

WASHINGTON STATE HOUSING FINANCE COMMISSION

****AMENDED****
BOARD MEETING PACKET

JUNE 26, 2025



Public Engagement at Commission Meetings

Members of the public are welcome at all the meetings of the Housing Finance Commission board. These include monthly business meetings as well as work sessions, which typically take place quarterly.

Sharing Your Thoughts

We are committed to providing a fair, respectful and safe opportunity for all voices to be heard. Public comment is not part of Commission work sessions, but business meetings offer two opportunities:

- **Public hearings (specific topics):**

Most Commission meetings begin with public hearings on specific financing projects or other decisions that will come to the Commission for a decision in the near future. Please limit comments during this time to those directly related to the hearing topic.

- **Public comment period (any topic):**

During this period, which takes place at the end of the business meeting, the Commissioners listen to public concerns and comments on any topic related to the work of the Commission. Anyone who wishes to speak can take this opportunity. The starting time for the public comment period depends on the length of the Commission's other business. The Commissioners may not respond to your comment or question during the meeting, but staff may follow up with you with your consent.

- **Zoom Chat**

The chat feature is disabled in all Commission meetings and work sessions, as phone attendees cannot participate.

Raising Your Hand

The meeting chair will ask you to "raise your hand" or otherwise indicate that you would like to speak. If online, use the Zoom "raise hand" feature. Attendees on the telephone can press *9 to "raise a hand." Whether or not you are able to virtually raise a hand, the chair will provide time and opportunity for all to share their comments before closing the public comment period.

Community Standards

- Please keep your comments brief (2 minutes). The chair may ask you to bring your statement to a close after that time, especially if others are waiting to speak.
- Please keep your comments respectful. Any remarks or behavior that is rude, abusive, or otherwise disruptive will not be tolerated. This specifically includes slurs regarding protected classes as outlined by federal and state statute, such as race/ethnicity, disability, religion, sexual orientation, gender identity, etc. For complete list of state protected classes, visit hum.wa.gov.
- Those who do not follow these standards will be asked to leave or removed from the meeting.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, June 26, 2025, at 1:00 p.m., to consider the items in the agenda below.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

**To join virtually, please go to [Zoom Meeting Link](#),
go to “Join” or “Join a Meeting” and enter:**

**Webinar/Meeting ID: 890 1511 5981
Passcode: 727102**

**Participants who wish to participate telephonically in the United States, please dial either
toll free number: (888) 788-0099 or (877) 853-5247**

**Participants wishing to provide public comments, please see public engagement
opportunities on page one above for instructions.**

I. Chair: Approval of the Minutes from the May 19, 2025, Special Meeting. (5 min.)

II. Chair: Conduct a Public Hearing on the following:

A. Johnson Hill Apartments, OID # 25-48A

Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) refinance all or a portion of the existing debt used by the Borrower to finance the acquisition and rehabilitation of an existing 38-unit apartment building, (ii) finance the additional rehabilitation, equipping and improvement of the Project; and (iii) pay all or a portion of the costs of issuing the bonds located at 280 SW Clark Street, Issaquah, WA 98027. The project is owned and operated by 280 Clark Limited Partnership, a Washington limited partnership, the general partner of which is Ruby LLC, a Washington limited liability company, the sole member and manager of which is Imagine Housing, a Washington nonprofit corporation and an organization described under section 501(c)(3). The estimated maximum bond amount is not expected to exceed \$2,600,000. (5 min.)

B. Beacon Hill Affordable TOD, OID # 24-141A

Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to finance a portion of the costs for the acquisition, construction and equipping of a 70-unit multifamily housing facility located at 2531 16th Avenue S., Seattle, WA 98144, to be owned by Beacon Hill Affordable TOD LLLP, a Washington limited liability limited partnership. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The estimated maximum bond amount is not expected to exceed \$29,500,000. (5 min.)

C. Josephine Caring Community, OID # 25-40A

Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) finance the acquisition, construction, furnishing and equipping of a continuing care retirement community, (ii) refinance a prior taxable obligation, proceeds of which refunded prior bonds of the Commission originally issued to finance and refinance the construction and renovation of assisted living and skilled nursing facilities, (iii) fund a debt service reserve fund, (iv) pay capitalized interest on the bonds, and (v) pay costs of issuing the bonds. The project is owned and to be owned and operated by Josephine Caring Community, a Washington nonprofit corporation and an organization described under section 501(c)(3). The aggregate maximum bond amount is not expected to exceed \$84,500,000. The project addresses and maximum bond amounts are listed below. (10 min.)

Projects:	Josephine Caring Community
Project Address:	9901 272nd Place NW Stanwood, WA 98292
Total Estimated Project Cost:	\$7,930,000
Total Estimated Bond for this Project:	\$9,500,000
Project Address:	16704 25th Avenue NE Marysville, WA 98271
Total Estimated Project Cost:	\$70,942,000
Total Estimated Bond for this Project:	\$75,000,000

Estimated Maximum Aggregate Bond Amount:	\$84,500,000
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D. YMCA of Pierce and Kitsap Counties, OID # 25-46A

Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to (a) finance the redevelopment, construction and equipping of an approximately 94,000 square foot nonprofit facility, (b) refund outstanding Commission bonds issued to refund prior Commission obligations, the proceeds of which financed the construction of an approximately 74,000 square foot nonprofit facility located in Gig Harbor, (c) finance the construction and equipping of an approximately 58,000 square foot outdoor sports field located on land owned by the City of Gig Harbor, and (d) pay all or a portion of the costs of issuing the bonds. The project is owned and to be owned and operated by Young Men's Christian Association of Pierce and Kitsap Counties, a Washington nonprofit corporation and an organization described under section 501(c)(3). The aggregate maximum bond amount is not expected to exceed \$16,300,000. The project addresses and maximum bond amounts are listed below. (10 min.)

Project:	YMCA of Pierce and Kitsap Counties
Project Address:	Morgan Family YMCA 1002 S. Pearl Street Tacoma, WA 98465
Total Estimated Project Cost:	\$35,000,000
Maximum Bond Amount for this Project:	\$11,000,000

Project Address:	Tom Taylor Family YMCA 10550 Harbor Hill Drive Gig Harbor, WA 98332
Total Estimated Project Cost:	\$4,000,000
Maximum Bond Amount for this Project:	\$4,000,000

Project Address:	Gig Harbor Sports Complex 10770 Harbor Hill Drive Gig Harbor, WA 98332
Total Estimated Project Cost:	\$6,600,000
Maximum Bond Amount for this Project:	\$1,300,000

Estimated Maximum Aggregate Bond Amount:	\$16,300,000
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E. The Terrapin, OID # 25-49A [Commission Hearing]

Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to provide a portion of the financing for the acquisition, construction and equipping of a 172-unit multifamily housing facility, located at 290 106th Place NE, Bellevue, WA 98004, to be owned by 228 106th PL NE, LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The maximum aggregate principal amount of the bonds is not expected to exceed \$36,000,000. The public hearing was held June 18, 2025. (5 min.)

F. Annual Public Hearing for the issuance of single-family bonds

Lisa DeBrock: The Commission has determined in order to provide affordable homeownership opportunities it is desirable to issue Single-Family Bonds,

Homeownership Program Bonds, and Special Program Bonds in one or more series in a total amount not to exceed \$300,000,000. (10 min.)

G. Public Hearing regarding amendment to WAC 262-01-070 (Selection of underwriters)

Lisa DeBrock: The amendment allows the Commission to retain senior managing underwriters and co-managers of bond issues for five years instead of two years. (10 min.)

III. Consider and Act on the Following Action Items:

A. Resolution No. 25-43, French American School of Puget Sound, OID # 25-37A

Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) finance the construction and equipping of an approximately 32,000 square foot, four-story nonprofit educational facility, (ii) refinance existing debt used in the acquisition of land and predevelopment costs of the project, (iii) fund a debt service reserve fund, (iv) pay capitalized interest on the bonds during construction, and (v) pay all or a portion of the costs of issuing the bonds. The project is located at the one block area bounded by 22nd Avenue South on the West, South Walker Street on the North, 23rd Avenue South on the East, and South College Street on the South, Seattle, WA 98144, to be owned and operated by French American School of Puget Sound, a Washington nonprofit corporation and an organization described under section 501(c)(3). The total estimated bond amount is not expected to exceed \$50,000,000. The public hearing was held April 24, 2025. (5 min.)

B. Resolution No. 25-50, Heron's Key Senior Living, OID # 15-65A

Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt revenue bonds to refinance all or a portion of an existing taxable loan, proceeds of which defeased prior tax-exempt obligations of the Commission which financed and refinanced a portion of the costs of the acquisition, construction and equipping of a continuing care retirement facility, with 194 independent living units, 36 assisted living units, and 45 skilled nursing beds, located at 4340 Borgen Boulevard, Gig Harbor, WA 98332, owned by Heron's Key, a Washington nonprofit corporation and an organization described under section 501(c)(3). Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The maximum aggregate principal amount of the bonds is not expected to exceed \$80,000,000. The public hearing was held May 28, 2025. (5 min.)

~~C. Resolution No. 25-52, The Terrapin, OID # 25-49-A~~

~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to provide a portion of the financing for the acquisition, construction and equipping of a 172-unit multifamily housing facility located at 290 106th Place NE, Bellevue, WA 98004, to be owned by 228 106th PL NE, LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The maximum aggregate principal amount of the bonds is not expected to exceed \$36,000,000. The public hearing was held June 18, 2025. (5 min.)~~

- D. Resolution No. 25-47, Single Family Resolution**
Lisa DeBrock: A Resolution authorizing the issuance and remarketing of Single-Family Mortgage Revenue Bonds, Homeownership Program Bonds, and Special Program Bonds in one or more series, in total amount not to exceed \$300,000,000; re-authorizing the Home Advantage Program, use of undeployed funds to provide liquidity for mortgage loan purchases, payment agreements, and the sale of certificates without issuance of bonds or with the issuance of taxable bonds, all to facilitate the financing of Single-family housing. (5 min.)
- E. Lisa DeBrock:** Approval of oversubscription policy resulting from HB 1696 Trailer Bill for Covenant Homeownership Downpayment Assistance Program. (10 min.)
- F. Lucas Loranger:** Approval to transfer \$40 million from the Home Advantage DPA reserve to the Single-Family Open Indenture to provide liquidity for warehousing single-family first mortgages. (10 min.)
- G. Lucas Loranger:** Approval of the Fiscal Year 2026 (July 1, 2025 – June 30, 2026) Operating Budget (10 min.)
- H. Lucas Loranger:** Approval of the recommendation to transfer excess operating reserves to Program Related Investments as of June 30, 2025. (5 min.)
- I. Bob Peterson:** Request approval of the recommendation for Bond/General/Tax Credit Counsel, Special Counsel on Single Family Programs and Special Counsel for Energy Efficiency Loan Program. (5 min.)
- IV. Informational Report on Department of Commerce Activities.** (10 min.)
- V. Executive Director's Report** (10 min.)
- VI. Commissioners' Report** (10 min.)
- VII. Chair: Consent Agenda** (5 min.)
 - A. Homeownership & Homebuyer Education Programs Monthly Activities Report**
 - B. Multifamily Housing and Community Facilities Monthly Activities Report**
 - C. Asset Management and Compliance Monthly Activities Report**
 - D. Financial Statements as of May 31, 2025**
- VIII. Chair: Miscellaneous Correspondence and Articles of Interest** (5 min.)
 - A. Miscellaneous Correspondence and Articles of Interest**
 - B. HFC Events Calendar**
- IX. Chair: Public Comment**

X. Executive Session (if necessary)

XI. Adjourn

Nicole Bascomb-Green, Chair

Consent Agenda items will only be discussed at the request of a Commissioner.

WASHINGTON STATE HOUSING FINANCE COMMISSION MINUTES

May 19, 2025

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 9:02 a.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Suite 2700, Seattle, Washington 98104 and via Zoom. Those Commissioners present were Chair Bascomb-Green, Commissioners Alishia Topper, Bill Rumpf, Michone Preston, Pedro Espinoza, and Tedd Kelleher (arrived at 9:25 a.m.); and present via Zoom were Albert Tripp, Ken Larsen, Lowel Krueger, and Mike Pellicciotti.

Approval of the Minutes

The April 24, 2025 Commission meeting minutes were approved as distributed.

Action Item: Resolution No. 25- 42, Bayview Retirement Community, OID #25-23A

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this was a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to: (i) finance the conversion of skilled nursing facilities into independent living units, the expansion of fitness facilities and other capital improvements at a continuing care retirement community located in Seattle, Washington, (ii) fund a debt service reserve fund for the bonds, (iii) finance capitalized interest on the bonds, and (iv) pay all or a portion of the costs of issuing the bonds. The project is located at 11 W. Aloha Street, Seattle, WA 98119, owned and to be owned and operated by Bayview Manor Homes, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code (the “Code”). The total estimated bond amount is not expected to exceed \$20,000,000. The public hearing was on held March 27, 2025, and the bonds will be underwritten

and sold via a public sale by Ziegler, therefore, no bond purchase commitment letter will be issued.

Ms. Topper moved to approve the resolution. Mr. Krueger seconded the motion. The resolution was unanimously approved.

Action Item:
Resolution No. 25-
43, French
American School of
Puget Sound, OID
#25-37A

This action item has been pulled from the agenda.

Action Item:
Resolution No. 25-
44, Burien Family
Housing, OID #25-
35A

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue bonds to provide a portion of the financing for the acquisition, construction and equipping of a 46-unit multifamily housing facility, located at 12845 Ambaum Blvd SW, Burien, WA 98146, owned or to be owned by MHNW 27 Burien 4 LLLP, a Washington limited liability limited partnership. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$17,000,000. The public hearing was held April 24, 2025.

Heritage Bank issued a bond purchase commitment letter for an amount not to exceed \$14,879,340.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded the motion. The resolution was unanimously approved.

Action Item:
Resolution No. 25-
39, West 6th
Affordable
Apartments, OID
#24-48

Ms. Vatske stated that this was a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to provide a portion of the financing for the acquisition, construction and equipping of a 95-unit multifamily housing facility, located at 615 West 6th Street, Vancouver, WA

98660, to be owned by West 6th VWG LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$25,300,000. The public hearing was held April 15, 2025.

Citibank N.A. issued a note purchase commitment letter for an amount not to exceed \$23,000,000.

Ms. Topper moved to approve the resolution. Mr. Rumpf seconded the motion. The resolution was unanimously approved.

**Action Item:
Approval of RFP
recommendation of
IT Solution for a
Single-Family
Programs Loan
Reservation &
Management
System**

Ms. Lisa DeBrock, Director, Homeownership Division, stated that the Homeownership Division, with much needed technical support from the Commission's IT Division, issued a Request for Proposals (RFP) from entities interested in providing a turnkey loan reservation system designed specifically for housing finance agencies. The Commission asked respondents for a system that tracks loans from loan reservation through loan pooling along with potential future expansion to loan servicing. This system will be used daily by the Commission's lenders to reserve funds, view conditions, and view approvals for the House Key and Home Advantage programs. It is also to be used by Homeownership Division staff to review and approve loan files for loan closing and loan purchase.

Ms. DeBrock stated further that the Commission posted the RFP to WEBS and to the Commission's website on March 5, 2025. A pre-bid conference for potential respondents was held on March 20, 2025. The review team received some questions about the RFP at the pre-bid conference and those were answered and answers posted on March 28, 2025.

The responses to the RFP were due by April 16, 2025.

The Commission received three responses from the firms listed in the memo in the board meeting packet (Emphasys, HOTB Software, & iBi Nexus). She thanked all of the firms for their responses to the RFP.

Members of the Homeownership Division staff and IT Division staff reviewed all three proposals.

Based on the RFP, the Commission staff panel evaluated each proposal under the following four criteria:

- 1) Technical Experience: Evidencing the firm's ability, capacity and skill to perform the contract and their timeframe for implementation.
- 2) Project approach, work plan, project schedule, risks, and deliverables as presented in the plan.
- 3) Management Proposal: Evidencing character, integrity, reputation, judgment, experience and efficiency of the proposer. The review panel looked at the Project Team Structure, Internal Controls, and Staff Qualifications and Experience.
- 4) Cost Proposal.

Ms. DeBrock noted that there are a limited number of turnkey reservation systems for housing finance agencies in the industry.

After review, the review team agreed that interviews were not necessary. The review team also unanimously agreed that one entity provided the solution that the Commission was seeking.

Ms. DeBrock then stated that Commission staff is recommending switching from the current system, the Emphasys system, to the HOTB Software system. She

added that staff currently uses the HOTB portal for their Homeowner Assistance Fund (HAF) program. She added that HOTB's loan reservation system is a different system; there have been zero issues with their HOTB's HAF reservation system due to their state-of-the-art platform, ease of use, and outstanding customer service.

She mentioned that HOTB's loan reservation system leverages state-of-the-art technology and delivers improved functionality. HOTB utilizes an open-source system for its application environment, allowing for automating deployment, scaling, load balancing, and self-healing to ensure availability and reliability. The selected loan reservation system includes a dynamic lock-desk that supports flexible pricing, scheduling, and manual override at a system, funding, and program level. Another anticipated feature is being able to communicate with the Commission's lenders within the platform, improving visibility and transparency. Additionally, HOTB's system is MFA (multi-factor authentication) and API (application programming interface)-ready.

She concluded that on behalf of the staff review team, she is asking Commissioners for formal approval to approve the recommended selection by the staff review team, of HOTB Software, for a Loan Reservation & Management System. She also thanked members of her staff in Homeownership, and also the IT Division staff for their work on this and for participating on the staff review team.

Mr. Krueger moved to approve the recommended selection of HOTB Software for the recommended selection of HOTB Software for an IT Solution for a Loan Reservation & Management System. Mr. Tripp seconded. The motion was unanimously approved.

Public Comment Section

The Chair opened the public comment section. No members of the public commented.

**Adjournment of
Commission
Business Meeting**

The Chair adjourned the Commission business meeting at 9:15 a.m.

**Annual WSHFC
Budget & Planning
Session**

The Chair convened the annual Budget & Planning Session of the Commission at 9:25 a.m., of which continued through the balance of the day Monday, May 19, 2025. The Commissioners heard reports and presentations on the Commission financial performance, a market update, and activities of the Commission divisions, and discussed the proposed Fiscal Year 2025-2026 agency operating budget and program related investments. They also received an update on the Commission's seller/servicer activities. No action was taken.

Executive Session

At the beginning of day two (Tuesday, May 20, 2025) of the Budget Planning Session, the Chair called an Executive Session at 9:00 a.m. for Commissioners, along with legal counsel and the Executive Director, Mr. Steve Walker, to discuss and conduct the Executive Director's annual performance evaluation. The Executive Session concluded at 10:05 a.m., and day two of the Budget & Planning Session was reconvened by the Chair. The Commissioners heard additional reports from Commission directors and discussed the FY 2026 budget. No action was taken.

**Adjournment of the
annual WSHFC
Budget & Planning
Session**

The annual Budget & Planning Session was adjourned by the Chair at 11:35 a.m. on Tuesday, May 20, 2025.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Bonds”) to finance and refinance an existing debt and the rehabilitation, equipping and improvement of an existing residential rental facility owned and operated by 280 Clark Limited Partnership, a Washington limited partnership, the general partner of which is Ruby LLC, a Washington limited liability company, the sole member and manager of which is Imagine Housing, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, June 26, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom.

