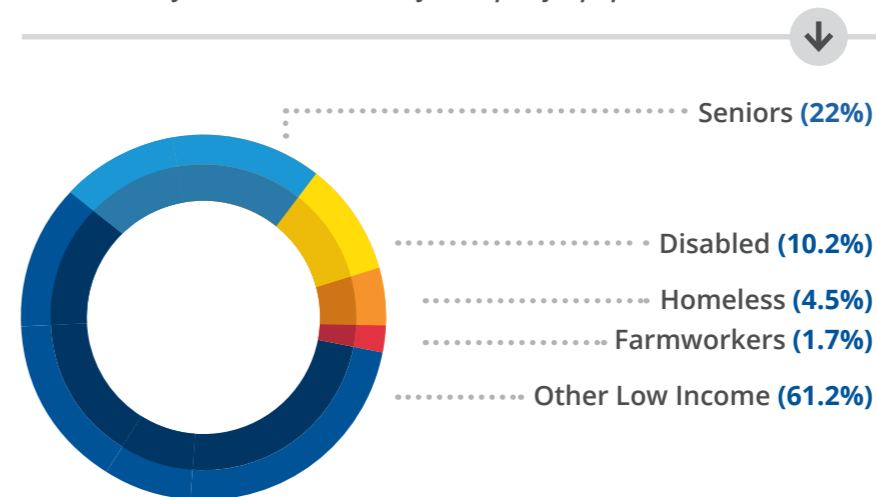
Serves working families

66,464 units

467 properties

### Who Do Housing Credits Help?

About 39% of units are set aside for a specific population.





# Nonprofit Housing and Other Bonds

Offering Affordable Financing for Multifamily projects



### Nonprofit Housing Bonds: 179 projects | 12,429 units

Tax-exempt 501(c)(3) bonds help nonprofit providers of housing (and housing with services) to finance or refinance independent-living apartments, group homes, assisted-living facilities, nursing homes, retirement communities, and student dormitories.

- \$2.65 billion in tax-exempt bonds helped finance 12,429 units of rental housing.
- Tax-exempt nonprofit bonds were refinanced for 786 projects.



### Bonds Only (80/20 Program): 15,936 units

In this rarely-used program, tax-exempt multifamily bonds are used by nonprofit or for-profit housing developers to create affordable apartments, often as part of housing for independent seniors.



# Special Investments

Offering Affordable Financing for Housing Projects



### Manufactured Home Preservation Program: 13 communities | \$11.5 million

Through partnerships with ROC Northwest and ROC USA, this loan program empowers residents of a manufactured-home community (“mobile-home park”) to join together to form a cooperative and purchase the land under their homes. As self-owned communities, they create a bright future of long-term security, collective investment in improvement and maintenance, self-made rules, and affordability.



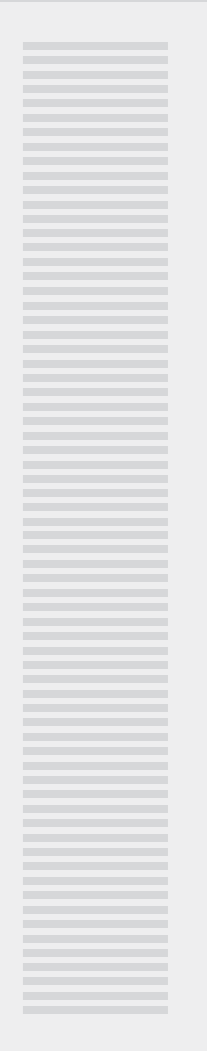
### Critical Projects Preservation Fund: 4 projects | \$7.8 million

This program provides gap financing for community and housing projects that are critical to local populations and not otherwise available in the community. Financing can be used for acquisition, rehabilitation, construction, preservation, and repurposing of housing and community facilities.



### Land Acquisition Program: 52 projects | \$35 million

This revolving loan program helps eligible organizations to purchase land for the future development of affordable single-family homes and rental apartments.





