Since legislators created the Washington State Housing Finance
Commission in 1983, we’ve been a resource for residents statewide.
Like everyone, we’re adapting to the “new normal” of the post-
recession economy. In the process, we’re finding new ways to create
affordable housing and build community. Our programs continue to
help house thousands of people, generate billions in financial impact,
and create or sustain thousands of jobs. We’ve provided this annual
summary to illustrate the benefits of our work for Washington
residents over nearly three decades.

**Total Economic Impact** 1983–June 30, 2012 (rounded)

- Financed mortgage loans for 44,749 affordable single-family homes
- Financed development of 93,101 apartment units/beds
- Financed 147 facilities for nonprofit organizations
- Contributed about $42.5 billion in wages and material purchases to the economy of Washington State*
- Generated 237,622 full-time equivalent jobs attributed to Commission funding

*Economic benefit calculated by Washington Center for Real Estate Research/Washington State University. This figure reflects the total economic impact of Commission programs from 1983 to 2011. Dollars are adjusted for inflation.

On the cover Joyce Williams, a retired steelworker and a longtime resident of Seattle’s Graham/Terry
Apartments, says affordable housing like hers is essential: “Too many people are one paycheck away from
homelessness.” The Graham/Terry was financed in part through housing credits allocated by the Commission.
“Public sources focus on construction of new affordable housing, so there’s very little money available for preservation to improve our properties’ long-term performance—and that’s a crucial piece of the puzzle. The Commission has helped build recognition for the need for more funding aimed at preserving existing affordable housing stock.”

Lynda Carey
Construction and Asset Manager, Bellwether Housing, Seattle
The Commission’s Homeownership Division helps make the American Dream possible for first-time, low- and moderate-income homebuyers across the state. Our programs address the unique purchasing needs of people in a variety of circumstances.

(July 1, 1983, through June 30, 2012, rounded)

**House Key State Bond**
Issued $4.12 billion in tax-exempt bonds and $106 million in taxable bonds, extending the state’s limited bond cap to provide below-market-rate loans to 44,749 low- and moderate-income households. These numbers include the following programs:

- **Mortgage Credit Certificate**: A tax credit program used to offset a portion of personal federal tax liability so that buyers can more easily afford their mortgage payments. This program has provided 1,462 loans.  
- **Open Door Second Mortgage**: Provided 74 loans in downpayment and closing-cost assistance for first-time homebuyers purchasing a home in the City of Tacoma or in King County.
- **CRA (Community Reinvestment Act) Single-Family Home Ownership**: Provided 49 first-mortgage loans for low- and moderate-income families in rural areas of Washington.
- **Cash Window, Voyager, and Express Programs**: Provided 168 House Key loans which were sold directly to Fannie Mae and Ginnie Mae, making it possible for the Commission to assist more first-time homebuyers with first-mortgage funds.

**House Key Plus**
Provided $26,032,374 in downpayment and closing-cost assistance to 6,246 low- and moderate-income first-time homebuyer households.

**House Key Plus Seattle**
Provided 340 loans totaling $17,887,753 as downpayment and closing-cost assistance for people who purchase their first home with income of 80 percent or less of area median income within the City of Seattle. This program began in March 2004 and is in partnership with the City of Seattle.

**HomeChoice**
Provided $13,658,707 in downpayment and closing-cost assistance for second mortgages to 1,073 individuals with disabilities. Forty-two percent of borrowers earn less than 50 percent of the area median income.

**House Key Plus ARCH**
Provided 59 loans totaling $1,896,961 in downpayment and closing-cost assistance for applicants in east King County buying a home or condominium within an ARCH (A Regional Coalition for Housing) member city or surrounding unincorporated east King County ARCH area.

**House Key Plus CLT**
Provided 88 loans totaling $1,217,225 in downpayment and closing-cost assistance for applicants in King, San Juan, and Whatcom counties buying a home or condominium on community land trust (CLT) properties.

**House Key Schools**
Provided 121 loans totaling $915,035 in downpayment and closing-cost assistance for applicants who are employees of community and technical colleges and K-12 public and private schools accredited or recognized by the state of Washington.