To join virtually, please go to www.zoom.us, go to “Join a Meeting” or “Join,” and enter:

Webinar/Meeting ID: 890 1511 5981

Passcode: 727102

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a nonprofit facility under Section 145 of the Code.

The proceeds of the Bonds will be used to provide financing for the following project:

Project:	Johnson Hill Apartments
Project Address:	280 SW Clark Street Issaquah, WA 98027
Total Estimated Project Cost:	\$2,300,000
Estimated Maximum Bond Amount:	\$2,600,000

Proceeds of the Bonds may be used to (i) refinance all or a portion of the existing debt used by the Borrower to finance the acquisition and rehabilitation of an existing 38-unit apartment building (the “Project”), (ii) finance the additional rehabilitation, equipping and improvement of the Project; and (iii) pay all or a portion of the costs of issuing the Bonds. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of

Bianca Pyko, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, Thursday, June 25, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at (206) 464-7139 or (800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name	Johnson Hill Apartments
Developer	Imagine Housing
Description	<p>Johnson Hill Apartments was constructed in 1984 and is the rehabilitation and refinancing of an existing thirty-eight unit project located in Issaquah, Washington. Imagine Housing acquired the property in 2008. The project will maintain thirty two-bedroom and eight three-bedroom units housed within four buildings that will serve residents at 30%, 50% and 60% of AMI.</p> <p>Eight of the units will continue to receive Project Based Vouchers (PBVs) through the King County Housing Authority for households exiting homelessness. In addition, the project features a community room, which is used by residents and also used by Imagine Housing to host resident services programming.</p> <p>Residents of the property will receive services that promote housing stability and help residents take the next step in transforming their lives at no cost to residents. Resident services staff will connect residents to local services and provide area and property specific services that can include community meals, holiday parties, craft nights and educational classes. Other resources that are provided include lease education, rental assistance referrals, energy assistance referrals, basic needs supplies and assistance, food support, senior-specific referrals and support, resources for substance abuse and counseling, employment services assistance, government benefit assistance, and continuing education referrals. In addition, one-on-one case management support will be provided.</p>
Location	280 SW Clark Street Issaquah, WA 98027
Relation to Mission and Goals	To provide effective, low-cost financing for multifamily housing

Project Type	Rehabilitation of an existing facility, and refinance of existing debt	
Units	Two Bedroom	30
	Three Bedroom	8
	Total	38
Income Set-Aside	22% at 30% AMI 54% at 50% AMI 24% at 60% AMI	
Bond Structure	Private Placement	
Lender	Heritage Bank	
Action	Public Hearing for OID # 25-48A	
Anticipated Closing Date	August 2025	

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Bonds”) to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Seattle, Washington, to be owned by Beacon Hill Affordable TOD LLLP, a Washington limited liability limited partnership. The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, June 26, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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To join virtually, please go to www.zoom.us, go to “Join a Meeting” or “Join,” and enter:

Webinar/Meeting ID: 890 1511 5981

Passcode: 727102

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a nonprofit facility under Section 145 of the Code.

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Bonds will be used to provide financing for the following project:

Project:	Beacon Hill Affordable TOD
Project Address:	2531 16th Avenue S. Seattle, WA 98144
Total Estimated Project Cost:	\$45,373,848
Estimated Maximum Bond Amount:	\$29,500,000

Proceeds of the Bonds will be used to provide a portion of the financing for the acquisition, construction and equipping of a 70-unit multifamily housing facility in Seattle, WA, and to pay all or a portion of the costs of issuing the Bonds. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of

Bianca Pyko, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, June 25, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name Beacon Hill Affordable TOD

Developer El Centro de la Raza

Description Beacon Hill Affordable TOD is located in Seattle, WA, next to the Beacon Hill Link Station and is the new construction of a seven-story elevator serviced 70-unit multifamily housing facility consisting of forty studio, twelve one-bedroom, ten two-bedroom, six three-bedroom and two four-bedroom units that will serve individuals and families at 30%, 50% and 60% AMI.

The first floor of the project will include a common area and every unit is designed with laundry facilities. The project will also include approximately 3,800 square feet of commercial space on the ground level, which will be owned and operated by El Centro de la Raza to include flexible multi-use community space to host programming for youth and seniors. The project is being developed next to mass transit, across the street from a major grocery store and bank and is near restaurants, numerous services, an elementary school as well as many other public amenities. In addition, the project will provide 20 below grade parking spaces that will include four electrical vehicle chargers.

El Centro de la Raza is co-developing the project with Edge Developers. This project will be a natural extension of El Centro's award-winning Plaza Roberto Maestas project and will provide a presence on Beacon Avenue as well as expand services to serve a greater number of community members. El Centro de la Raza has a North Beacon Hill Campus across the street from the project that offers 43 culturally and linguistically integrative programs and services including both child and youth programs as well as senior programs that will extend into this project's new multi-use community space to serve as an extension of these programs to residents and the local community. El Centro de la Raza's social service programs include childcare, employment counseling, financial empowerment, ESL classes, tax preparation, legal assistance, technology or relief funding.

Edge Developers has over 26 years in affordable housing. In addition, Edge Developers and its related companies are familiar with the local market and have developed two multifamily properties in the last 10 years along Beacon Avenue within three blocks south of the site.

Location	2531 16th Avenue S Seattle, WA 98144		
Project Type	New Construction		
Units	Studio	40	
	One Bedroom	12	
	Two Bedroom	10	
	Three Bedroom	6	
	Four Bedroom	2	
	Total	70	
Housing Tax Credits	Yes		
Income Set-Aside	31% at 30% AMI 50% at 50% AMI 19% at 60% AMI		
Regulatory Agreement Term	Minimum 40 years		
Evaluation Plan Scoring	Additional Low-Income Housing Commitments		6
	Systemic Barrier		8
	CBO Ownership		8
	CBO Inclusion		5
	Community Engagement Process		2
	Application of Community Engagement		2
	Donation in Support of Local Nonprofit Programs		2
	Energy Efficiency New Construction		2
	Total Points		35
Estimated Tax-Exempt Note Amount (Not to exceed)	\$29,500,000		
Note Structure	Private Placement		
Lender	Heritage Bank		

Development Budget

Acquisition Costs	\$,4,294,546
Construction	\$29,154,597
Soft Costs	\$5,768,152
Financing Costs	\$3,569,919
Capitalized Reserves	\$558,254
Bond Related Costs of Issuance	\$492,844
Other Development Costs	\$1,520,220
Total Development Costs	\$45,358,511

Permanent Sources

Permanent Loan	\$2,555,000
City of Seattle	\$14,000,000
King County	\$6,700,000
State Chip	\$1,000,000
State HTF	\$5,000,000
Amazon & Deferred Developer Fee	\$3,737,435
Tax Credit Equity at \$0.8400 per credit x 10 years	\$12,366,076
Total Permanent Sources	\$45,358,511

Total Development Cost Limit

Project's Total Development Cost Limit	\$40,530,511
Total Development Cost (minus land and reserves)	\$40,530,700
Waiver	Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,725	\$740 - \$1,374
One Bedroom	\$2,100	\$782 - \$1,476
Two Bedroom	\$2,800	\$1,017 - \$1,841
Three Bedroom	\$3,000	\$1,175 - \$1,959
Four Bedroom	\$3,300	\$2,186

Action Public Hearing for OID # 24-141A

Anticipated Closing Date July 2025

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Bonds”) to finance and refinance the acquisition, construction and equipping of a nonprofit housing facility and an existing facility owned and to be owned and operated by Josephine Caring Community, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, June 26, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom.

To join virtually, please go to www.zoom.us, go to “Join a Meeting” or “Join,” and enter:

Webinar/Meeting ID: 890 1511 5981

Passcode: 727102

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing nonprofit facilities under Section 145 of the Code.

The proceeds of the Bonds will be used to provide financing for the following projects:

Projects:	Josephine Caring Community
Project Address:	9901 272nd Place NW Stanwood, WA 98292
Total Estimated Project Cost:	\$7,930,000
Total Estimated Bond for this Project:	\$9,500,000
Project Address:	16704 25th Avenue NE Marysville, WA 98271
Total Estimated Project Cost:	\$70,942,000
Total Estimated Bond for this Project:	\$75,000,000
Maximum Aggregate Bond Amount:	\$84,500,000

Proceeds of the Bonds may be used to (i) finance the acquisition, construction, furnishing and equipping of a continuing care retirement community located in Marysville, Washington, (ii) refinance a prior taxable obligation, proceeds of which refunded prior bonds of the Commission originally issued to

finance and refinance the construction and renovation of assisted living and skilled nursing facilities located in Stanwood, Washington, (iii) fund a debt service reserve fund, (iv) pay capitalized interest on the Bonds, and (v) pay costs of issuing the Bonds.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Projects and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, June 25, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the Projects.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at (206) 464-7139 or (800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Nonprofit Housing Program

Project Name	Josephine Caring Community
Developer	Josephine Caring Community
Description	<p>The Josephine is a continuing care retirement community in Stanwood, Washington that offers a learning and childcare center to have a unique intergenerational approach for seniors and children. Along with the early learning and childcare amenity, Josephine Caring Communities also offers Assisted Living, Long-Term Care, Transitional Rehabilitation, and Activities and Spiritual Care.</p> <p>A portion of the bond issue will be used to finance the expansion of Cascade Village at Smokey Point, in Marysville, Washington. The Cascade Village expansion project, located approximately 12 miles from the Stanwood community, consists of 63 independent living apartments and villas, clubhouse with café and bar, fitness center, indoor pool, and other amenities. There will be an agreement with Stanwood campus to provide healthcare services.</p>
Location	<p>9901 272nd Place NW Stanwood, WA 98292</p> <p>16704 25th Avenue NE Marysville, WA 98271</p>
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	New construction of nonprofit housing facility, and refinance of an existing debt.
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$84,500,000
Total Estimated Project Costs	\$78,872,000

Bond Structure

Public Sale

Lender

Ziegler Capital Markets

Underwriter

Ziegler Capital Markets

Action

Public Hearing for OID # 25-40A

Anticipated Closing Date

August 2025

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Bonds”) to refinance an existing debt and finance the construction and equipping of nonprofit facilities owned and to be owned and operated by Young Men's Christian Association of Pierce and Kitsap Counties, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, June 26, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: (888) 788-0099 or (877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom.

To join virtually, please go to www.zoom.us, go to “Join a Meeting” or “Join,” and enter:

Webinar/Meeting ID: 890 1511 5981

Passcode: 727102

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing nonprofit facilities under Section 145 of the Code.

The proceeds of the Bonds will be used to provide financing for the following project:

Project:	YMCA of Pierce and Kitsap Counties
Project Address:	Morgan Family YMCA 1002 S. Pearl Street Tacoma, WA 98465
Total Estimated Project Cost:	\$35,000,000
Maximum Bond Amount for this Project:	\$11,000,000
Project Address:	Tom Taylor Family YMCA 10550 Harbor Hill Drive Gig Harbor, WA 98332
Total Estimated Project Cost:	\$4,000,000
Maximum Bond Amount for this Project:	\$4,000,000
Project Address:	Gig Harbor Sports Complex 10770 Harbor Hill Drive Gig Harbor, WA 98332

Total Estimated Project Cost:	\$6,600,000
Maximum Bond Amount for this Project:	\$1,300,000
Estimated Maximum Aggregate Bond Amount:	\$16,300,000

Proceeds of the Bonds may be used to (a) finance the redevelopment, construction and equipping of an approximately 94,000 square foot nonprofit facility located in Tacoma, Washington, (b) refund outstanding Commission bonds issued to refund prior Commission obligations, the proceeds of which financed the construction of an approximately 74,000 square foot nonprofit facility located in Gig Harbor, (c) finance the construction and equipping of an approximately 58,000 square foot outdoor sports field located on land owned by the City of Gig Harbor, and (d) pay all or a portion of the costs of issuing the Bonds.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, June 25, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at (206) 464-7139 or (800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Nonprofit Facilities Program

Project Name	YMCA of Pierce and Kitsap Counties
Developer	Young Men's Christian Association of Pierce and Kitsap Counties
Description	<p>The YMCA of Pierce and Kitsap Counties has several sites that they are developing with the bond proceeds.</p> <p>The Pearl Street Family YMCA has been under construction since May of 2024, and is expected to be completed by the end of the year. The project will include an aquatics center, climbing wall, strength training area, locker rooms, welcome center, and lounge areas and a new gymnasium.</p> <p>The new Gig Harbor Sports Complex project is anticipated to be completed by the end of November 2025. The Gig Harbor Sports Complex will include two synthetic turf fields, field lighting, and 100 parking stalls.</p> <p>A portion of the bond issue will be used to refinance bonds previously issued for the development of the Tom Taylor Family YMCA.</p>
Location	<p>Morgan Family YMCA 1002 S. Pearl Street Tacoma, WA 98465</p> <p>Tom Taylor Family YMCA 10550 Harbor Hill Drive Gig Harbor, WA 98332</p> <p>Gig Harbor Sports Complex 10770 Harbor Hill Drive Gig Harbor, WA 98332</p>
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit facilities
Project Type	Rehabilitation of an existing facility and refinance of existing debt

Estimated Tax-Exempt Bond Amount (Not to exceed)	\$16,300,000
Total Estimated Project Costs	\$45,600,000
Bond Structure	Private Placement
Lender	Wells Fargo Bank, N.A.
Action	Public Hearing for OID # 25-46A
Anticipated Closing Date	August 2025

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Bonds”) to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility of a multifamily housing facility in Bellevue, Washington, to be owned and operated by 228 106th PL NE LLC, a Washington limited liability company. The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 10:30 a.m., Wednesday, June 18, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom.

To join virtually, please go to www.zoom.us, go to “Join a Meeting” or “Join,” and enter:

Webinar/Meeting ID: 880 9241 0661

Passcode: 944296

The Bonds will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

The proceeds of the Bonds will be used to provide financing for the following project:

Project:	The Terrapin
Project Address:	290 106th PL NE Bellevue, WA 98004
Total Estimated Project Cost:	\$57,653,170
Estimated Maximum Bond Amount:	\$36,000,000

Proceeds of the Bonds will be used to provide a portion of the financing for the acquisition, construction and equipping of a 172-unit multifamily housing facility in Bellevue, WA, and to pay all or a portion of the costs of issuing the Bonds. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Tuesday, June 17, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public

testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at (206) 464-7139 or 1-(800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Washington State Housing Finance Commission (the “Commission”) will hold a **Public Hearing** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, at 1:00 p.m., Thursday, June 26, 2025, or as soon thereafter as practicable, for the purpose of receiving public comment regarding the issuance of single-family mortgage revenue bonds.

Pursuant to RCW 42.30.030(2), which encourage public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

To join virtually, please go to [Zoom Link](#), go to “Join” or “Join a Meeting” and enter:

- **Webinar/Meeting ID:** 890 1511 5981
- **Passcode:** 727102

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1 (888) 788-0099 or 1 (877) 853-5247.

Please note that the line will be muted except during the public hearing and public comment portions of the meeting.

The Commission intends to issue its Single-Family Program Bonds, Single Family Special Program Bonds and Homeownership Program Bonds, in one or more series, in a total amount not to exceed \$300,000,000 (together, the “Bonds”). The Bonds will be used to finance the acquisition of eligible single-family residences throughout the state. Mortgage loans will be originated by lending institutions under standard FHA, VA, USDA, Freddie Mac, and Fannie Mae guidelines, and sold to a master servicer or retained for servicing. The Commission and master servicer will pool the mortgage loans and sell Ginnie Mae, Fannie Mae or Freddie Mac mortgage-backed securities, including Uniform Mortgage-Backed Securities, secured by such loans to the Commission’s bond trustee. Proceeds of the Bonds may also, in limited cases, be used to make loans for downpayment and closing cost assistance. The issuance of the Bonds and any remarketing or refunding thereof are pursuant to a plan of financing of the Commission.

The mortgage loans must meet the requirements of the originating lenders as well as Section 143 of the Internal Revenue Code of 1986, as amended (“Code”). Borrowers must be first-time homebuyers (unless the property is located in targeted areas as defined by the Code) and are subject to maximum income limits. Properties are subject to maximum purchase prices and must be owner occupied.

The public is invited to attend and make written or oral statements including objections, if any, concerning the proposed Bonds. Written comments may be mailed to the attention of Lisa DeBrock, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or faxed to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, June 25, 2025. Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact Lisa DeBrock at least 48 hours in advance of the hearing. The results of the hearing will be sent to the Governor for approval. This notice is published pursuant to Section 147(f) of the Code.

Posted to www.wshfc.org on [06/11/2025].

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Washington State Housing Finance Commission (the “Commission”) will hold a **Public Hearing** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, at 1:00 p.m., Thursday, June 26, 2025, or as soon thereafter as practicable, for the purpose of receiving public comment regarding the proposed amendment to WAC 262-01-070.

Pursuant to RCW 42.30.030(2), which encourages public agencies to provide for public access to meetings, this meeting can also be viewed via Zoom or joined telephonically.

To join virtually, please go to [Zoom Link](#), go to “Join” or “Join a Meeting” and enter:

- **Webinar/Meeting ID:** 890 1511 5981
- **Passcode:** 727102

Participants who wish to participate telephonically in the United States, please dial either toll free number: 1 (888) 788-0099 or 1 (877) 853-5247.

Please note that the line will be muted except during the public hearing and public comment portions of the meeting.

In order to maximize efficiency in managing single-family and/or multifamily bond issues, the Commission intends to amend WAC 262-01-070(4)(b) to extend the length of a senior managing underwriter’s fixed term from two years to up to five years (the “Amendment”).

The public is invited to attend and make written or oral statements including objections, if any, concerning the proposed Amendment. Written comments may be mailed to the attention of Lisa DeBrock, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or faxed to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, June 25, 2025. Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact Lisa DeBrock at least 48 hours in advance of the hearing. The results of the hearing will be sent to the Governor for approval. This notice is published pursuant to Section 147(f) of the Code.

Posted to www.wshfc.org on [06/12/2025].

WSR 25-10-010
PROPOSED RULES
HOUSING FINANCE COMMISSION
[Filed April 25, 2025, 9:49 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 25-07-038.

Title of Rule and Other Identifying Information: WAC 262-01-070, length of fixed term of senior managing underwriter.

Hearing Location(s): On June 26, 2025, at 10:00 a.m. PST, at 1000 Second Avenue, 27th Floor Board Room, Seattle, WA 98104. To participate telephonically in the United States, please dial either toll-free number 1-888-788-0099 or 1-877-853-5247.

Date of Intended Adoption: June 26, 2025.

Submit Written Comments to: Lisa DeBrock, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046, email lisa.debrock@wshfc.org, fax 206-587-5113, beginning May 21, 2025, at 8:00 a.m. PST, by June 25, 2025, at 5:00 p.m. PST.

Assistance for Persons with Disabilities: Contact multifamily housing and community facilities division, phone 206-464-7139 or 1-800-767-HOME (in state), by June 24, 2025.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The Washington state housing finance commission intends to amend WAC 262-01-070 (4)(b) to extend the length of a senior managing underwriter's fixed term from two years to up to five years.

Reasons Supporting Proposal: Maximizing efficiency in managing single-family bond issues.

Statutory Authority for Adoption: RCW 43.180.040 and 43.180.080.

Statute Being Implemented: RCW 43.180.040 and 43.180.080.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Washington state housing finance commission, governmental.