# Home-ownership

*In 2019, the Commission celebrated our 80,000th home loan since we were created in 1983. Our homeownership programs*

*offer not only home loans but valuable downpayment assistance and free home-buyer education.*





# Home Loans & Downpayment Loans By County

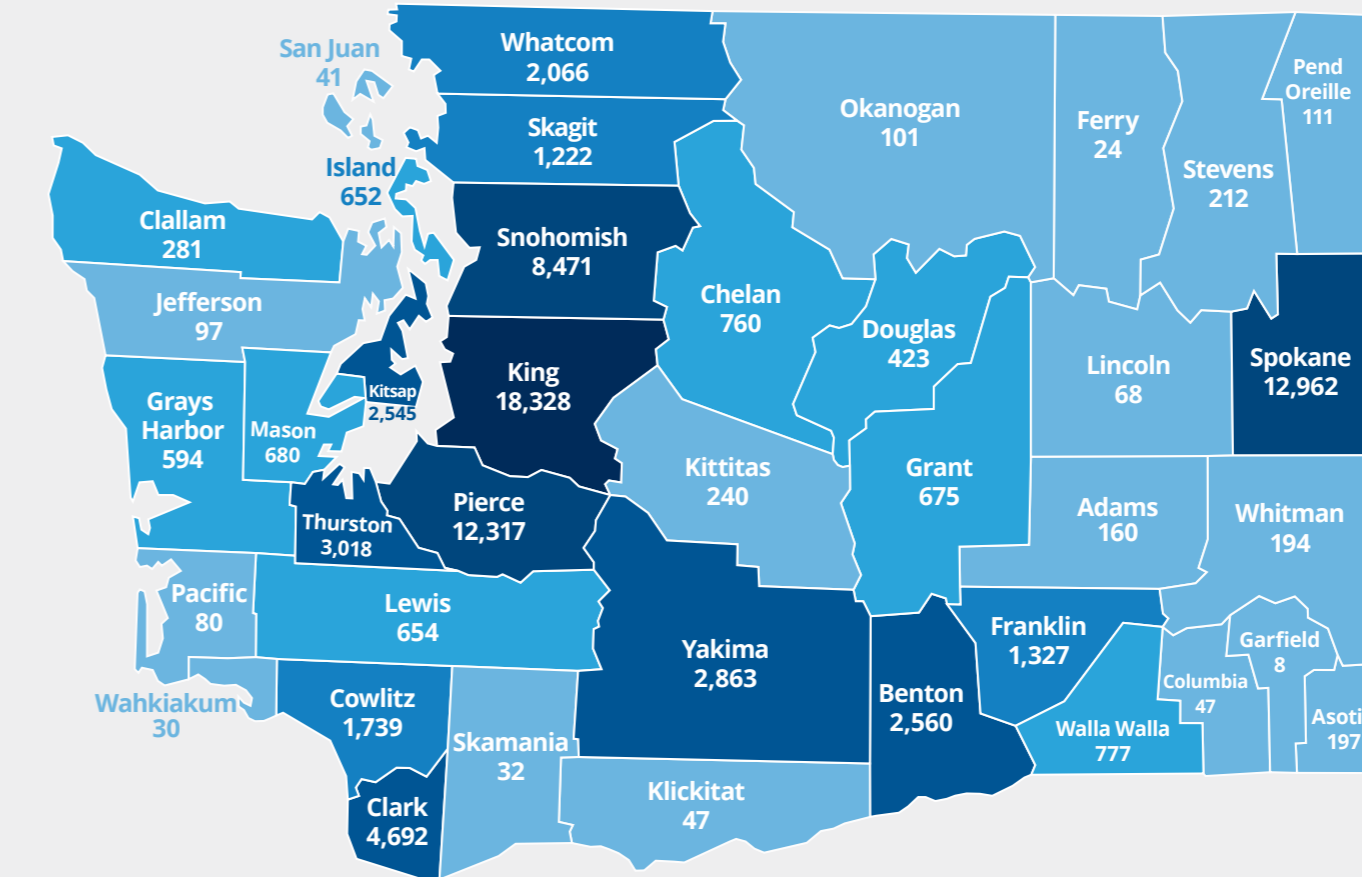
County	First Mortgage Loans		Downpayment Loans	
	Amount	Number	Amount	Number
Adams	\$17,982,781	160	\$636,690	96
Asotin	\$15,874,363	197	\$410,098	68
Benton	\$384,743,556	2,560	\$12,378,561	1,658
Chelan	\$77,800,347	760	\$1,558,813	207
Clallam	\$37,539,615	281	\$1,497,118	183
Clark	\$781,597,301	4,692	\$23,405,195	2,622
Columbia	\$3,389,282	47	\$160,211	17
Cowlitz	\$251,999,528	1,739	\$8,266,511	1,210
Douglas	\$49,757,202	423	\$1,095,976	143
Ferry	\$2,006,565	24	\$40,450	8
Franklin	\$217,745,373	1,327	\$7,028,508	903
Garfield	\$758,023	8	\$23,911	4
Grant	\$84,816,325	675	\$2,713,149	397
Grays Harbor	\$74,623,551	594	\$2,503,342	368
Island	\$104,694,527	652	\$2,505,205	282
Jefferson	\$16,590,869	97	\$562,882	71
King	\$2,622,565,882	18,328	\$77,892,074	6,269
Kitsap	\$379,860,525	2,545	\$10,332,450	1,230
Kittitas	\$41,595,135	240	\$1,318,885	154
Klickitat	\$7,001,404	47	\$223,983	31