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1Loans produced in FY 2008 through FY 2012 only.
House Key Veterans
Provided 29 loans totaling $232,951 in downpayment and closing-cost assistance for applicants who are veterans.

House Key Bremerton
Provided 5 loans totaling $36,916 in downpayment and closing-cost assistance for applicants buying a property in the City of Bremerton.

House Key Extra
Provided 27 loans totaling $165,075 in downpayment and closing-cost assistance for rural residents with disabilities or who have a dependent family member with a disability.

House Key Rural
Provided 193 loans totaling $1,760,117 in downpayment and closing-cost assistance for rural borrowers who earn 80 percent or less of area median income.

House Key Real Estate Owned
Provided 804 loans totaling $5,786,392 in downpayment and closing-cost assistance for applicants purchasing homes that have previously been foreclosed.

House Key New Home for You
Provided 111 loans totaling $812,785 in downpayment and closing-cost assistance for applicants purchasing newly constructed, never-occupied homes.

House Key King County
Provided 38 loans totaling $1,124,256 in downpayment and closing-cost assistance for applicants buying a home in King County outside the Seattle city limits and outside of the ARCH King County area.

House Key Federal Way
Provided 11 loans totaling $314,213 in downpayment and closing-cost assistance for applicants buying a foreclosed, bank-owned, delinquent, or abandoned home located in eligible NSP census tracts in Federal Way.

Counseling Grants Allocated
- $3.48 million in Housing and Urban Development funds to 48 nonprofit organizations statewide to provide housing counseling services.
- $571,355 of Rural Housing and Economic Development funds to 16 nonprofit organizations statewide to provide housing counseling services.
- $2.43 million in NeighborWorks-administered National Foreclosure Mitigation counseling funds to 11 nonprofit organizations.
- $990,000 from the state of Washington 2008 legislative appropriation to 25 nonprofit organizations.
- $500,000 from the state of Washington 2010 legislative appropriation to 15 nonprofit organizations.
- $250,000 in Housing and Urban Development Neighborhood Initiative funds to 22 nonprofit organizations.
- $595,000 from the Washington State Office of the Attorney General from the Countrywide Settlement to 11 nonprofit organizations.
- $550,000 from the Washington State Office of the Attorney General from the Wells Fargo Settlement to 16 nonprofit organizations.
- $497,808 in Housing and Urban Development Emergency Homeowners Loan Program funds to 10 nonprofit organizations.
- $6.0 million in state of Washington 2011 Foreclosure Fairness Act funds to 18 nonprofit organizations.

Homebuyer Education Program
- Trained 5,874 active instructors, including loan originators, real estate professionals, and nonprofit partners, to teach free homebuyer education seminars.
- Coordinated 12,971 homebuyer education seminars statewide during which 158,141 potential homebuyers were educated about first-time homebuying, real estate and finance terminology, and home maintenance and repair.
MULTIFAMILY HOUSING & COMMUNITY FACILITIES

Our Multifamily Housing and Community Facilities Division finances affordable multifamily housing through bond issues and through the federal Housing Credit Program, including housing facilities and services for seniors. In addition, the division finances facilities and equipment owned by nonprofit organizations; ranches, farms, and equipment owned by first-time farmers and ranchers; and energy-efficiency programs for qualifying businesses and nonprofit organizations.

Between 1983 and June 30, 2012, we issued $4.9 billion in bonds to finance 53,629 multifamily and nonprofit housing units and 147 facilities for nonprofit organizations. The total issuance of 501(c)(3) bonds for nonprofit housing and facilities is now over $1.9 billion. Since 1987, we have awarded over $3.58 billion in federal housing credits to project sponsors. Housing credits are sold to investors and converted into equity for the construction, acquisition, or rehabilitation of affordable multifamily housing throughout the state of Washington.

**Bonds (July 1, 1983, through June 30, 2012, rounded)**

**Multifamily Housing Program**
Issues tax-exempt bonds at below-market rates to help for-profit and nonprofit developers finance the construction, acquisition, and rehabilitation of multifamily rental housing, including assisted-living facilities, for people with low to moderate incomes.