Name of Agency Personnel Responsible for Drafting, Implementation, and Enforcement: Lisa DeBrock, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046, 206-464-7139.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. The proposed rule is not a significant legislative rule under RCW 34.05.328.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(4).

Scope of exemption for rule proposal:

Is fully exempt.

April 25, 2025
Steve Walker
Executive Director

RDS-6232.1

AMENDATORY SECTION (Amending WSR 83-24-001, filed 11/28/83)

WAC 262-01-070 Selection of underwriters. (1) For purposes of selecting underwriters to provide underwriting and other financial services, the commission shall maintain a roster of underwriters qualified to manage or co-manage single-family and/or multifamily bond issues.

(2) Any underwriter may at any time apply to the secretary of the commission to have the underwriter's name placed on the roster or removed from the roster.

(3) Whenever the commission determines the need to retain underwriters, it shall request proposals for underwriter services from each underwriter on its roster.

(4) The commission may, in its discretion, retain a senior managing underwriter:

(a) For the services required during a particular bond issue; or

(b) For the services required during a fixed term not to exceed ~~((two))~~ five years.

Where the commission has retained a senior managing underwriter for a fixed term the commission reserves the right to select other senior managing underwriters for a particular bond issue during the fixed term.

(5) The commission shall select co-managers of the bond issue from the roster and with the advice of the financial advisor, if any, and the senior managing underwriter selected for the particular bond issue.

(6) The commission may, after reasonable notice, terminate the services of an underwriter at any time.

(7) Upon conclusion of a contract with any underwriter, the chairman or the chairman's designee shall prepare a written evaluation of the underwriter's performance for inclusion in the commission's files.

(8) The commission shall retain and terminate the underwriter by resolutions passed according to WAC 262-01-030(6).

(9) In selecting an underwriter, the commission shall consider each of the following factors:

(a) The underwriter's technical competence, expertise and innovative capability;

(b) The underwriter's success in structuring and/or marketing housing bond issues;

(c) The underwriter's familiarity with insured housing programs administered by the Federal Housing Administration, Farmers Home Administration, the Veterans Administration and private insurers and other state and federal housing programs;

(d) The underwriter's fee schedule for services;

(e) The underwriter's regional and/or national reputation with respect to financial and underwriting services;

(f) The qualifications of individuals designated by the underwriter to work with the commission;

(g) The underwriter's ability to work with the commissioners and the commission staff;

(h) The underwriter's availability to the commissioners and the commission staff;

(i) Underwriter's responsiveness to requests for proposals by the commission;

(j) Other qualifications of the underwriter that the commission may, by resolution, find relevant to the hiring of an underwriter to carry out lawful purposes of the commission.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-43

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt nonrecourse nonprofit revenue bonds in an aggregate principal amount of not to exceed \$50,000,000 to finance and refinance the acquisition, construction, furnishing, and equipping of nonprofit educational facilities to be owned by French American School of Puget Sound, to fund capitalized interest with respect to the bonds, to fund a debt service reserve, and to pay costs of issuing the bonds; approving the sale of the bonds to Herbert J. Sims & Co., Inc.; approving the form of a bond trust indenture, mortgage loan origination and financing agreement, and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or his designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON JUNE 26, 2025

PREPARED BY:

PACIFICA LAW GROUP LLP
401 Union Street, Suite 1600
Seattle, Washington 98101

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RESOLUTION NO. 25-43

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt nonrecourse nonprofit revenue bonds in an aggregate principal amount of not to exceed \$50,000,000 to finance and refinance the acquisition, construction, furnishing, and equipping of nonprofit educational facilities to be owned by French American School of Puget Sound, to fund capitalized interest with respect to the bonds, to fund a debt service reserve, and to pay costs of issuing the bonds; approving the sale of the bonds to Herbert J. Sims & Co., Inc.; approving the form of a bond trust indenture, mortgage loan origination and financing agreement, and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or his designee, and Executive Director of the Commission to execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the “Commission”) has been duly constituted pursuant to the authority and procedures of Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the “Act”); and

WHEREAS, the Act authorizes the Commission to finance and refinance eligible facilities owned and operated by nonprofit organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Code grants an exemption from federal income tax for interest paid on bonds where the proceeds thereof are used to finance projects owned and operated by 501(c)(3) organizations; and

WHEREAS, the Commission adopted a Housing Finance Plan (the “Plan”) on December 12, 2019 following a public notice and hearings as required by the Act; and

WHEREAS, French American School of Puget Sound, a Washington nonprofit corporation and an organization described in Section 501(c)(3) of the Code (the “Borrower”), has requested that the Commission issue bonds to (1) refinance a prior taxable obligation of the Borrower, proceeds of which were used to finance a portion of the costs of acquiring land and predevelopment costs of the Project; (2) finance the construction, furnishing, and equipping of an approximately 32,000 square foot educational facility and related improvements all located on the Borrower’s campus in Seattle, Washington; (3) fund a debt service reserve fund; (4) pay capitalized interest on the Bonds; and (5) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Project”); and

WHEREAS, it is desirable for the Commission to assist the Borrower through the issuance of its Washington State Housing Finance Commission Nonprofit Revenue Bonds (French American School of Puget Sound Project), Series 2025 (the “Bonds”); and

WHEREAS, the Bonds are not expected to receive an “A” rating and will be sold with terms consistent with and in furtherance of the Commission’s policy for unrated bonds; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 25-37A, the Commission held a public hearing with respect to the Project on April 24, 2025, and the Governor has or will have approved the Project, the plan of finance and the Bonds; and

WHEREAS, the Commission has received a preliminary offer to purchase the Bonds from Herbert J. Sims & Co., Inc. (the “Purchaser”).

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Commission: the Indenture of Trust between the Commission and U.S. Bank Trust Company, National Association, as the Trustee (the “Indenture”); the Mortgage Loan Origination and Financing Agreement among the Commission, the Borrower, the Loan Originator and the Trustee (the “Loan Agreement”); the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”) and the form of Bond Purchase Agreement among the Commission, the Borrower, and the Purchaser.

Section 2. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing and refinancing of eligible nonprofit facilities under the Act which are owned by organizations described under Section 501(c)(3) of the Code through the issuance of nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program is in furtherance of the Act and the Plan.

Section 3. Authorization of the Bonds. The Commission hereby authorizes the issuance and sale of its bonds to be designated “Washington State Housing Finance Commission Nonprofit Revenue Bonds (French American School of Puget Sound Project), Series 2025” in an aggregate principal amount not to exceed \$50,000,000 pursuant to and in accordance with the provisions of the Act and the Code. The Commission further authorizes the issuance of additional series of bonds and the adjustment of the names of the Bonds, as is necessary to facilitate the sale of the Bonds and the accomplishment of the Project; provided that any such additional series of bonds shall be issued pursuant to the terms of Section 5 of this resolution.

Section 4. Approval of Documents. It is hereby found and determined that the Indenture, Loan Agreement and Tax Certificate conform to the requirements of the Commission,

the Act and the Code and provide appropriate security for the Bonds consistent with the Act and the Code.

The Indenture, Loan Agreement and Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or his designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, including a preliminary official statement and final official statement, and to do all things necessary on its behalf to proceed with the Program and the issuance, sale and delivery of the Bonds as authorized herein. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 5. Sale of the Bonds. The Commission hereby authorizes and approves the sale of the Bonds to Herbert J. Sims & Co., Inc., an underwriter listed on its roster of approved underwriting firms as described in RCW 43.180.100, in accordance with the terms and conditions set forth in the Bond Purchase Agreement. The Commission hereby delegates to the Executive Director the authority to execute the Bond Purchase Agreement on behalf of the Commission in substantially the form filed with the Commission, subject to the following limitations: (a) the aggregate principal amount of the Bonds does not exceed \$50,000,000; (b) the interest rate on the Bonds does not exceed 8.00%; (c) the Bond Purchase Agreement is executed

prior to September 30, 2025; and (d) the final terms of the Bond Purchase Agreement are otherwise in furtherance of the Act and the Plan.

Section 6. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this Resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 7. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or his designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 26th day of June, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Nonprofit Facilities Program

Project Name	French American School of Puget Sound
Developer	French American School of Puget Sound
Description	<p>Founded in 1955, the French American School of Puget Sound (“FAPS”) has challenged students to excel academically and thrive in French, American and International cultures. The school’s program is accredited by both the Northwest Association of Independent Schools and the French Ministry of Education. The main campus is on Mercer Island, WA, where a first floor was erected in 2004, and a second floor added in 2008 utilizing the non-profit facilities bond program. FAPS Mercer Island Campus has been a central hub for children aged 18 months to Grade 8 and a preschool was successfully launched in Factoria in 2023, with plans for a second classroom that opened in 2024.</p> <p>The bonds will be used to finance the construction and equipping of an approximately 32,000 square foot, four-story nonprofit educational facility in the North Beacon Hill area, refinance existing debt used in the acquisition of land and predevelopment costs of the project, fund a debt service reserve fund, pay capitalized interest on the Bonds during construction and pay all or a portion of the costs of issuing the Bonds. FAPS new campus is poised to be a focal point for students in Grades 4 through 8 while the Mercer Island campus will continue to house preschool programs and grades K through 3rd.</p> <p>The ground floor will house a welcoming area, some offices and a competition sized gym, which will extend to the second floor. The second floor will also house administrative offices and the library. The third and fourth floors will house 12 classrooms, faculty and student spaces, shared learning areas and kitchens on each floor. In addition, the roof will house solar panels and its structure will be prepared for a deck for future construction.</p>

Location	The one block area bounded by 22 nd Avenue South on the west, South Walker Street on the north, 23 rd Avenue South on the east, and South College Street on the south, in Seattle, WA 98144
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit facilities
Project Type	New construction of a nonprofit facility, and refinance of an existing debt
<i>Financial Information</i>	
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$50,000,000
Total Estimated Project Costs	\$55,000,000
Bond Structure	Public Sale
Lender	HJ Sims
Action	Approval of Resolution No. 25-43
Anticipated Closing Date	July 2025

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-50

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt nonrecourse nonprofit refunding revenue bonds in an aggregate principal amount of not to exceed \$80,000,000 to refinance a taxable loan incurred by Heron's Key, a Washington nonprofit corporation, as part of a plan of finance to refund outstanding bonds issued for a continuing care retirement facility located in Gig Harbor, Washington and owned by Heron's Key; approving the sale of the bonds to Truist Commercial Equity, Inc.; approving a bond trust indenture, loan agreement, and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON JUNE 26. 2025

PREPARED BY:

PACIFICA LAW GROUP LLP
401 Union Street, Suite 1600
Seattle, Washington 98101

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RESOLUTION NO. 25-50

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt nonrecourse nonprofit refunding revenue bonds in an aggregate principal amount of not to exceed \$80,000,000 to refinance a taxable loan incurred by Heron's Key, a Washington nonprofit corporation, as part of a plan of finance to refund outstanding bonds issued for a continuing care retirement facility located in Gig Harbor, Washington and owned by Heron's Key; approving the sale of the bonds to Truist Commercial Equity, Inc.; approving a bond trust indenture, loan agreement, and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the "Commission") has been duly constituted pursuant to the authority and procedures of Laws of 1983, Chapter 161 of the State of Washington, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

WHEREAS, the Act authorizes the Commission to finance and refinance eligible facilities owned and operated by nonprofit organizations described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code grants an exemption from federal income tax for interest paid on bonds where the proceeds thereof are used to finance projects owned and operated by 501(c)(3) organizations; and

WHEREAS, the Commission adopted a Housing Finance Plan (the "Plan") on December 12, 2019 following a public notice and hearings as required by the Act; and

WHEREAS, the Commission previously issued its Washington State Housing Finance Commission Nonprofit Housing Revenue Bonds (Heron's Key Senior Living), Series 2015A in

the original principal amount of \$74,305,000 (the “2015A Bonds”), its Nonprofit Housing Revenue Bonds (Heron’s Key Senior Living), Series 2015B-1 in the original principal amount of \$21,750,000 (the “2015B-1 Bonds”), its Nonprofit Housing Revenue Bonds (Heron’s Key Senior Living), Series 2015B-2 in the original principal amount of \$21,500,000 (the “2015B-2 Bonds”), and its its Nonprofit Housing Revenue Bonds (Heron’s Key Senior Living), Series 2015B-3 in the original principal amount of \$27,500,000 (the “2015B-3 Bonds” and, collectively with the Series 2015B-1 Bonds and the Series 2015B-2 Bonds, the “Series 2015B Bonds”), to finance and refinance the acquisition, construction and equipping of a continuing care retirement facility located in Gig Harbor, Washington, known as Heron’s Key and owned by Heron’s Key, a Washington nonprofit corporation and an organization described in Section 501(c)(3) of the Code (the “Borrower”); and

WHEREAS, the Borrower previously defeased the Series 2015A Bonds with the proceeds of a taxable loan; and

WHEREAS, pursuant to Resolution No. 22-66 the Commission previously approved the execution and delivery of a forward delivery agreement among the Commission, Truist Commercial Equity, Inc. (the “Lender”) and the Borrower (the “Forward Delivery Agreement”), establishing conditions to the future issuance and delivery of one or more series of tax-exempt bonds to refinance said taxable loan at such time as the refinance will not constitute an advance refunding of the Series 2015A Bonds; and

WHEREAS, the conditions set forth in the Forward Delivery Agreement to allow for the issuance of tax-exempt bonds have been satisfied; and

WHEREAS, it is desirable for the Commission to assist the Borrower in refinancing the prior taxable loan (the “Project”) through the issuance of its Washington State Housing Finance

Commission Nonprofit Housing Refunding Revenue Bonds (Heron’s Key Senior Living), Series 2025 (the “Bonds”); and

WHEREAS, the Bonds will be secured by the Heron’s Key Obligated Group Direct Note Obligation No. 5 (Tax-Exempt Loan), to be issued pursuant to a Master Trust Indenture, as previously amended and as further amended by a Fifth Supplemental Master Trust Indenture (collectively, the “Master Indenture”) between the Borrower, in its capacity as the Obligated Group Representative, and U.S. Bank Trust Company, National Association, as the Master Trustee; and

WHEREAS, the Bonds are expected to be unrated and will be sold to the Lender with terms consistent with and in furtherance of the Commission’s policy for unrated bonds, as set forth in the Forward Purchase Agreement; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 15-65A, the Commission held a public hearing with respect to the Project on May 28, 2025, and the Governor has or will have approved the Project and the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Commission: the Indenture of Trust between the Commission and U.S. Bank Trust Company, National Association, as the Trustee (the “Indenture”); the Loan Agreement among the Commission, the Borrower, and the Trustee (the “Loan Agreement”); and the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”).

Section 2. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing and refinancing of eligible nonprofit housing facilities under the Act which are owned by organizations described under Section 501(c)(3) of the Code through the issuance of nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bonds are in furtherance of the Act and the Plan.

Section 3. Authorization of the Bonds. The Commission hereby authorizes the issuance and sale of its bonds to be designated “Washington State Housing Finance Commission Nonprofit Housing Refunding Revenue Bonds (Heron’s Key Senior Living), Series 2025” in an aggregate principal amount not to exceed \$80,000,000 pursuant to and in accordance with the provisions of the Act and the Code. The Commission further authorizes the issuance of additional series of bonds and the adjustment of the names of the Bonds, as is necessary to facilitate the sale of the Bonds and the accomplishment of the Project; provided that any such additional series of bonds shall be issued pursuant to the terms of Section 5 of this resolution.

Section 4. Approval of Documents. It is hereby found and determined that the Indenture, Loan Agreement and Tax Certificate conform to the requirements of the Commission, the Act and the Code and provide appropriate security for the Bonds consistent with the Act and the Code.

The Indenture, Loan Agreement and Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary’s designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its

behalf to proceed with the Program and the issuance, sale and delivery of the Bonds as authorized herein. Such officers, the Executive Director and the Secretary's designee, are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are consistent with the Program and do not materially increase the obligations of the Commission as described in the documents on file with the Commission. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 5. Issuance and Delivery of the Bonds. The Commission hereby authorizes and approves the issuance and delivery of the Bonds to the Lender to purchase and refinance the taxable loan of the Borrower used to defease the Series 2015A Bonds, in accordance with the terms and conditions set forth in the Forward Delivery Agreement previously approved by the Commission.

Section 6. Executive Director. The Deputy Director is hereby authorized to act on behalf of the Executive Director for all purposes of this Resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 7. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or the Secretary's designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 26th day of June, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Nonprofit Housing Program

Project Name	Heron's Key
Developer	Heron's Key
Description	<p>Heron's Key is a Continuing Care Retirement Community located in Gig Harbor, Washington. As a true Life Care Community, residents are able to receive higher levels of care, should they ever need it. Heron's Key has 194 independent living units, 36 assisted living units, and 45 skilled nursing beds</p> <p>Proceeds of this bond issue will be used to refinance an existing taxable loan, proceeds of which defeased prior tax-exempt obligations of the Commission which financed and refinanced a portion of the costs of the acquisition, construction and equipping Heron's Key. and paid a portion of the costs of issuance of the original issue.</p>
Location	4340 Borgen Boulevard Gig Harbor, WA 98332
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Refinance
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$80,000,000
Bond Structure	Public Sale
Lender	Ziegler Capital Markets Group
Underwriter	Ziegler Capital Markets Group
Action	Approval of Resolution No. 25-50
Anticipated Closing Date	July 2025

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-47

A RESOLUTION of the Washington State Housing Finance Commission making findings with respect to housing needs within Washington; reaffirming its program to finance single-family housing through the acquisition of Ginnie Mae, Freddie Mac or Fannie Mae Certificates representing pools of mortgage loans; authorizing the issuance and remarketing of single-family mortgage revenue and refunding bonds to establish mortgage interest rates and the issuance of additional bonds pending the establishment of mortgage interest rates, in multiple series in an aggregate principal amount of not to exceed \$300,000,000, to carry out said program of financing; making findings with respect to use of payment agreements in connection with the bonds while at a variable rate of interest, and authorizing the Executive Director to select counterparties and to approve such payment agreements; authorizing the Executive Director to approve the sale and remarketing of said bonds subject to certain limitations; authorizing the acquisition and sale of such certificates without the issuance of bonds or with the issuance of taxable bonds to facilitate the financing of single-family housing; reauthorizing the Home Advantage Program; authorizing a direct servicing program with Fannie Mae and Freddie Mac; and authorizing the Executive Director to use undeployed funds to provide liquidity for mortgage loan purchases.