County	First Mortgage Loans		Downpayment Loans	
	Amount	Number	Amount	Number
Lewis	\$98,573,582	654	\$3,672,462	507
Lincoln	\$7,069,052	68	\$313,214	43
Mason	\$103,263,332	680	\$3,522,999	466
Okanogan	\$11,062,499	101	\$345,203	55
Pacific	\$11,628,157	80	\$506,425	68
Pend Oreille	\$12,710,231	111	\$360,166	52
Pierce	\$2,267,633,935	12,317	\$75,065,570	8,202
San Juan	\$8,687,431	41	\$288,180	26
Skagit	\$220,829,333	1,222	\$6,464,074	775
Skamania	\$6,382,534	32	\$213,543	25
Snohomish	\$1,610,879,943	8,471	\$43,587,621	4,426
Spokane	\$1,313,003,815	12,962	\$37,789,633	6,348
Stevens	\$27,235,353	212	\$1,001,818	146
Thurston	\$460,354,105	3,018	\$12,474,457	1,481
Wahkiakum	\$5,055,214	30	\$174,777	23
Walla Walla	\$64,677,066	777	\$1,427,242	221
Whatcom	\$384,126,132	2,066	\$9,134,382	927
Whitman	\$23,336,099	194	\$766,842	101
Yakima	\$323,555,676	2,863	\$9,645,348	1,506
<b>TOTALS</b>	<b>\$12,133,005,643</b>	<b>81,295</b>	<b>\$361,307,969</b>	<b>41,319</b>

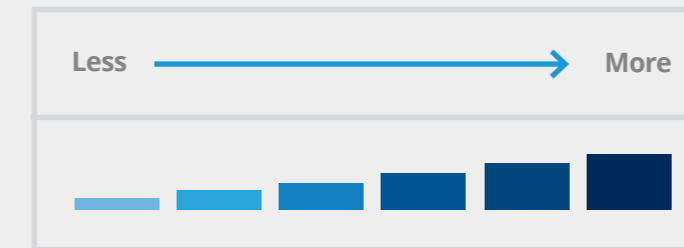
### Cumulative Totals: by county from 6/1/1983 - 6/30/2019

First Mortgage Loans		Downpayment Loans	
<b>\$12 billion</b> in first mortgage loans	➔	<b>81,295</b> households served	
		<b>\$361.3 million</b> in second mortgage loans	➔
		<b>41,319</b> households served	

# Home Loans by County



### Impact Measure



### OVERVIEW

**81,295**  
first mortgage loans

+

**41,319**  
downpayment assistance

=

**122,614**  
total homebuyer loans  
*(Households may receive both first mortgage loans and downpayment assistance loans)*

**\$12.4 billion**  
total amount invested



# Homeownership Programs

People in every Washington state county have achieved the dream of homeownership thanks to the Commission's home loans and down-payment assistance.

## First Mortgage Programs\*

### 1. Home Advantage Program (2013 - present)



**\$7.4 billion**  
in loans



**33,607**  
households served

In 2012, Home Advantage replaced House Key as the Commission's primary first-mortgage program. It is funded by the proceeds from loans bought and sold on the open market. Key differences are simplified eligibility, no restriction to first-time homebuyers, and no limit to funding.

\*Borrowers may combine some programs, but not others.