Since the program’s inception in 1983, 328 projects containing 40,818 units have been financed:
- More than $2.178 billion in tax-exempt bonds contributed to the financing of 40,818 units of rental housing, of which 27,321 were reserved for low-income and/or special-needs households.
- $296.4 million in refunded tax-exempt bonds extended and preserved a portion of the 27,321 low-income units.
- $254.8 million in taxable bonds allowed the financing of 3,779 of the 40,818 units. These would not have been built without the Commission’s ability to issue taxable bonds.

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

Since the program’s inception in 1990, 125 projects containing 12,658 units have been financed:
- $1.1 billion in tax-exempt bonds contributed to the financing of all 12,658 units of rental housing, of which 2,702 were reserved for low-income and/or special-needs households.
- $234 million in refunded tax-exempt nonprofit bonds decreased debt service for 21 projects.
- $41 million in taxable bonds were issued to finance associated project costs.
Nonprofit Facilities Program
Issues tax-exempt 501(c)(3) bonds to finance capital facilities and equipment owned by nonprofit organizations. Project examples include schools, daycare centers, animal shelters, community centers, job training centers, social services offices, and research facilities.

Since the program’s inception in 1990, 147 facilities have been financed:
- $781.25 million in nonprofit bonds contributed to the financing of all 147 facilities.
- $48.7 million in nonprofit bonds were refunded to decrease debt service.
- $22.7 million in taxable bonds were issued to finance associated project costs.

Beginning Farmer/Rancher Program
The Commission, in partnership with Northwest Farm Credit Services, issues bonds to enable the offering of low-interest loans up to $477,000 for beginning farmers and ranchers, which can be combined with other loans and grants. Since the program’s inception in 2008, 23 projects have been financed.

Sustainable Energy Program
In 2009, the legislature gave the Commission the authority to develop financing programs for energy efficiency projects and renewable energy projects for businesses, housing, homeowners, and nonprofit-owned facilities. In 2012, we issued a bond to assist in the financing of our first project under the program. We received a $1 million credit enhancement grant for energy retrofits for 501(c)(3) organizations using Commission bonds, and we completed a study grant for $100,000 for Single-Family Energy Efficiency Loans and the Secondary Market.

Capital Plus!
In 2003, the Commission initiated Capital Plus!, a $3 million pilot program conducted in cooperation with the Washington Community Reinvestment Association to bring below-market-rate financing to 501(c)(3) organizations. Capital Plus! provides financing of up to $500,000 for the purchase or capital lease of facilities and/or equipment for organizations that serve or provide community services primarily to lower-income persons, persons with special needs, or organizations that serve a unique or special purpose in the community.

As of June 2012, the Commission has committed a total investment of $7 million into the program.

Housing Credit (July 1, 1987, through June 30, 2012, rounded)

9 Percent Housing Credit Program
- Provided financing for the development of 28,892 low-income rental housing units. Currently, there are 24,038 low-income units still under a Regulatory Agreement.
- Allocated housing credits to 606 projects located in 37 counties. Typical projects include housing for the elderly (nearly 6,639 units), the disabled (3,901 units), and large households (over 2,510 units), housing for the homeless (1,909 units), and downtown urban mixed-use housing.
- Increased emphasis on farmworker housing with allocation of housing credits to 48 farmworker housing projects since 1998.
- Provided training to potential applicants through classes on housing-credit basics and the application process.
- Collaborated with other public funders on mutual project submissions.

4 Percent Housing Credit/Tax-Exempt Bond Program
- Provided financing for the development of 36,235 low-income rental housing units.
- Combined more than $908 million in annual housing credits with tax-exempt bond financing to build 256 projects throughout the state, including housing for the elderly and the disabled.

Land Acquisition Program (LAP)
A revolving loan program to assist eligible organizations to purchase land suited for the eventual development of either multi- or single-family affordable housing.
- Allocated $9,408,464 to 16 projects with 644 units, of which 108 were homeownership units and 536 were multifamily units.
ASSET MANAGEMENT & COMPLIANCE

The Asset Management and Compliance Division works to maintain the long-term viability of the multifamily properties funded by the Commission. We help property owners and their managers comply with state statutes, the federal tax code, and contractual commitments. At the same time, we work to ensure that existing affordable housing continues to be affordable.