ADOPTED: JUNE 26, 2025

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RESOLUTION NO. 25-47

A RESOLUTION of the Washington State Housing Finance Commission making findings with respect to housing needs within Washington; reaffirming its program to finance single-family housing through the acquisition of Ginnie Mae, Freddie Mac or Fannie Mae Certificates representing pools of mortgage loans; authorizing the issuance and remarketing of single-family mortgage revenue and refunding bonds to establish mortgage interest rates and the issuance of additional bonds pending the establishment of mortgage interest rates, in multiple series in an aggregate principal amount of not to exceed \$300,000,000, to carry out said program of financing; making findings with respect to use of payment agreements in connection with the bonds while at a variable rate of interest, and authorizing the Executive Director to select counterparties and to approve such payment agreements; authorizing the Executive Director to approve the sale and remarketing of said bonds subject to certain limitations; authorizing the acquisition and sale of such certificates without the issuance of bonds or with the issuance of taxable bonds to facilitate the financing of single-family housing; reauthorizing the Home Advantage Program; authorizing a direct-servicing program with Fannie Mae and Freddie Mac; and authorizing the Executive Director to use undeployed funds to provide liquidity for mortgage loan purchase.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic constituting an instrumentality of the State of Washington (the “Commission”), has been duly constituted pursuant to the authority and procedures of Laws of 1983, Chapter 161 of the State of Washington now codified at RCW 43.180 et seq., as amended (the “Act”); and

WHEREAS, the Commission has found that many persons and families in the state of Washington are unable to purchase safe and sanitary housing in the areas in which they reside at an affordable cost to them; and

WHEREAS, the Commission has developed a program (the “Bond Program”) to assist eligible persons and families to acquire single-family residences pursuant to which the Commission will purchase, with funds made available from the issuance of its nonrecourse revenue bonds, certificates (including Uniform Mortgage-Backed Securities) issued by Ginnie

Mae, Freddie Mac or Fannie Mae (together, the “Certificates”) representing participations in below market mortgage loans which are originated by participating lending institutions and are acquired and pooled by a master servicer; and

WHEREAS, under the Bond Program, participating lending institutions reserve bond proceeds to finance individual mortgage loans on a first-come, first-served basis and it is important that funds be made available on a continuous basis at below then-prevailing market rates; and

WHEREAS, the Commission has determined that in order to help provide additional affordable housing throughout the state and to stimulate the construction industry through its program it is desirable periodically to issue, remarket or refund its bonds and establish mortgage interest rates, in multiple series which may be taxable and tax-exempt and at fixed and variable rates of interest (together, the “Bonds”); and

WHEREAS, the Internal Revenue Code of 1986, as amended (the “Code”), grants an exemption from federal income tax for interest paid on the Bonds if the requirements of the Code are met, including those with respect to the purchase price of homes, the eligibility of homebuyers, and the use of bond proceeds; and

WHEREAS, the Commission has the ongoing opportunity to currently refund a portion of its Bonds which will be redeemed from payments and prepayments of mortgage loans financed with the proceeds of such Bonds and unused Bond proceeds, which refundings will enable the Commission to preserve a portion of its state volume cap authority; and

WHEREAS, the Commission is authorized to delegate its powers pursuant to RCW 43.180.080(17), if such delegation is consistent with the purposes of the Act; and

WHEREAS, the Commission has previously delegated to the Executive Director the authority to approve the issuance and remarketing of single-family revenue bonds within specified

limitations and the Commission has determined that such delegation is an effective means to implement the Bond Program; and

WHEREAS, it may be desirable for a portion of the Bonds to bear interest at variable rates, and the Commission may choose to reduce the Bond Program's exposure to such interest rate risk by entering into one or more interest rate swaps pursuant to Chapter 39.96 RCW (the "Interest Rate Swap Act"), and the Commission's previously approved Interest Rate Swap Policy, governing the Commission's use and management of all such payment agreements with respect to variable rate bonds; and

WHEREAS, given the volatility of the interest rates on tax-exempt and taxable bonds, fixed rate and variable rate bonds and the investments of bond proceeds as well as changes in the Code and federal housing and economic stimulus programs, it is important to maintain flexibility in the timing and structure of its bond issues and the entry into payment agreements through an annual approval of bond issues and payment agreements; and

WHEREAS, prior to the issuance of the Bonds the Commission will receive the approval of the Bonds by the Governor of the State of Washington, if required, pursuant to Section 147(f) of the Code, following public notice and hearing pursuant to the Code; and

WHEREAS, market conditions with respect to the issuance of Bonds and the origination of conventional loans may make the issuance of tax-exempt Bonds an impractical source of funding to finance the purchase of single-family residences, and the Commission has developed and operates a program that does not rely on the issuance of Bonds for such financing and consequently broadens the eligibility of such loans (the "Home Advantage Program"); and

WHEREAS, the Commission may provide funds, including proceeds of taxable Bonds, to purchase and own first mortgage loans from a master servicer(s) or which are outsourced to

subservicers or serviced by the Commission as the master servicer, until they are pooled into Certificates and sold; and

WHEREAS, the Commission may operate down payment assistance programs which are funded from a variety of sources of available funds, and which may be combined with loans made in its Bond Program, Home Advantage Program, or other Commission single-family programs; and

WHEREAS, the Commission has applied for and received approval from Federal Home Loan Mortgage Corporation (“Freddie Mac”) to be a seller-servicer and intends to apply for approval from the Federal National Mortgage Association (“Fannie Mae”) to be a seller-servicer, and upon receipt of such approval the Commission may commence servicing a portion of its own loans; and

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Findings. The Commission ratifies its prior findings that there are a substantial number of persons and families in the state of Washington who are unable to obtain loans to purchase residences and who require substantial down payments or, if such loans are obtainable, monthly mortgage payments are required which are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to purchase safe and sanitary housing at reasonable cost without financial assistance. The provision of lower interest rate loans and down payment assistance will provide sufficient financial assistance to enable many of such persons and families to purchase residences at affordable cost and will act as a significant stimulant to the economy of the state.

Section 2. Single-Family Programs. The Commission reaffirms its ongoing programs to provide financing for the purchase of single-family residences through the issuance of Bonds in the Bond Program, the Home Advantage Program (described in Section 9 hereof) and the provision of down payment assistance to homebuyers. The Commission finds and determines that its single-family programs currently operate at a significant monthly level of mortgage origination and are in furtherance of the Act and the Plan.

Section 3. Authorization of Bonds. The Commission authorizes the issuance and sale of not to exceed \$300,000,000 in aggregate amount of its nonrecourse, single-family mortgage revenue bonds to be designated “Single-Family Program Bonds,” “Homeownership Bonds” or “Single-Family Special Program Bonds” in multiple series, which may include taxable and tax-exempt bonds and may also include bonds with or without corresponding mortgage interest rates established in order to support the current level of mortgage origination. The Bonds shall be issued pursuant to and in accordance with the provisions of the Act and the Code, if applicable, shall be in furtherance of the Bond Program, and shall be subject to approval of the Governor of the State of Washington, if required, and the provisions hereof. The Bonds may include bonds issued to refund outstanding bonds of the Commission (including bonds which may otherwise have been redeemed with prepayments of mortgage loans), as well as bonds using volume cap authority. The issuance of the Bonds and the remarketing or refunding thereof will be in accordance with and in furtherance of the Plan.

Section 4. Approval of Bond Program Documents. (a) The Commission finds and determines that: (i) the Amended and Restated General Trust Indenture dated as of November 1, 2010, as amended by a First Supplement to Amended and Restated General Trust Indenture dated as of March 1, 2019 and a Second Supplement to Amended and Restated General Trust Indenture

dated as of March 1, 2023, as it may be further supplemented and amended from time to time, between the Commission and Wilmington Trust, National Association, and any successors thereto (the “Trustee”) providing for the issuance of parity debt (collectively, the “General Indenture”), the form of the Mortgage Origination Agreement among the Commission, Idaho Housing and Finance Association (“IHFA”) and individual mortgage lenders dated as of December 1, 2017, as it may be supplemented and amended from time to time, and the Program Administration and Servicing Agreement dated as of January 20, 2023, as amended, as it may be further supplemented and amended from time to time, among the Commission, the Trustee and IHFA, provide for the issuance of the Bonds in such a manner to provide a continuous supply of funds to finance mortgage loans; (ii) the Bonds will conform, as required, to the requirements of the Act and the Code; and (iii) the General Indenture provides for the maximum available security for the Bonds consistent with the Act and the Code.

(b) The Commission finds and determines that: (i) the Homeownership General Trust Indenture dated as of December 1, 2009, as supplemented and amended from time to time, between the Commission and the Trustee (the “Homeownership Indenture”) provides for the issuance of debt in such a manner to provide a continuous supply of funds to finance mortgage loans; (ii) the Bonds will conform, as required, to the requirements of the Act and the Code; and (iii) the Homeownership Indenture provides for the maximum available security for the Bonds consistent with the Act and the Code

(c) The Commission finds and determines that: (i) the Single-Family Special Program Master Trust Indenture dated as of October 1, 2012, as supplemented and amended from time to time, between the Commission and the Trustee (the “Master Indenture”) provides for the issuance of non-parity Bonds in such a manner to provide a continuous supply of funds to finance mortgage

loans; (ii) the Bonds will conform, as required, to the requirements of the Act and the Code; and (iii) the Master Indenture provides for the maximum available security for the Bonds consistent with the Act and the Code.

(d) The Commission hereby approves the use of such documents referenced above and delegates to the Executive Director the authority to approve additional servicing and subservicing agreements with individual servicers, subservicers and lenders and supplements and amendments to the documents referenced above in a manner consistent with and in furtherance of the Plan and the Bond Program. The Commission hereby authorizes the Chair, Vice Chair, Treasurer, Secretary (or his designee) and the Executive Director to execute such documents (as they may be modified on the recommendation of the Commission's finance team and bond counsel) and any other necessary documents or certificates on its behalf, including but not limited to any preliminary or final official statements with respect to the Bonds, and to do all things necessary on its behalf to proceed with the Bond Program and the issuance, sale and delivery of the Bonds as authorized herein.

Section 5. Sale of the Bonds. Subject to the conditions set forth in this section, the Commission hereby delegates to the Executive Director the authority to approve the sale and/or the remarketing of Bonds in one or more series and with fixed or variable interest rates to and with Morgan Stanley, Wells Fargo Securities, and RBC Capital Markets, LLC (or such other institution(s) as the Commission may appoint following a selection process as required by WAC 262-01-070) and/or Fannie Mae, Freddie Mac, the Washington State Investment Board and the Federal Home Loan Bank, as applicable, and to execute purchase contracts and remarketing agreements with respect to the Bonds on its behalf. This delegation is limited as follows: (1) the aggregate principal amount of Bonds sold and/or remarketed (a) with corresponding established

mortgage interest rates on mortgage loans and (b) without establishing mortgage interest rates pending changes in rates or demand among other factors, may not exceed \$300,000,000; (2) upon the establishment of mortgage interest rates, the rates on mortgage loans provided with the proceeds of the tax-exempt and taxable Bonds must be no more than .50% above the rate for government-insured and/or privately insured conventional loans at comparable buyer/seller points, and with respect to taxable Bonds issued in support of the Home Advantage Program, no more than 3.00% above the rate for government-insured and/or privately insured conventional loans, and the borrower/seller points may not be greater than 2.25 points, unless, in either case, the Executive Director reasonably determines that the mortgage loans are likely to be originated within a reasonable period of time taking into consideration the terms and conditions of the mortgage loans and market conditions; (3) the final purchase and remarketing contracts with respect to the Bonds must be in furtherance of the Bond Program and the Plan; (4) the principal amount of Bonds with respect to which a mortgage interest rate is established shall be sized to meet the expected demand for funds; (5) the issuance of the Bonds of any series under the General Indenture, Homeownership Indenture or Master Indenture, in and of itself and unrelated to the downgrade of a counterparty (such as the United States government, Fannie Mae or Freddie Mac), will not cause a reduction in the then-existing rating on any Bonds outstanding under the General Indenture, Homeownership Indenture or Master Indenture, respectively; (6) with respect to taxable Bonds issued in support of the Home Advantage Program, the delegation shall include the authority to issue taxable Bonds to fund Home Advantage Down Payment Assistance loans and/or Covenant Homeownership Down Payment Assistance loans; and (7) this delegation shall expire on July 31, 2026.

Section 6. Authorization to Expend Commission Funds. The Executive Director is authorized to expend Commission funds held under the General Indenture, Homeownership Indenture or Master Indenture, as necessary to issue the Bonds; provided, the amount of Commission funds needed to pay costs of issuance and to provide for expected case negative arbitrage and to lower the mortgage interest rate, upon the establishment of long-term interest rates shall not exceed \$35,000 per million dollars of principal amount of the Bonds. The authorization to expend Commission funds shall include the authority to provide down-payment assistance in connection with, and as part of the Commission's single-family programs. The Executive Director shall report to the Commission regarding any execution of a purchase or remarketing contract at the next meeting of the Commission.

Section 7. Findings and Authorization Regarding Payment Agreements. The interest rates to be paid on the Bonds in the variable rate mode will vary over their term. The Commission's swap financial advisor has provided information regarding the variability of interest rates on obligations such as the Bonds, based on historical fluctuations in relevant market indices. The Commission's swap financial advisor has also provided information regarding the expected effect of payment agreements on the Commission's exposure to variable interest rates. The Commission hereby finds that payment agreements, if fully performed by all parties thereto, will reduce the amount of the Commission's exposure to changes in interest rates.

The Commission hereby delegates to the Executive Director the selection of a counterparty (the "Counterparty") for any payment agreements, after due consideration by the Executive Director of proposals from qualified entities that meet the criteria set forth in the Interest Rate Swap Act and the Commission's Interest Rate Swap Policy. The Commission hereby finds,

consistent with RCW 39.96.030(3), that such selection process is a reasonable method for the solicitation and consideration of counterparties.

The Commission hereby authorizes and approves the use of payment agreements in the form of interest rate swap agreements with respect to Bonds in a variable rate mode. The Commission hereby delegates to the Executive Director the authority to approve the specific terms of such payment agreements, subject to the following limitations:

- (1) the aggregate notional amount of the payment agreements shall not exceed \$75,000,0000;
- (2) the term of the payment agreements shall not exceed the term of the related Bonds;
- (3) the Commission's obligation to pay regularly scheduled amounts due under the payment agreements absent an event of default shall be on a parity of lien with the Commission's obligation to pay principal of and interest on the Bonds issued under the General Indenture, Homeownership Indenture or Master Indenture, as applicable;
- (4) the Commission's obligation to pay any other amount due under the payment agreements (including without limitation any termination payments) shall be subordinate to the Commission's obligation to pay principal of and interest on the Bonds issued under the General Indenture, Homeownership Indenture or Master Indenture, as applicable;
- (5) any payment agreement shall be executed prior to July 31, 2026.
- (6) the Commission's swap financial advisor shall provide, on or prior to the date of execution of a payment agreement, the certification required by RCW 39.96.030(2)(b);
and

(7) the final terms of the payment agreements are otherwise in furtherance of the Interest Rate Swap Act and the Commission's Interest Rate Swap Policy.

The Executive Director is authorized to execute payment agreements pursuant to the Interest Rate Swap Act and consistent with and in furtherance of the Commission's Interest Rate Swap Policy and this resolution. The Executive Director is further authorized to execute the documents contemplated therein, and any other necessary documents or certificates on its behalf, and to do all things necessary on its behalf to proceed with the execution of the payment agreements as authorized herein. Only one signature is required to bind the Commission.

The Executive Director is furthermore authorized to execute a replacement payment agreement with a qualified counterparty selected in the same manner as for initial payment agreements if the Commission determines to terminate a payment agreement because an existing counterparty's rating is downgraded or if it would be otherwise desirable to the Commission and in furtherance of the Commission's Interest Rate Swap Policy.

Section 8. Authorization to Sell Certificates. The Executive Director is authorized to sell Certificates for the account of the Commission upon his determination that such sales are in the best interest of the Commission.

Section 9. Home Advantage Program. The Commission previously approved and hereby reaffirms its Home Advantage Program to provide financing for the purchase of eligible single-family residences without the issuance of tax-exempt Bonds through the use of frequent, periodic pricing and sale of Certificates. The Commission finds and determines that under certain bond market and conventional loan market conditions the Home Advantage Program provides a useful addition to the Bond Program in furtherance of its public purpose to provide affordable housing to low and moderate income individuals and families.

In addition, the Commission finds and determines that using taxable Bond proceeds for the purchase of Mortgage Loans in its Home Advantage Program will permit it to continue the Home Advantage Program when the sale of Certificates will not support a marketable Program. It further finds that, depending on market conditions, taxable Bond proceeds also may be effectively used as a source of funds for Home Advantage Down Payment Assistance loans.

The Commission hereby ratifies the Program Administration and Servicing Agreement, , dated as January 20, 2023, as amended, as it may be further supplemented and amended from time to time, between the Commission and Idaho Housing and Finance Association, for the administration of the Home Advantage Program and the agreement with Hilltop Securities Inc. for the purchase and sale of Certificates to fund the Home Advantage Program, as such agreements may be supplemented and amended from time to time. The Executive Director is delegated the authority to enter into additional program administration and servicing agreements and replacements, supplements and amendments to the documents referenced above in a manner consistent with and in furtherance of the Plan as are necessary to ensure the continued efficiency of its single-family program.

The Executive Director is further delegated the authority to manage the acquisition and sale of Certificates and do all things reasonable or necessary pursuant to the Home Advantage Program to provide efficient financing for the purchase of eligible single-family residences, including the issuance of taxable Bonds, and is directed to report periodically to the Commission with regard to the status of the Bond Program and the Home Advantage Program.

The Commission finds and determines that by using its available funds and/or taxable Bond proceeds for the purchase of Mortgage Loans, including Home Advantage Down Payment Assistance loans and/or Covenant Homeownership Program Down Payment Assistance loans, it

can reduce its need to purchase liquidity and increase the efficiency of the Home Advantage Program. The Executive Director is therefore delegated the authority to take all actions necessary to use taxable Bond proceeds, undeployed General Operating funds, Program-Related Investment funds, amounts in the Commission Fund and other undeployed funds, to provide liquidity for the purchase of Mortgage Loans. The Commission hereby (a) reauthorizes the allocation of Program-Related Investment funds representing Home Advantage Down Payment Assistance and Covenant Homeownership Down Payment Assistance loan repayments in excess of \$80 million to revolving Commission Down Payment Assistance Programs, and (b) authorizes the use of taxable Bond proceeds to make Home Advantage Down Payment Assistance loans.

Section 10. Direct Master Servicing. Upon receipt of approval from Fannie Mae and/or Freddie Mac to serve as a direct master servicer, the Commission hereby authorizes the Executive Director to establish an internal servicing program and to take or delegate all actions necessary to implement such program, including the determination of which single-family loans to direct-service, as necessary and in the interests of the Commission, to ensure the continued efficiency and effectiveness of its single-family program.

Section 11. Executive Director. The Deputy Executive Director or any other designee of the Executive Director is hereby authorized to act on behalf of the Executive Director for all purposes of this Resolution if it is necessary or desirable to accomplish the purposes hereof.

Section 12. Ratification. The Commission hereby ratifies and confirms all actions taken prior to the adoption of this resolution by the Executive Director in furtherance of the Single-Family Program, the Bond Program, the Home Advantage Program and the Plan.

Section 13. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair of the Commission and attestation by the Secretary of the Commission, or his designee.

ADOPTED at a special meeting duly noticed and called this 26th day of June, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Oversubscription Policy

Current reservation policy:

Funds are available on a first come first served basis. Loan officers reserve funds after the Borrower has:

- 1) Completed a Commission sponsored Home Buyer Education seminar, and
- 2) Executes a purchase and sale agreement.

Although the Commission requests loan originators supply the family history for review prior to signing a purchase and sale agreement, this recommendation is not always followed.

Recommendation for reservation policy if Covenant funds are oversubscribed:

When offering a substantial amount of downpayment assistance, Borrowers should only enter into a purchase and sale agreement if there are funds available for their loan officer to reserve. When quarterly funding has been fully allocated, the Homeownership Division will maintain a pre-reservation list of Borrowers for the next round of quarterly funding.