### 2. House Key State Bond (1983 - present)



**\$4.7 billion**  
in loans



**47,686**  
households served

#### Open Door Second Mortgage:

Provided 9 loans in downpayment and closing-cost assistance for first-time homebuyers in the City of Tacoma or King County.

### 3. Mortgage Credit Certificate (2008 - present)



**8,905**  
households served



A tax-credit program used to offset a portion of personal federal tax liability so that buyers can more easily afford their mortgage payments.

## 4. Homeowner/Homebuyer Counseling (1998 - present)



**\$38.5 million**  
allocated to nonprofit organizations



**128,500**  
households assisted


The Commission oversees one of the state's largest housing counseling programs, including help for homeowners facing foreclosure. In addition to funding 20 nonprofit partners and 50-90 housing counselors statewide, these funds also support the state's foreclosure counseling hotline.

Homeowner/Homebuyer Counseling		
Amount	Grant Source	Nonprofit Organizations Providing Counseling
\$21,800,000	State of Washington 2011 Foreclosure Fairness Act	18
\$5,997,910	Housing and Urban Development	50
\$3,120,000*	Washington State Office of the Attorney General (National Settlement)	13
\$2,656,728**	National Foreclosure Mitigation (Administered by NeighborWorks)	11
\$990,000	State of Washington 2008 legislative appropriation	25
\$807,788	Washington State Office of the Attorney General (McGraw Hill/Standard & Poor's Settlement)	11
\$595,000	Washington State Office of the Attorney General (Countrywide Settlement)	11
\$571,355	Rural Housing and Economic Development	16
\$550,000	Washington State Office of the Attorney General (Wells Fargo Settlement)	16
\$500,000	State of Washington 2010 legislative appropriation	15
\$385,250*	Housing and Urban Development Emergency Homeowners Loan Program	8
\$300,000	Washington State Office of the Attorney General (PHH Mortgage Corp. Settlement)	7
\$250,000*	Housing and Urban Development Neighborhood Initiative	22
\$70,000	King County Veterans, Seniors & Human Services Levy (VSHSL)	4

\*Ongoing Programs / \*\*Administered by NeighborWorks



## 5. Homebuyer Education (1991 - present)



**259,617\***  
potential homebuyers



**21,239**  
free homebuyers seminars coordinated statewide



**31,970**  
online seminars completed since 2014



**10,052**  
instructors trained to teach free homebuyer seminars, including lenders, real estate professionals, and nonprofit partners.

\*Classes include the process of homebuying, real estate and finance terminology, and home maintenance and repair.



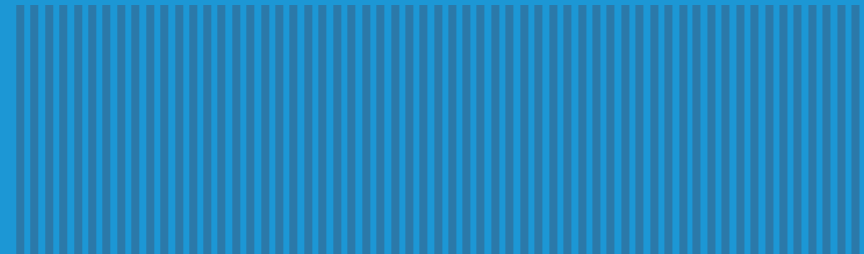
## 6. Downpayment Assistance (1983 – present)



 **\$361.3 million**  
in second mortgage loans

 **41,319**  
households served

The Commission offers second mortgages to assist homebuyers with the downpayment and closing costs. Maximum loan amounts and interest rates vary by program. Many programs are sustained through the Commission's Program Investment Fund. Downpayment assistance is only available to borrowers who use a Commission first mortgage and complete a homebuyer-education class.