Partners With
City, county, and state funding agencies (Cities of Seattle, Spokane and Tacoma; Washington State Department of Commerce; Washington State USDA Rural Development; King and Snohomish Counties; and Seattle Housing Authority) to maximize agency resources and minimize inspections and reporting requirements.

Currently Monitors
- Over 72,000 units in 881 properties located across the state. The total is composed of 58,892 housing-credit and joint housing-credit/bond units, 12,950 bond-financed units, and 449 Resolution Trust Corporation units.

Currently Conducts
- Annual on-site inspections of over 290 properties statewide.
- Compliance training workshops for more than 1,000 owners, property managers, and staff of public agencies.
- Classes for users of the web-based annual reporting system, WBARS.
- Specialized training sessions in conjunction with the Affordable Housing Management Association and the Council for Affordable and Rural Housing.

Currently Operates
The innovative and comprehensive web-based annual reporting system, WBARS, used by seven public funders. WBARS is the only state housing reporting system in the nation used by multiple government agencies. WBARS manages detailed property and tenant information on over 1,500 affordable housing properties. It provides real-time compliance information to owners, managers, and public funders. WBARS saves time and money by providing one centralized collection destination for project information needed by multiple parties. In addition to monitoring compliance of the property with regulatory requirements, WBARS tracks vital economic performance indicators to provide early warning of operating problems.

Currently Provides
Website with frequently updated information including:
- A list of over 850 properties searchable by county, city, and zip code, with helpful information for prospective residents, owners, and managers.
- Online manuals, report forms, FAQs, web training videos, and electronic workshop registration.
- A calendar of housing and economic development activities.
- Links to funding and compliance resources.
- E-News updates to over 1,250 subscribers with timely information on compliance and asset management topics.
Working from home  Curwin White not only lives at Seattle’s Graham/Terry Apartments—he’s the building’s maintenance manager as well. “It’s just an all-around good place to live. It’s quiet and you can walk to everything.” The Graham/Terry was financed in part through housing credits allocated by the Commission.
The Finance Division monitors, records, and reports all financial transactions of the Commission while ensuring the Commission’s ongoing fiscal integrity. The Finance Division also manages the Commission’s debt outstanding, ensuring compliance with the legal requirements in bond documents. In addition, the Finance Division oversees the Commission’s internal controls, safeguarding the Commission’s assets and seeing to it that the Commission conforms to federal and state regulations in all of its financial affairs.

(For the year ended June 30, 2012)

Asset Management
- Recorded transactions on 341 outstanding bond issues with $3.6 billion of outstanding debt.
- Monitored performance of trustees, servicers, and other outside contractors.
- Created quarterly financial statements on outstanding bond issues.
- Supplied voluntary disclosure reports to bond investors.
- Provided asset management services for the Washington Higher Education Facilities Authority on 23 bond issues with $675 million of outstanding debt, and for the Tobacco Settlement Authority on one bond issue with $389 million of outstanding debt.

General Operations
- Prepared monthly financial statements.
- Performed investment management oversight.
- Coordinated the annual budget and work-planning process.
- Coordinated annual audits by the independent auditor and the state auditor.
- Administered and monitored the Program Investment Fund.
- Provided financial management and accounting services for the Washington Higher Education Facilities Authority and the Tobacco Settlement Authority.
A Welcome Upgrade  John Abeyta is one of several longtime residents who’s seen Seattle’s Addison on Fourth apartments transform from squalor to splendor, thanks to a rehab of the historic building by Goodman Real Estate that was financed in part with bonds and housing credits issued by the Commission.

“It used to be a little rough around here,” says John, “but those days are gone.”
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. We work to increase housing people can afford statewide, and we issue below-market-rate, tax-exempt bonds and federal housing credits to fund housing and nonprofit facilities across Washington.

The bonds of the Washington State Housing Finance Commission are not obligations of the state of Washington and are not repaid with tax dollars. The Commission is financially self-sufficient. All operating expenses are paid from program revenues. No taxpayer dollars were used to produce this document.

For more information about the Commission and its work, visit www.wshfc.org or call 206-464-7139 or 1-800-767-HOME (4663) toll-free in Washington State.