To be added to the pre-reservation list, Borrowers will be required to:

1. Complete a Commission-sponsored homebuyer education seminar and provide a completion certificate.
2. Submit and receive approval from the Commission of their family history documents.
3. Submit a loan pre-approval, signed by the underwriter.

Once steps 1-3 have been completed and submitted to the Commission, the Borrower will be added to a Commission-held pre-reservation list in order of the date of receipt. When funding becomes available, the Commission will notify Borrowers and their lender. If the Borrower chooses not to proceed at this time, they will be placed in line for the next quarter's funding.

Based on feedback with partners, the Borrower will have a 30-day window to go under contract and reserve funds on the Commission's loan reservation system. On a case-by-case basis, the Commission may offer an extension if the lender documents the Borrower has received rejected offers. If after 30 days, the Borrower has not found a home, they will be added to the pre-reservation list for the next quarter's funding and the next Borrower on the list will be given 30 days to go under contract and reserve funds for a home.

At the end of the quarter, any remaining, unreserved funds will be added to the new funds from Commerce and the process will be repeated.

Recommendation:

Approval of this policy. with delegated authority from the Commission to modify the oversubscription policy as necessary to respond to particular unanticipated situations. Staff will report on the modifications to the Commission. If merited, staff will come back to the Commission for approval of a modified policy if necessary.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

memorandum

To: Commissioners

From: Lucas Loranger

CC: Executive Management Team

Date: June 17, 2025

Re: Program Related Investments (PRI) transfer to Single-Family Open Indenture

BACKGROUND

The Single-Family Open Indenture, specifically the Commission Fund, is the Commission's primary vehicle for short-term warehousing of Single-Family first mortgages awaiting pooling. Funds from the Commission Fund are used to reimburse our servicer twice weekly for loans purchased from lenders on our behalf. When the loan is pooled into a mortgage-backed security (MBS), the principal is returned to the Commission, along with mortgage interest. We have also partnered with a private lender for a warehousing Line of Credit (LOC) to help supplement the Commission Fund and provide additional capacity as needed.

As production in the single-family program increases, the warehousing needs are stressing our funding capacity. We have increased the frequency of our MBS settlements to turnover funds more quickly and increased the use of our LOC but have still come dangerously close to not having enough funds on hand to fully reimburse our servicer, which would jeopardize our reputation with our partners and lenders.

As you'll recall, at the May 2022 Budget and Planning Session, you approved subsidizing the Home Advantage Downpayment Assistance Program by redeploying past repayments in the program. One of the guardrails on this strategy was to not let the balance of undeployed past repayments fall below \$80 million, which was earmarked for future liquidity and seller servicer reserve needs. The time has come where we need to tap into that \$80 million reserve to assure we have sufficient liquidity to fund mortgages. We are requesting approval to move \$40 million

from the Home Advantage DPA reserve to the Single-Family Open Indenture for this purpose, which would lower the floor of the Home Advantage DPA reserve to \$40 million.

PROPOSED ACTION

Approve the transfer of \$40 million from the Home Advantage DPA reserve to the Single-Family Open Indenture to provide additional liquidity for the warehousing of single-family mortgages.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Lucas Loranger, Shirleen Noonan

CC: Executive Management Team

Date: June 23, 2025

Re: Budget proposal for Fiscal Year 2026 (July 1, 2025 – June 30, 2026)

BACKGROUND

The proposed budget for the Washington State Housing Finance Commission's upcoming fiscal year 2026 (July 1, 2025 through June 30, 2026) follows. Although we have updated a few items, this proposed annual budget stays substantially the same as the draft we presented to you at the May Budget & Planning Session.

Among the handful of changes since the May draft include the following changes in services or labor costs:

- Increased insurance expenses for Seller-Servicer related policies.
- Decreased retirement contributions with updated employer rate announced May 28th by DRS.
- Increased health insurance contributions with updated employer rate announced June 13th by HCA.
- Increased budget projection for an IT advisor.
- Increased conference registration expenses for a higher Housing WA registration fee.
- Reclassified servicing software from a capital expenditure item to software expense

After incorporating these changes, projected net revenue increased by \$177,213, or 0.6%, from May's preliminary budget.

PROPOSED ACTION

Consider and act on the approval of the proposed fiscal year 2026 budget.

WASHINGTON STATE HOUSING FINANCE COMMISSION

Budget for Fiscal Year Ending June 30, 2026

	HOMEOWNERSHIP			MULTIFAMILY HOUSING & COMMUNITY FACILITIES*	ASSET MANAGEMENT AND COMPLIANCE	FINANCE			INFORMATION TECHNOLOGY SERVICES	EXECUTIVE OFFICE			TOTAL BUDGET
	Home- ownership	Homebuyer Education	TOTAL			Bond Portfolio Management	General Operations	TOTAL		Administration	Comm.	TOTAL	
REVENUE													
Fee Revenue	16,993,034	-	16,993,034	10,605,024	8,337,717	5,315,385	-	5,315,385	-	-	-	-	41,251,160
Interest Revenue	-	-	-	-	-	-	11,920,539	11,920,539	-	-	-	-	11,920,539
Misc. Revenue	-	156,000	156,000	-	169,000	-	4,000	4,000	-	34,944	-	34,944	363,944
Pass through Grants	-	7,613,008	7,613,008	-	-	-	-	-	-	-	-	-	7,613,008
TOTAL REVENUE	16,993,034	7,769,008	24,762,042	10,605,024	8,506,717	5,315,385	11,924,539	17,239,924	-	34,944	-	34,944	61,148,650
EXPENSES													
Salaries & Wages	3,171,046	502,600	3,673,646	3,762,849	2,895,902	707,928	1,331,042	2,038,970	1,215,288	2,915,819	22,475	2,938,294	16,524,949
Travel	59,663	10,421	70,084	71,104	57,218	13,410	28,560	41,970	18,087	66,694	70,290	136,984	395,447
Professional Fees	395,200	20,000	415,200	290,000	140,000	211,560	254,000	465,560	-	185,000	-	185,000	1,495,760
Office Exp. & Other	526,319	79,252	605,571	366,856	1,340,829	147,602	249,311	396,913	1,333,533	1,409,248	25,850	1,435,098	5,478,799
Pass through Grants	-	7,613,008	7,613,008	-	-	-	-	-	-	-	-	-	7,613,008
TOTAL EXPENSES	4,152,228	8,225,281	12,377,509	4,490,809	4,433,949	1,080,500	1,862,913	2,943,413	2,566,908	4,576,761	118,615	4,695,376	31,507,963
EXCESS OF REVENUES OVER EXPENSES	12,840,806	(456,273)	12,384,533	6,114,215	4,072,768	4,234,885	10,061,626	14,296,511	(2,566,908)	(4,541,817)	(118,615)	(4,660,432)	29,640,687
Overhead Allocations	796,804	117,494	914,298	861,777	850,866	207,346	(10,061,626)	(9,854,280)	2,566,908	4,541,817	118,615	4,660,432	-
Program Allocations	222,112	44,422	266,534	4,175,697	-	(4,442,231)	-	(4,442,231)	-	-	-	-	-
NET INCOME	13,859,722	(294,357)	13,565,365	11,151,689	4,923,634	-	-	-	-	-	-	-	29,640,687
CAPITAL EXPENDITURES													-

FYE 2025 Budgeted Revenue & Expenses for Comparative Purposes

REVENUE													
Fee Revenue	10,511,163	-	10,511,163	10,767,263	7,910,117	5,809,375	-	5,809,375	-	-	-	-	34,997,917
Interest Revenue	-	-	-	-	-	-	14,146,529	14,146,529	-	-	-	-	14,146,529
Misc. Revenue	-	709,036	709,036	-	152,000	-	4,000	4,000	-	31,200	-	31,200	896,236
Pass through Grants	-	60,952,641	60,952,641	-	-	-	-	-	-	-	-	-	60,952,641
TOTAL REVENUE	10,511,163	61,661,677	72,172,840	10,767,263	8,062,117	5,809,375	14,150,529	19,959,904	-	31,200	-	31,200	110,993,324
EXPENSES													
Salaries & Wages	3,027,457	484,745	3,512,202	3,335,922	2,841,499	759,212	1,226,151	1,985,363	1,166,123	2,540,475	21,476	2,561,951	15,403,059
Travel	59,663	10,421	70,084	66,471	65,218	14,025	25,579	39,604	38,526	60,132	70,290	130,422	410,325
Professional Fees	358,000	50,000	408,000	220,000	250,000	207,280	254,000	461,280	-	185,000	-	185,000	1,524,280
Office Exp. & Other	563,672	197,444	761,116	682,400	1,220,933	149,382	159,693	309,075	969,908	1,624,354	25,850	1,650,204	5,593,636
Pass through Grants	-	60,952,641	60,952,641	-	-	-	-	-	-	-	-	-	60,952,641
TOTAL EXPENSES	4,008,792	61,695,251	65,704,043	4,304,793	4,377,650	1,129,899	1,665,423	2,795,322	2,174,557	4,409,961	117,616	4,527,577	83,883,942
EXCESS OF REVENUES OVER EXPENSES	6,502,371	(33,574)	6,468,797	6,462,470	3,684,467	4,679,476	12,485,106	17,164,582	(2,174,557)	(4,378,761)	(117,616)	(4,496,377)	27,109,382
Overhead Allocations	1,600,399	296,467	1,896,866	1,718,569	1,747,656	451,081	(12,485,106)	(12,034,025)	2,174,557	4,378,761	117,616	4,496,377	-
Program Allocations	307,833	51,306	359,139	4,771,418	-	(5,130,557)	-	(5,130,557)	-	-	-	-	-
NET INCOME	8,410,603	314,199	8,724,802	12,952,457	5,432,123	-	-	-	-	-	-	-	27,109,382
CAPITAL EXPENDITURES													110,000

* Programs Non-Profit Housing (NPH), Non-Profit Facilities (NPF), Beginning Farmer (BFL), Sustainable Energy (SEP), and Tax Credits (TCR) are included in Multifamily Housing & Community Facilities

WSHFC		FYE 2026 -- BUDGET Roll-up by Division															
		HOMEOWNERSHIP				MULTIFAMILY HOUSING & COMMUNITY FACILITIES				ASSET MANAGEMENT & COMPLIANCE				FINANCE			
		Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024	Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024	Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024	Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024
Revenues:																	
	Commission Fees	-		-	-	4,364,122	5,392,061	4,092,281	3,974,279	3,893,802	3,590,672	3,976,959	3,828,626	4,978,289	4,322,159	4,709,468	4,395,467
	Compliance Fees	-	-	-	-	-	-	-	-	4,443,915	4,319,445	4,052,771	3,901,717	-	-	-	-
	All other Program Fees	13,482,963	9,346,608	10,388,893	7,251,565	337,096		2,030,569	1,336,476	-	-	247,482	188,010	337,096	1,487,216	2,033,975	1,336,200
	Issuance & Application Fees	3,510,071	1,164,555	4,471,597	3,189,669	5,903,806	5,375,202	7,797,640	8,660,284	-	-	-	-	-	-	-	-
	Interest Revenue	-	-	-	-	-	-	-	-	-	-	-	-	11,920,539	14,146,529	15,486,046	15,872,536
	Other Income	156,000	709,036	53,283	770,172	-	-	-	-	169,000	152,000	172,443	138,891	4,000	4,000	7,043	4,802
	Grant Revenue	7,613,008	60,952,641	61,697,086	72,208,081	-	-	-	76,157	-	-	-	-	-	-	-	-
Total Unadjusted Revenues		24,762,042	72,172,840	76,610,859	83,419,487	10,605,024	10,767,263	13,920,490	14,047,196	8,506,717	8,062,117	8,449,655	8,057,244	17,239,924	19,959,904	22,236,531	21,609,004
Expenses:																	
EMPLOYEE EXPENSES																	
	Salaries, Wages & Temp. staffing	2,934,129	2,735,370	2,380,337	2,170,923	2,962,042	2,583,134	2,366,138	2,046,010	2,293,573	2,210,023	1,737,216	1,754,994	1,592,207	1,522,435	1,222,886	1,180,036
	Employee Benefits	699,967	733,582	665,980	620,053	756,307	716,087	696,069	595,862	569,229	601,576	500,609	492,274	420,413	439,478	367,350	362,124
	Conference, Education & Training	39,550	43,250	9,454	18,322	44,500	36,700	13,145	19,896	33,100	29,900	18,031	22,923	26,350	23,450	9,629	5,773
TRAVEL EXPENSES																	
	Travel out of state	48,750	48,750	9,527	15,905	45,000	42,500	14,447	31,594	38,750	38,750	17,874	21,413	25,000	22,500	2,997	16,607
	Travel in state	21,334	21,334	23,238	8,871	26,104	23,971	19,890	13,101	18,468	26,468	28,926	20,164	16,970	17,104	6,830	1,866
PROFESSIONAL FEES																	
	Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-	146,360	142,080	115,383	120,782
	Legal Fees	170,000	200,000	192,168	108,192	215,000	165,000	136,334	206,688	140,000	250,000	135,506	199,985	1,000	1,000	-	7,578
	Financial Advisor Fees	245,200	208,000	235,200	121,594	75,000	55,000	-	-	-	-	-	-	100,200	100,200	156,694	108,400
	Investment Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	218,000	218,000	203,908	227,132
OFFICE EXPENSE																	
	Office Rent/Conf. Room Rentals	124,940	127,116	89,167	72,503	143,786	130,412	91,723	86,820	108,099	117,359	70,877	106,913	82,531	84,438	59,018	59,815
	Furniture & Equipment Rental	-	-	-	-	-	-	-	-	-	7,800	-	7,721	-	-	-	-
	Advertising	50,500	131,000	14,825	12,080	15,000	36,500	4,200	15,690	2,500	7,000	880	3,016	1,900	1,900	-	-
	Publications/ Subscriptions/ Dues	12,389	11,900	1,654	1,109	39,000	37,000	30,875	17,233	8,100	8,000	5,038	6,650	2,368	2,368	270	2,892
	Deliveries	100	500	105	67	1,000	950	842	702	-	-	-	263	100	100	-	20
	Insurance	12,000	-	9,187	-	-	-	-	-	-	-	-	-	-	-	-	-
	Meeting Expense	1,500	5,000	474	823	10,000	10,500	491	954	3,000	3,500	2,018	4,204	751	751	-	-
	Equipment & Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Software Maint. Support & Other Info	257,754	259,647	204,909	198,115	126,815	145,758	108,648	89,268	345,635	206,979	329,177	270,695	275,242	190,495	182,475	168,715
	Non-capitalized Equipment/Supplies	931	2,896	4,105	1,017	3,345	2,971	523	314	2,445	2,445	327	7,865	1,921	1,923	-	821
	Postage	100	600	12	87	250	150	263	154	50	250	36	40	430	430	165	236
	Printing	50	1,000	146	66	-	150	-	99	1,000	5,000	3,881	6,633	320	320	40	33
	State Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Supplies	2,000	2,500	1,925	1,039	150	1,500	161	839	2,000	5,000	1,504	2,163	1,350	1,350	569	713
	Telephone	2,950	5,000	2,912	2,516	8,000	-	6,897	6,208	3,000	6,600	3,989	3,771	-	-	-	363
	Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Services	109,400	183,000	117,546	321,380	-	249,000	32,134	122,997	865,000	851,000	687,384	581,376	30,000	10,000	26,854	5,458
	Depreciation	30,957	30,957	30,957	20,638	19,510	67,509	73,207	98,250	-	-	-	-	-	15,000	-	-
	Grant Pass-Through	7,613,008	60,952,641	61,697,086	72,208,081	-	-	-	76,157	-	-	-	-	-	-	-	-
Total Expenses		12,377,509	65,704,043	65,690,912	75,903,382	4,490,809	4,304,793	3,595,987	3,428,834	4,433,949	4,377,650	3,543,273	3,513,062	2,943,413	2,795,322	2,355,068	2,269,362
Revenue over expense, prior to allocations		12,384,533	6,468,797	10,919,948	7,516,105	6,114,215	6,462,470	10,324,503	10,618,362	4,072,768	3,684,467	4,906,382	4,544,182	14,296,511	17,164,582	19,881,463	19,339,642
% of Total Expenses		19.9%	20.7%	20.9%	22.5%	18.8%	18.8%	18.8%	20.4%	18.6%	19.1%	18.6%	21.4%	12.3%	12.2%	12.3%	13.8%
NET INCOME		12,384,533	6,468,797	10,919,948	7,516,105	6,114,215	6,462,470	10,324,503	10,618,362	4,072,768	3,684,467	4,906,382	4,544,182	14,296,511	17,164,582	19,881,463	19,339,642
OVERHEAD ALLOCATION		914,298	1,896,866	3,956,408	3,074,335	861,777	1,718,569	3,204,949	2,973,636	850,866	1,747,656	2,858,468	2,727,512	(9,854,280)	(12,034,025)	(15,581,967)	(12,315,449)
PROGRAM ALLOCATION																	
	BOND PORTFOLIO MANAGEMENT	266,534	359,139	343,960	421,452	4,175,697	4,771,418	3,955,537	6,602,741	-	-	-	-	(4,442,231)	(5,130,557)	(4,299,496)	(7,024,193)
	BOND COMPLIANCE																
	TAX CREDIT COMPLIANCE																
NET INCOME		13,565,365	8,724,802	15,220,315	11,011,891	11,151,689	12,952,457	17,484,988	20,194,739	4,923,634	5,432,123	7,764,850	7,271,694	-	-	-	-
OVERHEAD ALLOCATION PERCENTAGE		32%	35%	35%	32%	30%	28%	28%	31%	30%	25%	25%	29%	7%	11%	11%	8%
PROGRAM ALLOCATION PERCENTAGE																	
	BOND PORTFOLIO MANAGEMENT (Based on	6%	8%	8%	6%	94%	92%	92%	94%	0%	0%	0%	0%	0%	0%	0%	0%