Downpayment Assistance   Current Programs 2019		THROUGH 2018/19	
Program	Eligible Households	Borrowers Served	Total Loaned
Home Advantage DPA	Those who qualify for a Home Advantage first mortgage	28,959	\$255,881,956
House Key Plus <i>(ended Jan. 2013 - re-opened 2016)</i>	Low-income and moderate-income first-time homebuyers	8,263	\$44,184,393
HomeChoice	Individuals with disabilities <i>(42% of borrowers earn less than 50% of the area median income)</i>	1,456	\$18,379,203
House Key Plus Seattle	First-time homebuyers within the City of Seattle earning 80% or less of area median income	408	\$20,847,651
Home Advantage Rebound <i>(funded by the state Consumer Remedy Fund)</i>	Those buying a home that has been foreclosed	359	\$3,162,673
House Key Schools	Employees of community/technical colleges, K-12 public schools, & private schools accredited by the WA state	195	\$1,477,698
New Home for You <i>(now Home Advantage Built New)</i>	Those purchasing newly constructed, never-occupied homes	145	\$1,073,081
House Key Plus CLT	Those buying a home in King, Skagit, San Juan, or Whatcom counties on community land trust (CLT) property	124	\$1,550,721
House Key Plus ARCH <i>(A Regional Coalition for Housing)</i>	Those buying a home in east King County within an ARCH member city or surrounding unincorporated area	72	\$2,075,961
House Key Veterans	Military veterans	69	\$481,942
Tacoma DPA	First-time homebuyers within the City of Tacoma earning 80% or less of area median income	62	\$1,172,601
Bellingham DPA	Applicants buying within the City of Bellingham limits	21	\$757,783
Pierce County DPA	Applicants buying within the Pierce County limits	18	\$393,300
House Key Bremerton <i>(ended 2012 - re-opened 2016)</i>	Applicants buying a property in the City of Bremerton	6	\$56,916
Downpayment Assistance   Previous Programs		THROUGH 2018/19	
House Key Real Estate Owned <i>(ended 2012)</i>	Applicants buying a home that has been foreclosed	893	\$6,448,429
House Key Rural <i>(ended 2011)</i>	Rural borrowers who earn 80% or less of area median income	193	\$1,760,117
House Key King County <i>(ended 2010)</i>	Applicants buying a home in King County <i>(outside the Seattle city limits and outside of the ARCH King County area)</i>	38	\$1,124,256
House Key Federal Way <i>(ended 2010)</i>	Applicants buying a foreclosed, bank-owned, delinquent, or abandoned home located in eligible census tracts in Federal Way	11	\$314,213
House Key Extra <i>(ended 2005)</i>	Rural residents with disabilities or who have a dependent family member with a disability	27	\$165,075



# Transforming Communities

*In addition to housing, the Commission finances many other projects that enhance communities, such as sustainable energy*

*projects, facilities for nonprofits, and even land and equipment for beginning farmers and ranchers.*



Finnriver Cidery used our Sustainable Energy Program to purchase a biodigester that turns waste into energy and fertilizer.



# Beyond Housing (1983–present)

## 1. Nonprofit Facilities

**\$1.2 billion**  
in bonds

**163**  
facilities

The Commission issues tax-exempt 501(c)(3) bonds to finance capital facilities and equipment owned by non-profit organizations.

County	Facilities
Benton	3
Clark	2
Grays Harbor	1
King	86
Kitsap	5
Pierce	13
San Juan	1
Skagit	3
Skamania	1
Snohomish	19
Spokane	10
Thurston	10
Walla Walla	1
Whatcom	5
Whitman	1
Yakima	2
<b>Total</b>	<b>163</b>

## 2. New Farmer/Rancher Program

**\$8.3 million**  
in bonds

**33**  
farms

The Commission, in partnership with Northwest Farm Credit Services, issues bonds to new farmers and ranchers to purchase land and equipment. The Commission also offers a second loan to help borrowers with a cash downpayment.

County	Acres	Number of Farms
Adams	60	1
Benton	20.8	2
Chelan	11	1
Clark	83.67	1
Ferry	226	1
Franklin	92	1
Grant	76	2
King	59.47	3
Kittitas	120	1
Lewis	105.8	2
Lincoln	270	1
Pierce	74	2
Spokane	40	1
Walla Walla	10.12	1
Whatcom	48	2
Whitman	740	7
Yakima	144.72	4
<b>Total</b>		<b>33</b>