WSHFC													
		INFORMATION TECHNOLOGY SERVICES				EXECUTIVE ADMINISTRATION				FYE 2026 TOTAL BUDGET	FYE 2025 TOTAL Budget	@ 04/30/25 FYE 2025 Proj Actl	Actual FYE 2024
		Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024	Budget FYE 2026	Budget FYE 2025	Projected Act FYE 2025	Actual FYE 2024				
Revenues:													
Commission Fees	-	-	-	-	-	-	-	-	13,236,213	11,817,675	12,778,708	12,198,372	
Compliance Fees	-	-	-	-	-	-	-	-	4,443,915	4,319,445	4,052,771	3,901,717	
All other Program Fees	-	-	-	-	-	-	-	-	14,157,155	12,321,040	14,700,919	10,112,251	
Issuance & Application Fees	-	-	-	-	-	-	-	-	9,413,877	6,539,757	12,269,237	11,849,953	
Interest Revenue	-	-	-	-	-	-	-	-	11,920,539	14,146,529	15,486,046	15,872,536	
Other Income	-	-	-	-	34,944	31,200	31,200	31,200	363,944	896,236	263,969	945,064	
Grant Revenue	-	-	-	-	-	-	-	-	7,613,008	60,952,641	61,697,086	72,284,238	
Total Unadjusted Revenues	-	-	-	-	34,944	31,200	31,200	31,200	61,148,650	110,993,324	121,248,735	127,164,131	
Expenses:													
EMPLOYEE EXPENSES													
Salaries, Wages & Temp. staffing	948,213	875,915	528,058	419,581	2,284,634	1,940,492	1,961,137	1,567,039	13,014,798	11,867,369	10,195,772	9,138,582	
Employee Benefits	238,075	246,310	121,950	105,855	590,372	565,357	539,117	(808,129)	3,274,363	3,302,390	2,891,075	1,368,038	
Conference, Education & Training	29,000	43,898	17,102	20,150	63,288	56,102	24,164	19,747	235,788	233,300	91,525	106,811	
TRAVEL EXPENSES		-	-	-	-	-	-	-	-	-	-	-	
Travel out of state	7,000	27,192	20,488	12,558	78,773	74,558	27,708	38,053	243,273	254,250	93,040	136,130	
Travel in state	11,087	11,334	1,112	1,673	58,211	55,864	27,094	30,343	152,174	156,075	107,090	76,019	
PROFESSIONAL FEES		-	-	-	-	-	-	-	-	-	-	-	
Accounting Fees	-	-	-	-	-	-	-	-	146,360	142,080	115,383	120,782	
Legal Fees	-	-	-	-	185,000	185,000	155,440	197,172	711,000	801,000	619,448	719,614	
Financial Advisor Fees	-	-	-	-	-	-	-	-	420,400	363,200	391,894	229,994	
Investment Management Fees	-	-	-	-	-	-	-	-	218,000	218,000	203,908	227,132	
OFFICE EXPENSE		-	-	-	-	-	-	-	-	-	-	-	
Office Rent/Conf. Room Rentals	44,554	45,512	27,239	48,836	111,263	106,310	179,611	180,766	615,173	611,147	517,635	555,652	
Furniture & Equipment Rental	-	-	550	-	25,876	19,276	11,161	14,061	25,876	27,076	11,710	21,783	
Advertising	-	-	-	-	143,235	143,735	70,122	69,208	213,135	320,135	90,027	99,994	
Publications/ Subscriptions/ Dues	8,316	1,800	4,293	4,714	68,914	70,992	65,471	64,180	139,087	132,060	107,601	96,778	
Deliveries	-	-	-	-	1,000	3,570	510	372	2,200	5,120	1,456	1,424	
Insurance	-	-	-	-	70,000	66,150	67,960	63,075	82,000	66,150	77,147	63,075	
Meeting Expense	-	-	717	-	142,000	142,000	134,367	29,961	157,251	161,751	138,067	35,941	
Equipment & Building Maintenance	-	-	1,465	-	58,300	107,020	54,993	36,691	58,300	107,020	56,458	36,691	
Software Maint. Support & Other Info	1,066,465	724,421	621,505	635,101	336,251	320,557	152,150	147,779	2,408,162	1,847,857	1,598,865	1,509,672	
Non-capitalized Equipment/Supplies	58,037	70,537	152,867	53,979	13,480	163,315	30,184	12,348	80,159	244,087	188,005	76,344	
Postage	-	-	-	-	240	3,750	199	322	1,070	5,180	675	840	
Printing	-	-	-	66	6,000	7,500	4,605	1,107	7,370	13,970	8,672	8,005	
State Services	-	-	-	-	6,970	6,970	3,263	2,487	6,970	6,970	3,263	2,487	
Supplies	2,000	2,000	8,126	3,771	35,750	35,750	50,887	17,539	43,250	48,100	63,172	26,064	
Telephone	63,720	42,660	60,784	12,386	4,456	3,136	17,907	50,865	82,126	57,396	92,489	76,109	
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Contract Services	60,000	35,000	8,850	1,880	341,316	397,316	363,162	477,995	1,405,716	1,725,316	1,235,929	1,511,085	
Depreciation	30,441	47,978	41,674	31,494	70,047	52,857	35,352	7,279	150,954	214,301	181,190	157,661	
Grant Pass-Through	-	-	-	-	-	-	-	-	7,613,008	60,952,641	61,697,086	72,284,238	
Total Expenses	2,566,908	2,174,557	1,616,780	1,352,045	4,695,376	4,527,577	3,976,563	2,220,259	31,507,963	83,883,942	80,778,582	88,686,943	
Revenue over expense, prior to allocations		(2,566,908)	(2,174,557)	(1,616,780)	(1,352,045)	(4,660,432)	(4,496,377)	(3,945,363)	(2,189,059)	29,640,687	27,109,382	40,470,153	38,477,188
% of Total Expenses		10.7%	9.5%	8.5%	8.2%	19.7%	19.7%	20.8%	13.5%	100%	100%	100%	100%
NET INCOME		(2,566,908)	(2,174,557)	(1,616,780)	(1,352,045)	(4,660,432)	(4,496,377)	(3,945,363)	(2,189,059)	29,640,687	27,109,382	40,470,153	38,477,188
OVERHEAD ALLOCATION		2,566,908	2,174,557	1,616,780	1,352,045	4,660,432	4,496,377	3,945,363	2,189,059	-	-	-	1,137
PROGRAM ALLOCATION													
BOND PORTFOLIO MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-
BOND COMPLIANCE													
TAX CREDIT COMPLIANCE													
NET INCOME		-	-	-	-	-	-	-	-	29,640,687	27,109,382	40,470,153	38,478,325
OVERHEAD ALLOCATION PERCENTAGE									100%	100%	100%	100%	
PROGRAM ALLOCATION PERCENTAGE													
BOND PORTFOLIO MANAGEMENT (Based on									100%	100%	100%	100%	

Washington State Housing Finance Commission
Projected Statement of Operations
FYE 25 Projected Actual & FYE 26 Budget versus FYE 25 Budget

	FYE 2026 Bdgt vs. FYE 2025 Bdgt Change	FYE 2026 Bdgt vs. FYE 2025 Bdgt Variance	FYE 2025 Budget	FYE 2026 Budget	@ 04/30/25 FYE 2025 Projected Actual	FYE 2026 Bdgt vs. FYE 2025 Proj Variance	FYE 2026 Bdgt vs. FYE 2025 Prj Change	FYE 2026 Budget %
Revenues:								
Program Fees	12%	3,379,122	28,458,160	31,837,282	31,532,398	304,884	1%	59.5%
Issuance & Application Fees	44%	2,874,120	6,539,757	9,413,877	12,269,237	(2,855,360)	-23%	17.6%
Interest Revenue	-16%	(2,225,990)	14,146,529	11,920,539	15,486,046	(3,565,507)	-23%	22.3%
Other Income	-59%	(532,292)	896,236	363,944	263,969	99,975	38%	0.7%
Total Unadjusted Revenues excluding Grants	7%	3,494,959	50,040,683	53,535,642	59,551,649	(6,016,007)	-10%	500%
Expenses:								
EMPLOYEE EXPENSES								
Salaries, Wages & Temp. staffing	10%	1,147,429	11,867,369	13,014,798	10,195,772	2,819,026	28%	54.5%
Employee Benefits	-1%	(28,027)	3,302,390	3,274,363	2,891,075	383,288	13%	13.7%
Conference, Education & Training	1%	2,488	233,300	235,788	91,525	144,263	158%	1.0%
TRAVEL EXPENSES								
Travel out of state	-4%	(10,977)	254,250	243,273	93,040	150,233	161%	1.0%
Travel in state	-2%	(3,901)	156,075	152,174	107,090	45,084	42%	0.6%
PROFESSIONAL FEES								
Accounting Fees	3%	4,280	142,080	146,360	115,383	30,978	27%	0.6%
Legal Fees	-11%	(90,000)	801,000	711,000	619,448	91,552	15%	3.0%
Financial Advisor Fees	16%	57,200	363,200	420,400	391,894	28,506	7%	1.8%
Investment Management Fees	0%	(0)	218,000	218,000	203,908	14,092	7%	0.9%
OFFICE EXPENSE								
Office Rent/Conf. Room Rentals	1%	4,026	611,147	615,173	517,635	97,538	19%	2.6%
Furniture & Equipment Rental	-4%	(1,200)	27,076	25,876	11,710	14,166	121%	0.1%
Advertising	-33%	(107,000)	320,135	213,135	90,027	123,108	137%	0.9%
Publications/ Subscriptions/ Dues	5%	7,027	132,060	139,087	107,601	31,486	29%	0.6%
Deliveries	-57%	(2,920)	5,120	2,200	1,456	744	51%	0.0%
Insurance	24%	15,850	66,150	82,000	77,147	4,853	6%	0.3%
Meeting Expense	-3%	(4,500)	161,751	157,251	138,067	19,184	14%	0.7%
Equipment & Building Maintenance	-46%	(48,720)	107,020	58,300	56,458	1,842	3%	0.2%
Software Maint. Support & Info Svcs	30%	560,305	1,847,857	2,408,162	1,598,865	809,297	51%	10.1%
Non-capitalized Equipment/Supplies	-67%	(163,928)	244,087	80,159	188,005	(107,846)	-57%	0.3%
Postage	-79%	(4,110)	5,180	1,070	675	395	59%	0.0%
Printing	-47%	(6,600)	13,970	7,370	8,672	(1,302)	-15%	0.0%
State Services	0%	0	6,970	6,970	3,263	3,707	114%	0.0%
Supplies	-10%	(4,850)	48,100	43,250	63,172	(19,922)	-32%	0.2%
Telephone	43%	24,730	57,396	82,126	92,489	(10,363)	-11%	0.3%
Contract Services	-19%	(319,600)	1,725,316	1,405,716	1,235,929	169,787	14%	5.9%
Depreciation	-30%	(63,347)	214,301	150,954	181,190	(30,236)	-17%	0.6%
Total Expenses excluding Grants	4%	963,654	22,931,301	23,894,955	19,081,496	4,813,459	25%	200%
Grant Pass-Through Revenue	-88%	(53,339,634)	60,952,641	7,613,008	61,697,086	(54,084,079)	-88%	
Grant Pass-Through Expense	-88%	53,339,633	(60,952,641)	(7,613,008)	(61,697,086)	54,084,078	-88%	
Total Grants Net		-	-	-	-	-		
EXCESS OF REVENUES OVER EXPENSES	9%	2,531,305	27,109,382	29,640,687	40,470,153	(10,829,466)	-27%	

STAFFING SUMMARY

Division/Entity	FY 26 FTE Addition/(Reduction)				Fiscal Year 2026 Budget
	Fiscal Year 2025 Budget	Manager	Analyst	Admin Assistant	
Homeownership	19.30				19.30
MHCF	19.80		2.50		22.30
Asset Mgmt Compliance	16.30				16.30
Finance	12.82			(0.02)	12.80
Administration	15.43	0.70	1.00	(0.60)	16.53
IT	6.91				6.91
WSHFC	90.56	0.70	3.50	(0.62)	94.14
WHEFA	2.44	(0.70)		(0.88)	0.86
TSA	-		-		-
Total	93.00	-	3.50	(1.50)	95.00

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Homeownership Division Program Summary
Fiscal Year 2025 – 2026**

Division: Homeownership

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
 1. Expand access to affordable financing options to low- to moderate-income borrowers and historically underserved communities
 2. Become an approved seller-servicer to maintain flexible underwriting guidelines and challenge biased traditional financing requirements

Engagement Perspective

- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
- Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
 1. Strengthen partnerships with lenders, real estate professionals, nonprofits, and community-based organizations from historically underserved communities to reach potential homebuyers.
 2. Sponsor statewide homebuyer education classes, ensuring accessibility to underserved communities.

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
 - Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
1. Enhance the loan reservation system to streamline processes and improve user experience.
 2. Develop and implement equitable distribution processes for homeownership and counseling grants.

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
 - Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
1. Align homeownership and counseling assistance efforts with state and national housing priorities.
 2. Increase future homebuyer access to Covenant and other homeownership programs.

First-time Home Buyers (FTH)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26	FYE 25	FYE 25
	Proposed Budget	Projected Actual	Budget as Adopted
Personnel Resources [FTE's]			
Permanent	16.43	15.06	16.43
Temporary	-	-	-
Total FTE's	16.43	15.06	16.43
Program Budget			
Fee Income	16,993,034	14,917,709	10,511,163
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	310,640	-
Total Revenue	16,993,034	15,228,349	10,511,163
Employee Expenses	3,171,046	2,616,725	3,027,457
Travel Expenses	59,663	29,147	59,663
Professional Fees	492,600	501,456	456,000
Office Expenses	428,919	301,572	465,672
Grant Program Expense	-	310,640	-
Total Expenses	4,152,228	3,759,539	4,008,792
Income over Expense Excess (Deficit)	12,840,806	11,468,809	6,502,371
Overhead Allocation	796,804	3,146,207	1,600,399
Program Allocation	222,112	334,131	307,833
Total Income/(Loss)	13,859,722	14,949,147	8,410,603

Homebuyers Education (HBE)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26 Proposed Budget	FYE 25 Projected Actual	FYE 25 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	2.87	2.87	2.87
Temporary			
Total FTE's	2.87	2.87	2.87
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	156,000	53,488	709,036
Grant Program Income	7,613,008	61,624,004	60,952,641
Total Revenue	7,769,008	61,677,492	61,661,677
Employee Expenses	502,600	450,811	484,745
Travel Expenses	10,421	3,744	10,421
Professional Fees	32,000	45,556	135,000
Office Expenses	67,252	60,193	112,444
Grant Program Expense	7,613,008	61,624,004	60,952,641
Total Expenses	8,225,281	62,184,308	61,695,251
Income over Expense Excess (Deficit)	(456,273)	(506,816)	(33,574)
Overhead Allocation	117,494	511,129	296,467
Program Allocation	44,422	66,826	51,306
Total Income/(Loss)	(294,357)	71,139	314,199

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2025-2026**

Division: Multifamily Housing & Community Facilities

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
 1. Leverage traditional financing tools to increase the availability of affordable rental housing across the state
 2. Leverage innovative financing tools to increase the availability of affordable rental housing across the state
 3. Respond and adapt to federal and state legislative changes

Engagement Perspective

- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
- Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
 1. Enhance engagement and capacity-building for emerging developers

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
- Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
 1. Improve internal processes to streamline operations and enhance overall efficiency

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
- Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
 1. Innovate and develop new programs to address gaps in the affordable housing system and bring benefits to residents
 2. Invest in the growth of staff and interns through mentorship, training and career development programs

Multi-Family Housing & Community Facilities
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26	FYE 25	FYE 25
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent	22.30	20.68	19.80
Temporary	-	-	-
Total FTE's	22.30	20.68	19.80
Program Budget			
Fee Income	10,605,024	13,920,490	10,767,263
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	10,605,024	13,920,490	10,767,263
Employee Expenses	3,762,849	3,087,193	3,335,921
Travel Expenses	71,104	34,469	66,471
Professional Fees	290,000	169,117	469,000
Office Expenses	366,856	305,207	433,400
Grant Program Expense	-	-	-
Total Expenses	4,490,809	3,595,987	4,304,793
Income over Expense Excess (Deficit)	6,114,215	10,324,503	6,462,470
Overhead Allocation	861,777	3,204,949	1,718,569
Program Allocation	4,175,697	3,955,537	4,771,418
Total Income/(Loss)	11,151,689	17,484,989	12,952,457

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2025 – 2026**

Division: Asset Management & Compliance

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
 - Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
1. Complete timely and thorough compliance monitoring of the multifamily portfolio to maintain adherence to regulatory requirements.
 2. Ensure tax credit properties are inspected to promote safe and healthy housing.
 3. Strengthen asset management practices to mitigate risk in portfolio.
 4. Educate owners and managers about program rules to promote compliance adherence.

Engagement Perspective

- :
- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
 - Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
1. Enhance affordable housing resources and engagement for external stakeholders.
 2. Improve communication with and support of residents.
 3. Achieve timely response for all technical assistance requests and other property inquiries ensuring customer and operational efficiency.
 4. Support and promote stable housing for renters of WSHFC portfolio.
 5. Enhance the accessibility of compliance resident certification forms to ensure usability for all parties (owners, managers, residents/applicants, advocates).
 6. Enhance user experience and engagement with AMC's online resources through improved website design, functionality, and accessibility.

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
- Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
 1. Enhance compliance review process with revised comprehensive Portfolio Analyst Desk Manual.
 2. Improve the Placed-In-Service (PIS) process.
 3. Integrate related processes into the new preservation policy aligned with the asset management framework.

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
- Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
 1. Enhance staff training and development goals.

Compliance (COM)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26 Proposed Budget	FYE 25 Projected Actual	FYE 25 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	16.30	14.86	16.30
Temporary	-	-	-
Total FTE's	16.30	14.86	16.30
Program Budget			
Fee Income	8,337,717	8,276,548	7,910,117
Interest Income	-	-	-
Other Income	169,000	173,107	152,000
Grant Program Income	-	-	-
Total Revenue	8,506,717	8,449,655	8,062,117
Employee Expenses	2,895,902	2,250,899	2,841,499
Travel Expenses	57,218	46,980	65,218
Professional Fees	1,005,000	826,059	1,101,000
Office Expenses	475,829	419,335	369,933
Grant Program Expense	-	-	-
Total Expenses	4,433,949	3,543,273	4,377,650
Income over Expense Excess (Deficit)	4,072,768	4,906,382	3,684,467
Overhead Allocation	850,866	2,858,468	1,747,656
Program Allocation	-	-	-
Total Income/(Loss)	4,923,634	7,764,850	5,432,123

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2025– 2026**

Division: Finance

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
 1. Ensure maximum funds available for loan fundings through PRI, bond funds, and warehouse lines, as necessary.
 2. Ensure timely compliance with all financial reporting requirements.
 3. Provide accurate and timely management information to divisional directors, managers, and Commissioners
 4. Facilitate financial, state accountability, and statewide single audit as necessary.
 5. Oversee the investment of the Commission's general operating reserves.
 6. Ensure timely and accurate reporting to the GSEs as necessary
 7. Manage financial agreements with external partners.

Engagement Perspective

- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
- Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
 1. Lead the development of an equity-based protocol to guide Commission decisions on memberships and sponsorships of organizations and initiatives.

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
- Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
 1. Acquire and implement loan servicing software to track and monitor PRI loans.
 2. Acquire and implement time and leave tracking software.

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
- Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
 1. Engage with Moody's and acquire Issuer Credit Rating (ICR)

Bond Portfolio Management (BPM)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26	FYE 25	FYE 25
	Proposed Budget	Projected Actual	Budget as Adopted
Personnel Resources [FTE's]			
Permanent	4.09	3.75	4.09
Temporary			
Total FTE's	4.09	3.75	4.09
Program Budget			
Fee Income	5,315,385	6,765,996	5,809,375
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	5,315,385	6,765,996	5,809,375
Employee Expenses	707,928	593,507	759,212
Travel Expenses	13,410	5,740	14,025
Professional Fees	211,560	222,994	207,280
Office Expenses	147,602	127,717	149,381
Grant Program Expense	-	-	-
Total Expenses	1,080,500	949,957	1,129,898
Income over Expense Excess (Deficit)	4,234,885	5,816,039	4,679,476
Overhead Allocation	207,346	866,584	451,081
Program Allocation	(4,442,231)	(6,682,623)	(5,130,557)
Total Income/(Loss)	-	-	-

General Operations (GOP)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26 Proposed Budget	FYE 25 Projected Actual	FYE 25 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	8.71	7.02	8.71
Temporary	-	-	-
Total FTE's	8.71	7.02	8.71
Program Budget			
Fee Income	-	-	-
Interest Income	11,920,539	18,274,421	14,146,529
Other Income	4,000	7,066	4,000
Grant Program Income	-	-	-
Total Revenue	11,924,539	18,281,488	14,150,529
Employee Expenses	1,331,042	1,011,708	1,226,151
Travel Expenses	28,560	3,563	25,579
Professional Fees	284,000	282,835	264,000
Office Expenses	219,311	115,631	149,693
Grant Program Expense	-	-	-
Total Expenses	1,862,913	1,413,738	1,665,423
Income over Expense Excess (Deficit)	10,061,626	16,867,750	12,485,106
Overhead Allocation	(10,061,626)	(16,867,750)	(12,485,106)
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2025-2026**

Division: IT Services

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
 - Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
-
1. Maintain and provide a quarterly Security Breach Report.
 2. Maintain the after-hours maintenance schedule.
 3. Ensure that all critical IT hardware (servers, switches, and firewalls) and software remain under warranty coverage in accordance with the agreed-upon SLA (service level agreement).
 4. Maintain systems that guard against ransomware and malware.

Engagement Perspective

- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
 - Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
-
1. Support the continued audiovisual needs of Commissioners' Hybrid Meetings.
 2. Facilitate the Commission's transition to a data-driven decision-making agency.

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
- Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
 1. Help Divisions Adopt a Paperless Work Environment
 2. Maintain Commission's web-based/cloud applications (Salesforce, Laserfiche, Business Central, etc.)
 3. Continue to support a hybrid office solution as directed by the executive staff.
 4. Ensure IT Service Desk incidents are resolved in accordance with the terms of our Service Level Agreement (SLA) based on severity level.
 5. Support the Commission's Disaster Recovery efforts

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
- Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
 1. Maintain an Information Technology training program that will ensure that current and future IT and Commission staff stay current with present and future technologies.

IT Services (rev 07/08 from BIT) (ITS)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26 Proposed Budget	FYE 25 Projected Actual	FYE 25 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	6.91	3.26	6.91
Temporary			
Total FTE's	6.91	3.26	6.91
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	1,215,288	669,679	1,166,123
Travel Expenses	18,087	21,683	38,526
Professional Fees	60,000	8,884	35,000
Office Expenses	1,273,533	918,359	934,908
Grant Program Expense	-	-	-
Total Expenses	2,566,908	1,618,605	2,174,557
Income over Expense Excess (Deficit)	(2,566,908)	(1,618,605)	(2,174,557)
Overhead Allocation	2,566,908	1,618,605	2,174,557
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2025-2026**

Division: Executive Office

Business Objectives

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
 - Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.
1. Earn a minimum of \$380,000 per FTE in revenue each fiscal year.
 2. Spend less than \$250,000 per FTE each fiscal year.

Engagement Perspective

- Drive Employee Engagement: Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
 - Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
1. Produce and distribute the web-based Annual Report and Cumulative Report.
 2. Create a new framework for conference planning and standard operating procedures for the future.
 3. Refresh and enhance the WSHFC.org website.
 4. Increase awareness of the Covenant program and other homeownership programs throughout the state.
 5. Improve scores for areas with less than 50% positive ratings from last year's Employee Engagement Survey.
 6. Advance Commission's recruitment outreach in support of Gov. EO 24-04
 7. Demonstrate leadership in affordable housing.

Internal Processes Perspective

- Enhance Business Process Efficiency: Refine and streamline business processes to improve overall operational efficiency and effectiveness.
 - Promote Sound Resource Stewardship: Implement and uphold practices that ensure responsible and sustainable use of resources, make informed funding decisions, and support the agency's mission, vision, and values.
1. Evaluate and strengthen the current process for public record requests (PRR).

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness
 - Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.
1. Plan and conduct annual all-staff planning session by June 30, 2026.
 2. Evaluate and invest in professional training for community engagement staff, and for leadership supporting these efforts.
 3. Develop a community engagement team workplan, shared approach and framework for collaborating commission-wide on community engagement.
 4. Provide leadership training for people managers to engage in conflict resolution and other high-stakes conversations as outlined in the Racial Equity Strategic Plan.
 5. Outline a process for employees to meaningfully participate in organizational equity work.

Administration (ADM)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26	FYE 25	FYE 25
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent	16.53	15.51	15.43
Temporary	-	-	-
Total FTE's	16.53	15.51	15.43
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	34,944	31,320	31,200
Grant Program Income	-	-	-
Total Revenue	34,944	31,320	31,200
Employee Expenses	2,915,819	2,528,306	2,540,475
Travel Expenses	66,694	37,890	60,132
Professional Fees	526,316	520,599	582,316
Office Expenses	1,067,932	880,902	1,227,038
Grant Program Expense	-	-	-
Total Expenses	4,576,761	3,967,698	4,409,961
Income over Expense Excess (Deficit)	(4,541,817)	(3,936,378)	(4,378,761)
Overhead Allocation	4,541,817	3,936,378	4,378,761
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

Commissioners (EXO)
Budget Summary for the fiscal year ending: June 30, 2026

FINANCIAL AND PROGRAM INFORMATION

	FYE 26 Proposed Budget	FYE 25 Projected Actual	FYE 25 Budget as Adopted
Personnel Resources [FTE's]			
Permanent			
Temporary			
Total FTE's	-	-	-
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	22,475	5,832	21,476
Travel Expenses	70,290	17,122	70,290
Professional Fees	-	-	-
Office Expenses	25,850	1,222	25,850
Grant Program Expense	-	-	-
Total Expenses	118,615	24,176	117,616
Income over Expense Excess (Deficit)	(118,615)	(24,176)	(117,616)
Overhead Allocation	118,615	24,176	117,616
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Lucas Loranger

CC: Steve Walker

Date: June 17, 2025

Re: Recommendation regarding the transfer of excess General Operating reserves to Program Related Investments

BACKGROUND:

The Commission adopted its initial Reserves Policy in 1989. It emphasizes the need to maintain an adequate level of General Operating Fund reserves considering factors such as long-term compliance and financial monitoring obligations, the amount of debt outstanding and current operational activity and liquidity needs. Program-Related Investments were established as a mechanism to invest excess reserves in programs and projects related to the Commission's mission.

In recent years, Governmental Accounting Standards Board statements require us to book underfunded Pension and Other Post-employment Benefits (OPEB) liabilities in the General Operating Fund. While we never expect the liabilities to be billed to us directly, necessary funding will be collected over time in ongoing, monthly benefit charges billed to us by the state. However, being required to include them as liabilities, reduces our general reserves.

As we have done every year since June 2019, staff recommends that we retain \$30 million in General Operating Fund reserves **before** the effect of these deferred employment-related liabilities is considered. By doing this, the general reserves amount as shown on the financial statements is expected to be between \$39 million and \$41 million depending on the final calculation of those deferred liabilities for June 30, 2024 (\$30 million reserve less the expected \$2 million to \$4 million underfunded Pension and

OPEB liabilities). Funds in excess of that are recommended to be transferred to Program-Related Investments.

PROPOSED ACTION:

Consider and act on a motion to transfer General Operating Fund reserves in excess of \$30 million excluding the effect of Pension and Other Post-employment Benefits liabilities as of June 30, 2025 to Program-Related Investments.

MEMO

Date: June 19, 2025

To: Commissioners

From: Bob Peterson

Re: Summary of Request for Proposals (RFP) for: General Counsel, Bond Counsel, Single Family Tax Counsel, Sustainable Energy Counsel, and Tax Credit Counsel

CC: Steve Walker

This memo summarizes the recent Request for Proposals (RFP) process for legal counsel services and presents our recommendation for firm selection for the 2025–2027 term.

Background

At least once every two fiscal years, the Commission selects legal firms to serve in the capacities listed above through a Request for Proposal (RFP) process.

Our current contracts with the following legal firms expire June 30, 2025:

Pacifica	General, Bond, and Tax Credit Counsel
Kutak Rock	Single Family Tax & Disclosure Counsel
Stradling	Energy Efficiency Counsel & alternate counsel

RFP Timeline

April 10, 2025:

- RFPs were e-mailed to a variety of legal firms.
- A legal notice appeared in the Bond Buyer, Seattle Times, Daily Journal of Commerce newspapers, Washington Electronic Business Solutions (WEBS); and posted on the Commission website.

April 18, 2025:

- We held a Pre-Bid Conference but there was no attendance.

May 12, 2025:

- RFP responses were due
- We received responses from 3 legal firms:
 - Kutak Rock (Omaha)
 - Pacifica (Seattle)
 - Stradling (Seattle)

Responses Received

May 27, 2025

The Executive Management Team (EMT) decided not to hold interviews but discussed future legal counsel needs and recommend that we continue to use our current firms but adjusted their roles as needed.

Recommendations
June 26, 2025

Recommendation to the Commission to approve entering into contracts with the following legal firms for the next two fiscal years beginning July 1, 2025, through June 30, 2027:

Firm	Role(s)
Pacifica	General, Bond, Tax Credit, and Energy Efficiency Counsel
Kutak Rock	Single Family Tax Disclosure Counsel
Stradling	Energy Efficiency Counsel (for exiting projects) & Alternate Counsel

Conclusion

We recommend the Commission approve these selections at the June 26 Board Meeting to ensure a seamless transition into the new contract period beginning July 1, 2025.



Washington State Housing Finance Committee- Housing Division Talking Points

Local Government Division

Research and Development Services

Contact: Allan.Johnson@Commerce.wa.gov

Bond Cap

A prior Exempt Facility allocation of \$75 million was not used and has been released. If no additional Exempt Facility projects file an application prior to the July 1 general release date, this amount will be folded into the amount allocated to the Commission.

Growth Management Services

Contact: Anne.Fritzel@Commerce.wa.gov

Middle Housing

On July 1, 2025, middle housing (where applicable) and two accessory dwelling units must be allowed in the Puget Sound region. For the rest of western Washington, it will be December of 2025, with the rest of the state following in the next few years.

Commerce is watching implementation closely, and OFM will collect housing permits and completions by housing type, including ADUs and 2-5 units, so we will be able to track. Growth Management Services is getting ready to release three new guidebooks which don't change laws but do help to explain the law and provide guidance. They are:

- Rural guidance
- Urban growth areas
- Proportional impact fees

CHIP Update

CHIP received \$100M in the 2025 legislative session and will open a new round of housing grants. Commerce is conducting a peer process to review options for collaboration and differentiation with other grant programs.

Multi-Family Housing Property Tax Exemption Program (MTFE)

The MFE program shows that 10,000 units were created under the MFE in 2024. This is the most ever, even while other permits were flat, however, the affordable units dropped to only 15% of the total. The first two rounds of audits for 2019 and 2020 are being completed at this time and will be summarized in July. The first permitting report under SB 5290 is due to be published on July 1, 2025.

Housing Division

Homelessness Assistance Unit

Contact: Oliver.Crain@Commerce.wa.gov

Homelessness Assistance Unit Lived Experience Advisory Committee Update

Will recruit four new members by November 2025. Adopting their next work plan and selecting a co-facilitator.

Landlord Mitigation Program - Housing Trust Fund Repair Fund

The HTF Repair Fund portal went live on June 2, 2025. Approximately \$5 million available to cover repair of units or buildings, abatement of potentially hazardous materials, and safety-related structural improvements of affordable housing. Within two days of launch total of applications received exceeded available funding.

Ongoing development of 2025-30 Local Homeless Housing Plans

Commerce's consultant, Homebase, is reaching out to counties to support completing their local homeless housing plans.

Consolidated Homeless Grant

The Homelessness Assistance Unit released estimated awards for the Consolidated Homeless Grant for the 25-27 Biennium. Estimate of 49 grant awards totaling \$555 million.

Federal Team Update

Friday, June 13, 2025 was the deadline for data for the 2025 PIT Count to HUD. This is later than previous years. PIT results to be published later this summer.



Opening doors to a better life

MEMO

DATE: June 18, 2025
TO: Board Commissioners
FROM: Steve Walker
RE: Executive Director's Report

This memo summarizes the activities of each division, along with highlights of my own activities from May 21 – June 17, 2025. Should you have any questions, please contact Tera to arrange a call with me or a division director.

Multifamily & Community Facilities

- Lisa attended the Sunrise Village project opening in Longview.
- Jackie and Kate Rodrigues [will present on 6/25] presented at the HDC Tax Credit Affinity Group Meeting about MHCF's Program Policy Process Reset for the 9% and Bond/4% Policies.
- MHCF staff attended conferences held by the Washington State Museum Association and the Central Washington Nonprofit Network, where the Commission offered information about our nonprofit programs.
- Staff also gathered resources that can help support community-based organizations to share on our newly refreshed webpage "CBO Partnerships." Nonprofits across the state are experiencing unprecedented uncertainty or cuts to funding and are learning from peers about strategies to weather these times.

Homeownership

Covenant Homeownership

- As of June 16, 2025, we have 470 confirmed closed loans and an additional 105 loans in the pipeline with CHA reservations in 23 counties.

Homeownership Assistance Fund

- The Washington HAF Program continues to work its way through the substantial number of applications it received as of the April 7, 2025, application deadline (over 700 applications between the announcement of the closure and the actual deadline). Our program manager, HOTB Software, has reorganized staff to handle the initial review of the applications for assistance, and we believe we should

handle the application universe by the end of June or early July. At that time, focus will be given on aligning the amount of assistance requests and the remaining balance of assistance available, as well as distributing funding throughout the various program components to match demand.

Other Updates

- In May, we had \$230 million in new reservations assisting 587 households.
- Homeownership staff participated in Juneteenth events in Seattle and Tacoma.
- The contract with HOTB Software for a Loan Reservation System has been completed, and we have held our initial kick-off meetings.
- Lisa DeBrock and Corinna Obar attended the Western States Homeownership Director's conference in Boise the week of June 2nd.
- Please see letter from Mr. Bertsch in the public comment section of the packet.

Asset Management & Compliance

Compliance Monitoring

- Portfolio Analysts finished reviewing all 2024 Bond Annual Reports by the end of May and have reviewed all required 2024 Tax Credit Annual Reports as of June 1.
- Inspections: The 2025 inspection cycle is on track, with 46% completed by the end of May.

Asset Management

- Asset Management Initiative: The Asset Management Initiative was introduced, and the plan was presented to the Asset Management & Compliance and Multifamily divisions on June 17. With the initiative officially underway, and in close partnership between both divisions, we are excited to see this work move forward and begin taking shape. This is a long-term effort, and we appreciate everyone has continued engagement as the work progresses.

Community Engagement and Education

- Forms Accessibility Project update: Our contractor Talitha is preparing the findings and recommendations report. In addition, they are also working with the Tacoma Housing Authority to support in-person engagement events at selected properties as part of the ongoing resident outreach. To support this extended engagement and implementation phase, the project contract has been extended through June 2026.

- **AMC Customer Service Survey:** The survey was sent out at the end of April, and we received an average satisfaction rating of 4.57 out of 5 – highlighting the professionalism, knowledge, and responsiveness of our staff.
- **Customer Service Portal:** We successfully launched the Customer Service Portal earlier this month, marking the beginning of the rollout phase. Full implementation is scheduled for July, when it will be fully operational and integrated into our regular processes.
- **Renters/Community-focused webpage:** Renee continues to work with the Communications team on developing a renter’s-centered page on the WSHFC website. The content is currently being drafted and organized, with a focus on providing clear, accessible information and resources for residents of Commission-financed multifamily housing.
- **Combined Funders Monitoring group:** Wubet and Melissa met with several public funders (Commerce, Seattle, King County, and ARCH). And these funders plan to roll over to HOTMA starting January 1, 2026. Wubet and Melissa are working on updating the MOU to reestablish increased monitoring activity coordination.

Business Directives

- **Staffing:**
 - We are excited to welcome Michelle Bernardi and David Van Winkle to the team as our newest Portfolio Analysts. They bring a wealth of experience and fresh perspectives, and we are thrilled to have them on board!
 - **Hiring Asset Management Analyst:** The job announcement for the Asset Management Analyst position was posted at the end of May. We are currently in the recruitment phase and look forward to conducting interviews in July.

Finance

- Finance staff have reengaged with CSG Advisors to take the input and feedback received from the board at the May Budget and Planning Session to put the finishing touches on a financial dashboard and performance metrics to be unveiled at the August board meeting. Also, staff will be working earnestly over the next few months with CSG’s help to obtain our issuer credit rating. This will allow us to offer new products utilizing the Commission’s excellent financial strength.

- The Commission's FY 2024 accountability is ending, with the exit conference scheduled for Monday, June 23rd. The State Auditor's Office focused on conference registrations, cash receipts, bad debt, and Single-Family bond issuances. There were a couple of areas of improvement identified in the cash receipts process, but there was otherwise a clean audit. Just as that audit is concluding, work on the Single Audit of the HAF program is turning up. The entrance conference was conducted at the beginning of the month, and staff have been meeting with the State Auditor's Office to provide understanding of the program and relevant controls.
 - The Finance Division has contracted with an outside staffing firm to provide temporary controller assistance while we search for our next permanent controller. We expect them to start the week of June 23rd and work with the Commission for approximately 4 months.
-

Executive Director's Update

- On June 6, I took part in a developer forum hosted by Sound Transit and the Urban Land Institute. The forum aimed to gather input from the development community on the West Seattle and Ballard Link Extension station areas, with a focus on addressing the challenges of integrated joint housing development. Discussions centered on maximizing transit-oriented development (TOD) opportunities and covered a range of key topics, including market trends, housing affordability, zoning, economic feasibility, design integration, jurisdictional collaboration, procurement strategies, and financing
- On June 12, I attended a meeting to receive an update on the progress of establishing a Housing Research Center for the State of Washington. The Commission has supported this initiative financially and through active involvement in the early leadership team. Although no funding was secured during the recent legislative session, momentum remains strong.

Stakeholders include housing advocates, market-rate and non-profit developers, financial institutions, academic leaders, and officials from federal, state, and local government. The University of Washington—through the Evans School of Public Policy and Governance and the College of Built Environments—will host the center. Its mission is to explore effective, sustainable strategies to increase the supply of both housing and affordable housing in the state.

Washington faces a persistent housing crisis, and a statewide research hub will be a vital resource for driving informed solutions. We are encouraged by the potential for continued and meaningful collaboration.

- On June 17, I participated in the Housing Development Consortium’s (HDC) Offsite Construction Symposium, a gathering focused on the future of modular housing and offsite construction in Washington State. The event is part of a broader effort under a HUD grant through which HDC is examining how modular construction is reshaping multi-family housing—a sector now accounting for 9% of industry output, due to its accelerated project timelines.

As one of six regional pilot partners nationwide, HDC represents our region in this national initiative. The conversation also aligns with a parallel state-level policy effort—led by Civic Commons and the Black Home Initiative—aimed at developing an ambitious strategy to scale for-sale starter homes across Washington using offsite building methods. The Commission is seen as central to both efforts.