## 3. Sustainable Energy Program

**\$29.1 million**  
invested

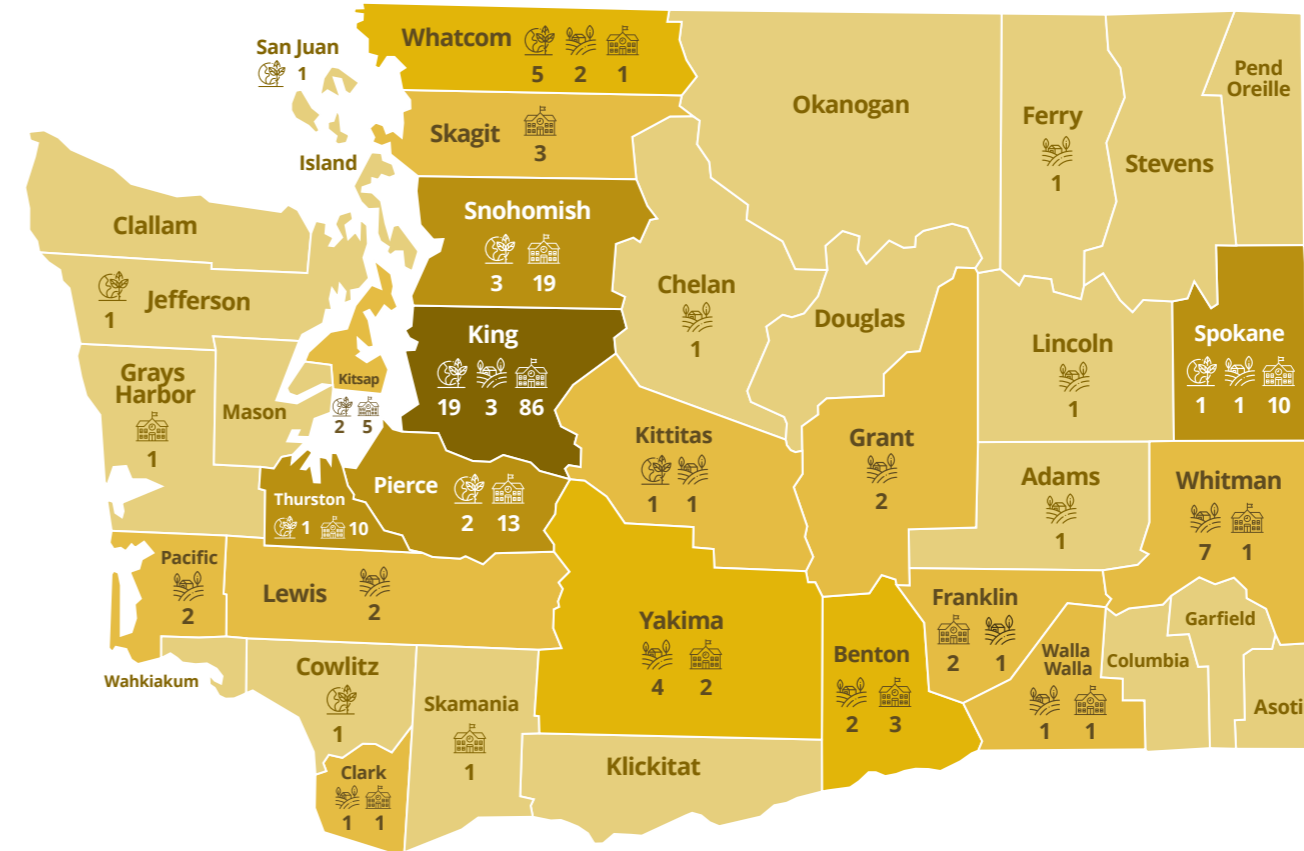
**33**  
projects

In 2009, the state legislature gave the Commission the authority to develop financing programs for energy efficiency and renewable-energy projects.

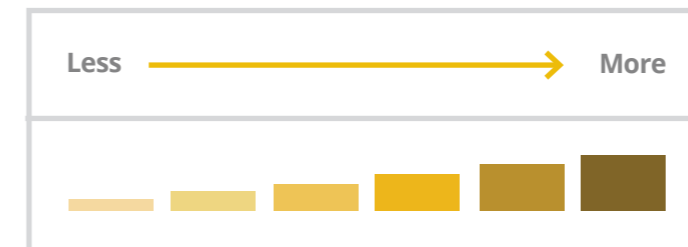
- They include:**
- Energy-efficiency upgrades at Seattle-area and Bellingham YMCAs, nonprofits in Everett and Seattle, and a Bainbridge Island grocery store
  - Biodigesters for companies in Chimacum & on Vashon Island to convert waste into clean energy
  - Affordable and highly energy-efficient single-family homes in Seattle and Spokane

County	Number of Projects
Cowlitz	1
Jefferson	1
King	19
Kitsap	2
Kittitas	1
Pierce	2
San Juan	1
Snohomish	3
Spokane	1
Thurston	1
Whatcom	1
<b>Total</b>	<b>33</b>

# Projects by County



## Impact Measure



## OVERVIEW

**36**  
years

**223**  
projects

**33**  
energy projects

**33**  
farms

**163**  
nonprofit facilities

- 12 Culture & Arts Facilities
- 48 Family & Support Service Facilities
- 4 Health Service Facilities
- 14 Job Training
- 33 Recreational Facilities
- 45 Youth Education Facilities
- 7 Other

**\$9.5 billion**  
total amount  
invested






# Transforming Washington

*Across rural, urban, and suburban communities in almost every county, the Commission's financing has made a difference for Washington State.*





# Keeping housing safe and affordable since 1983

 <b>100,000+</b> units monitored statewide	 <b>1,140+</b> properties monitored each year	 <b>360+</b> properties physically inspected each year
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### Asset Management & Compliance

*Once the affordable apartments we finance are built or rehabilitated, the work of the Asset Management & Compliance team begins. This division helps property owners and managers comply with the federal tax code, state statutes, and contractual commitments that come with bond and tax-credit financing for up to 40 years.*

- ### Education & Training
- Workshops on compliance topics, WBARS classes and specialized training sessions
  - Phone and email support by our staff experts
  - Monthly e-newsletter for property owners and managers
  - Manuals, training videos, FAQs, and other online resources

- ### Partnerships
- By working with other entities who fund housing, the Commission helps to maximize agency resources and minimize inspections and reporting requirements.
- Cities of Seattle, Spokane, Tacoma, and Bellingham
  - King, Pierce and Snohomish Counties
  - Wash. State Department of Commerce
  - USDA Rural Development, WA State
  - Department of Housing and Urban Development

### Web-based Reporting System

The Washington State Web-Based Annual Reporting System, or WBARS, is a comprehensive online system managed by the Commission and shared by numerous public funders of housing. It manages detailed information on thousands of properties, allowing all our property managers and owners to easily meet reporting requirements, while giving funders a powerful oversight tool.

# Financial Oversight



- ### The Commission's Finance Division:
- Ensures the Commission's ongoing fiscal integrity.
  - Monitors, records, and reports all financial transactions.
  - Manages the Commission's outstanding debt, ensuring compliance with legal requirements of bonds.
  - Oversees internal controls and safeguards assets.

- ### Management of Assets
- Monitors performance of trustees, servicers, and other outside contractors.
  - Records transactions and creates quarterly financial statements on outstanding bond issues.
  - Supplies voluntary disclosure reports to bond investors.

- ### General Operations
- Prepares monthly financial statements.
  - Performs investment management oversight.
  - Coordinates the annual budget and work-planning process.
  - Coordinates annual audits by independent auditors & the state auditor.
  - Administers and monitors the Program Investment Fund.
  - Provides financial management and accounting services for affiliate agencies.



# Affiliate Agencies

### Washington Higher Education Facilities Authority

 <b>\$2.1 billion</b> issued	 <b>89</b> bond issues
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The Finance Division manages the assets of the Washington Higher Education Facilities Authority, a governor-appointed board. WHEFA financing enables the state's nonprofit, private colleges and universities to build, equip, expand, and improve their facilities through tax-exempt bonds.

### Tobacco Settlement Authority

 <b>\$152 million</b> of outstanding debt	 <b>1</b> bond issue
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The Finance Division manages the assets of the Tobacco Settlement Authority, a governor appointed board established to oversee the issuance of bonds against state tobacco settlement revenues in 2002. In 2013 and 2018, bonds were refunded to save Washington taxpayers millions of dollars in interest over the next decade.





Photos by Tom Turley,  
except as noted



WASHINGTON STATE  
HOUSING FINANCE  
COMMISSION

*Opening doors to a better life*

## Our Mission

The Washington State Housing Finance Commission is a publicly accountable, self-supporting team, dedicated to increasing housing access and affordability and to expanding the availability of quality community services for the people of Washington.

***Here's to another year of transformation!***

 [www.wshfc.org](http://www.wshfc.org)