Other Events and Meetings

I participated in the following events and meetings for January and February:

- BHI Network Policy Group Meeting
- Affordable Housing Advisory Board Meeting

Washington State Housing Finance Commission
Homeownership Programs
Fiscal Year Loan Production
July 1, 2024 - May 31, 2025

**Fiscal Year Goal - 5,000 households purchase an affordable home using the Home Adv/HK programs.*

Percentage of Goal reached YTD -

95.2%

HOME ADVANTAGE

	Loans	\$ Volume	% Households of Color
Conventional FNMA	199	\$ 80,528,179	40.7%
Conventional FHLMC	567	\$ 228,180,728	31.7%
Government	3082	\$ 1,247,937,762	38.1%
Energy Spark	0	\$ -	0.0%
Covenant Homeownership	347	\$ 132,225,217	100.0%
Total	4195	\$ 1,688,871,886	42.1%

HOUSE KEY OPPORTUNITY

	Loans	\$ Volume	% Households of Color
Conventional FNMA	281	\$ 74,186,090	41.6%
Conventional FHLMC	55	\$ 15,259,838	43.6%
Government	228	\$ 65,441,895	34.6%
Total	564	\$ 154,887,823	39.1%

DOWNPAYMENT ASSISTANCE

	Loans	\$ Volume	% Households of Color
Home Adv 0%	3700	\$ 59,334,911	37.6%
Home Adv Needs Based 1%	4	\$ 39,900	25.0%
Opportunity	505	\$ 7,210,138	39.8%
HomeChoice	20	\$ 283,180	15.0%
Bellingham	4	\$ 185,000	0.0%
East King County	2	\$ 50,000	50.0%
Pierce County	0	\$ -	0.0%
Seattle	0	\$ -	0.0%
Tacoma	0	\$ -	0.0%
University of WA	4	\$ 233,090	75.0%
Veterans	3	\$ 24,930	66.7%
Clark County DPA	17	\$ 976,363	5.8%
Social Justice DPA (Non-Commission)	19	\$ 190,000	100.0%
Covenant (Non-Commission)	376	\$ 41,641,292	100.0%
Total	4654	\$ 110,168,804	42.9%

Washington State Housing Finance Commission/Homeownership Division
Counseling & Grants:
Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for June 2025

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Grant Amount/ Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2023 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	\$271,690	0.00	\$271,690	9/30/2025
HAF Counseling Pay-Per- Service Grant FY 2025 Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$1,100,000 FY2025	\$1,100,00	\$0.00	12/31/2025
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS;	\$2,100,000 FY2025	\$892,226	\$1,207,774	12/31/2025 & None
HAF Application Assistance Post-HAF Application Assistance Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$1,100,000 FY2025	\$664,700	\$430,300	12/31/2025
PENDING King County VSHSL Counseling Navigator Service Area: King County	King County	WHRC; OIC; ECDLR; OIC; PARKVIEW; ULMS	\$277,656	0.00	\$277,656	12/31/2027

AFS – American Financial Solutions
CVH – Columbia Valley Affordable Homeownership
ECDLR – El Centro de la Raza
KCLT – Kulshan Community Land Trust
NJP – Northwest Justice Project
OPAL – Opal Community Land Trust

OIC – Opportunities Industrialization Center
Parkview – Parkview Services
RRCA – Rural Resources Community Action
SNAP – Spokane Neighborhood Action Partners
WHRC – Washington Homeownership Resource Center

HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2024 - May 31, 2025

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2025

Percentage of goal reached YTD: 145%

	Classes	Participants
Virtual:	475	2,842
In-Person:	325	2,322
Online Classes:	6,418	6,418
Total:	7,218	11,582

Classes not yet reporting participation: 858

Data lags 3 months due to data collection process

In-Person and Virtual All-Time Totals 1992 to Present

Classes:	50,812
Participants	256,206

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2025

Percentage of goal reached YTD: 110%

Month	Classes	Attendees
July	1	35
August	1	45
September	1	38
October	1	38
November	1	40
December	1	41
January	1	45
February	1	52
March	1	49
April	1	50
May	1	73
June		
Total:	11	506

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2025 Allocation List
Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-16	Application	Skyway Mixed Use	Low Income Housing Institute	Seattle	King	183	\$38,859	\$1,529,520	53	50%		50%		0	0	0	0	40
25-18	Application	Lexington & Concord	YWCA	Seattle	King	182	\$27,640	\$2,294,120	83	50%		50%		0	0	0	0	63
King County Credit Allocated:									\$3,823,640					0	0	0	0	103
King County Credit Available:									\$3,834,087									
King County Balance:									\$10,447									

King County Pool Unranked (Noncompetitive or Awaiting Other Funding Commitments)

25-08	Application	DESC Belmont	Downtown Emergency Service Center (DESC)	Seattle	King		\$18,084	\$2,170,051	120	50%		50%		0	0	0	0	90
25-02	Application	Sea Mar Community Health Centers/Lucy Lopez Apartments	Sea Mar	Kent	King		\$27,902	\$864,962	31	50%		50%		0	7	0	0	7
King County Unranked Balance:									\$3,035,013					0	7	0	0	97

Metro Pool (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-07	Application	Housing Hope - EUCC (AKA Rainbow Terrace)	Housing Hope Properties	Everett	Snohomish	164	\$27,637	\$1,824,058	66	50%		50%		0	0	66	0	14
25-11	Application	South Yakima Senior Housing	HumanGood Affordable Housing	Tacoma	Pierce	160	\$27,619	\$1,712,360	62	50%		50%		0	0	62	0	13
25-06	Application	Bellis Fair Senior Housing	Opportunity Council	Bellingham	Whatcom	160	\$27,640	\$1,768,960	64	25%	50%		25%	0	0	64	0	13
25-14	Application	Claudia's Place	Housing Initiative, LLC	Vancouver	Clark	160	\$27,445	\$1,097,786	40	50%		50%		0	0	0	0	10
Total Metro Credit Allocated:									\$6,403,164					0	0	192	0	50
Metro Credit Available:									\$5,582,874									
Metro Balance:									(\$820,290)									

Metro Pool Unranked (Noncompetitive or Awaiting Other Funding Commitments)

25-05	Application	Bridge Meadows Tacoma	Bridge Meadows	Tacoma	Pierce		\$33,333	\$2,000,000	60	50%		50%		0	12	60	0	0
25-17	Application	Lincoln District Family Housing	Low Income Housing Institute (LIHI)	Tacoma	Pierce		\$28,164	\$2,027,840	72	50%	25%		25%	0	0	0	0	18
Metro Unranked Balance:									\$4,027,840					0	12	60	0	18

Non-Metro New Production (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-03	Application	Lewis, Spruce, & Sixth	The Housing Authority of the City of Yakima	Yakima	Yakima	177	\$27,576	\$1,378,777	50	50%	10%	50% AMI	40%	0	0	0	0	13
25-09	Application	Pathways Place	Hopesource	Ellensburg	Kittitas	173	\$27,640	\$2,155,920	78	50%		50%		0	0	0	0	20
25-10	Application	Catlin and Main	Lower Columbia Community Action Council, Inc.	Kelso	Cowlitz	171	\$27,640	\$1,105,600	40	25%	50%		25%	0	0	0	0	10
25-15	Application	Franz Anderson PSH	Low Income Housing Institute	Olympia	Thurston	169	\$27,163	\$1,928,539	71	50%		50%		0	0	0	0	18
25-04	Application	Farmview Family Housing	Housing Authority of Skagit County	Burlington	Skagit	167	\$29,091	\$872,127	30		25%	75%		23	0	0	0	0
Non-Metro New Production and Preservation Credit Allocated:									\$7,441,563					23	0	0	0	61
Non-Metro Credit Available:									\$6,578,650									
Non-Metro Balance:									(\$862,913)									

Non-Metro Preservation and Recapitalization Pool

Non-Metro Rehab Credit Allocated:																		

Non-Metro Unranked (Noncompetitive or Awaiting Other Funding Commitments)

25-13	Application	Alderwood Apartments	Trillium Housing Services	Yakima	Yakima		\$23,865	\$2,004,625	84	10%	50%	40%		62	0	0	0	0
25-12	Application	Walla Walla Rehab Project	Catholic Housing Services of Eastern Washington	Walla Walla	Walla Walla		\$23,212	\$1,183,822	51		40%	30%	30%	0	0	51	0	0
Non-Metro Unranked Balance:									\$3,188,447					62	0	51	0	0

Statewide Allocation Round Totals:

Total Project Applications: 17			Total Credit Requested:			\$27,919,667	1,026	85			19	303	0	329
Total Projects Above Line: 11			Total Credit Available for 2025:			\$15,995,611								
Application Success Percentage: 65%			FWD Commitment of 2026 LIHTC:			\$1,672,756								
			Total LIHTC Allocation for 2025:			\$17,668,367	668	23			0	192	0	214

Final Allocation amounts may change if new Federal resources are made available.

*No scores displayed for projects that are not fully funded or are below the line for competitive scoring. These projects are ranked alphabetically by project name.



Washington State Housing Finance Commission

2025 Bond/Tax Credit Balance of State Allocation List

Opening doors to a better life

Development Name	Developer	Community-Based Organization	City	Tax-Exempt Bond Request	Policy Values	Units	Points Awarded
New Production							
Apollo Edmonds	Blackfish Capital LLC	Resource Equity Association	Edmonds	\$50,719,777	Snohomish County	255	50
Copper View Apartments	Inland Group	United Way of Franklin County	West Richland	\$42,134,233	Balance of State	256	43
Fieldstone Apartments	DevCo, LLC	Next Chapter	Olympia	\$55,000,000	Balance of State	272	39
Teanaway Court	HopeSource	HopeSource	Cle Elum	\$14,450,000	Publicly Funded - Balance of State	41	34
35th and Pacific Family Housing	Mercy Housing Northwest	Open Doors for Multicultural Families & Making a Difference Foundation	Tacoma	\$24,750,000	Publicly Funded - Balance of State	80	33
Cedar Flats*	MacDonald Ladd Development	Metropolitan Development Council	Puyallup	\$57,719,763	Publicly Funded - Balance of State	276	33
			Subtotal	\$244,773,773		1,180	
Preservation							
Silver Creek by Vintage	Vintage Housing	Veterans Village	Pasco	\$40,090,000	Preservation	242	69
St Jude Havens*	Catholic Hsg Services of Eastern WA	Take Up The Cause	Spokane	\$20,912,243	Preservation, Publicly Funded	156	49
Western Washington Rural Preservation Portfolio**	Shelter Resources, Inc.	Multiservice Center	Multiple	\$50,000,000	Preservation, Publicly Funded	374	39
Smith Tower Preservation**	Housing Development Center	N/A	Vancouver	\$47,733,030	Preservation, Publicly Funded	170	38
			Subtotal	\$158,735,273		568	
			TOTAL	\$403,509,046		2,392	
Unranked Projects							
Meadowdale North	MacDonald Ladd Development	Wellspring	Bremerton	\$12,703,538	Balance of State	62	
Meadowdale Trails	MacDonald Ladd Development	Wellspring	Bremerton	\$39,950,440	Publicly Funded - Balance of State	208	
NODO by Vintage	Vintage Housing	Veterans Village	Spokane	\$41,965,700	Balance of State	270	
Pacific Vue Apartments	DevCo, LLC	Rise Up Academy	Everett	\$60,000,000	Snohomish County	227	

* - carry forward allocations

** - projects with an extended development timeline

King County Bond/Tax Credit Pre-Allocation Process

Local Funders Make Commitments First

For King County developments seeking Bond Cap allocations beginning in 2024, the Commission introduced a new process to improve coordination and provide a more predictable process for applicants with developments in the public funders' pipelines.

In King County, Bond/Tax Credit developments are required to have all necessary local funding commitments in place prior to applying to the Commission. The Commission and the public funders agreed to share an allocation framework to prioritize public investment to ensure developments can move towards readiness with limited resources.

The Commission invites applicants on the tiered "Invitation to Apply" list to apply once their project is fully funded and has reached a sufficient level of readiness to proceed quickly to closing.

2025 Invitation to Apply List – Updated February 13, 2025

Only developments that are fully funded will be invited to apply by the Commission as they approach their closing date.

Tier designations on this list will be reevaluated later this year, and if a development in the Pipeline becomes fully funded and is able to close it could be moved up if bond cap is available.

Development	Applicant ¹	Public Funders ²	Projected Bond Cap	Units
Tier 1 – closing by mid-year; funding commitments secured; path to securing final building permits				
Beacon Hill Affordable TOD Development	El Centro de la Raza	HTF, KC, OH	\$23,443,372	72
Burien Family Housing	Mercy Housing Northwest	HTF, KC, SKHHP	\$15,800,000	90
New Hope Family Housing	New Hope CDI	HTF, OH	\$27,468,670	91
Tier 2 – closing by year-end; funding commitments secured; path to securing final building permits				
Bellwether Greenwood	Bellwether Housing	OH	\$15,000,000	53
Creekside	Shelter America Group	KC, HTF	\$15,267,000	40
Kent Multicultural Village	Mercy Housing Northwest	HTF, KC, SKHHP, ST	\$76,760,000	199
Prisma	Bellwether Housing	ARCH, HTF, KC, ST	\$85,000,000	332
Vivo South	SRM Development	OH	\$32,500,000	121
Tier 3- closing next year; funding commitments secured; path to securing final building permits				
Greenwood Nest	TWG Development	OH	\$19,573,539	92

¹ Each of the projects on the list has a proposed Community-Based Organization (CBO) as a partner or are being developed by a Community-Based Organization.

² The Commission coordinates closely with public funders in King County which includes the King County Department of Community and Human Services (KC), Sound Transit (ST), City of Seattle's Office of Housing (OH), the Department of Commerce's Housing Trust Fund (HTF), A Regional Coalition for Housing (ARCH), and South King Housing and Homelessness Partners (SKHHP).

Pipeline List – Updated February 13, 2025

These developments are at various points in their development and have received funding from some of the public funders but they are not yet fully funded and ready to close. Their progress depends on securing additional funding and receiving local approvals. Depending on the timing of local approvals and finding ways to become fully funded, it is possible that some of these developments could move into a Tier during the year.

Development	Applicant	Public Funders	Projected Bond Cap	Units
African Diaspora Cultural Anchor Village	African Community Hsg. Dev.	KC	\$52,000,000	129
Filipino Community Village Phase 2	Filipino Community of Seattle	KC	\$19,250,000	56
Larus Senior Apartments	TWG Development	ARCH, KC	\$38,005,342	175
Little Saigon Landmark	SCIDpda	KC, OH	\$24,200,000	70
Mt. Baker Redevelopment	Mercy Housing Northwest	OH	\$68,500,000	238
Pandion at Star Lake	TWG Development	SKHHP	\$63,594,182	251

2024 King County Allocation List

In the first year of the King County pre-allocation process there were four financings closed, with developments located throughout Seattle and in Bellevue.

Development	Applicant	Public Funders	Total Bond Amount	Units
Bryant Manor Redevelopment Phase II	First A.M.E. Housing Association	HTF, KC, OH	\$48,734,255	149
Spring District/120 th Station	Bridge Housing Corp	ARCH, HTF, KC, ST	\$68,800,000	234
Victory Northgate	GMD Development	OH	\$53,500,000	184
Broadway Center for Youth	Community Roots Housing	HTF, KC, OH	\$31,250,000	84

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: May 2025

The Asset Management & Compliance Division is charged with ensuring the long-term viability of Commission financed or assisted projects. This is accomplished through project compliance monitoring efforts and training of program users.

PROGRAM PURPOSE: To ensure that the public benefits of all Commission housing programs are fulfilled.

BUSINESS OBJECTIVE: Review 100% of required compliance annual reports within 12 months from report receipt dates and issue compliance status letters.

Within the 12-month period, staff will:

- Review required *Owner's Annual Certification* and other reporting materials for all properties
- Review resident certifications for 20% of all units in federal compliance period properties which are inspected during the calendar year (Low Income Housing Tax Credit properties)
- Review resident certifications to determine if bond-only properties met their bond minimum set-asides (Tax-Exempt Bond properties)
- Notify the Internal Revenue Service of any noncompliance discovered in tax credit projects

Tax Credit Reports *

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	2	23	23	33								81	200	41%

Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	1	16	16	19	16	16	16	19	20	20	20	22	201	250	80%

Tax credit reports are due January 31st of every year for the previous calendar year.

Bond Reports **

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	7	37	23	3	1								71	70	101%

Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	6	19	14	20	7	4	0	0	0	0	0	0	70	70	100%

Bond reports are due January 7th of every year for the previous calendar year.

Notes: * Tax credit reporting bridges two fiscal program years. Currently, we're prioritizing the audits of federal compliance period projects being inspected in 2025.

** Goal total for bonds indicates both bond property annual reports and initial reports for Acquisition-Rehab bonds and New Construction bonds quarterly reporting as needed. New properties with both bonds and tax credits are reviewed as bonds until placed in service, then converted to tax credits for annual reviews.

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: May 2025

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2025.*

Within the 12-month calendar year, the Commission will:

- conduct on-site inspections of 33^{1/3}% of projects monitored according to HUD inspection standards.
- inspect 20% of all low-income units for health and safety issues.
- notify the Internal Revenue Service of any project noncompliance discovered through the inspections.

Project Inspections

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	1	1	63	51	47	0	0	0	0	0	0	0	163	352	46%

Calendar Year 2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	1	2	30	45	58	48	65	67	40	10	0	0	366	366	100%

NOTE: Cumulative totals for all goals may be greater or lesser than goal totals as new projects are coming on-line throughout the year; placed in service dates for projects can move forward or be delayed, affecting the number of reports and/or inspections that need to be completed each year. Inspections are sometimes canceled due to delayed placed in service dates or for other reasons.

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshops are scheduled for:

TBA

The next Bond Compliance Workshop is scheduled for:

TBA



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

June 25, 2025

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the "Commission") General Operating Fund as of May 31, 2025, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Finance Director

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

May 31, 2025

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
May 31, 2025
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
<i>ASSETS</i>				
Cash and Cash Equivalents:				
Demand Deposits	\$ 4,165,625	\$ 6,111,583	\$ (1,945,958)	(1) -32%
Money Market Accounts	87,801,147	110,516,250	(22,715,103)	(1) -21%
Investment Securities	35,607,897	31,112,414	4,495,483	(1) 14%
Interest Receivable	957,130	944,434	12,696	1%
Fees Receivables	16,414,703	14,701,454	1,713,249	(2) 12%
Prepaid Expenses & Other Receivable	4,151,222	3,401,310	749,912	(3) 22%
Furniture and Fixtures (net of depreciation)	552,811	421,444	131,367	(4) 31%
Intangible Lease Asset (net of amortization)*	-	763,411	(763,411)	(5) -100%
Net Pension Asset*	1,894,532	1,767,016	127,516	7%
<i>Total Assets</i>	<u>151,545,067</u>	<u>169,739,316</u>	<u>(18,194,249)</u>	<u>-11%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>4,490,914</u>	<u>5,479,906</u>	<u>(988,992)</u>	<u>-18%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 156,035,981</u>	<u>\$ 175,219,222</u>	<u>\$ (19,183,241)</u>	<u>-11%</u>
<i>LIABILITIES</i>				
Accounts Payable and Other Liabilities	\$ 6,743,834	\$ 11,934,458	\$ (5,190,624)	(6) -43%
Unearned Fee Income	70,489,877	88,198,011	(17,708,134)	(7) -20%
Accrued Payroll Payable	2,134,077	1,902,834	231,243	(8) 12%
Lease Liability*	-	719,844	(719,844)	(5) -100%
Net Pension Liability *	3,454,593	3,584,711	(130,118)	-4%
<i>Total Liabilities</i>	<u>82,822,381</u>	<u>106,339,858</u>	<u>(23,517,477)</u>	<u>-22%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>4,935,541</u>	<u>6,907,214</u>	<u>(1,971,673)</u>	<u>-29%</u>
<i>NET POSITION</i>				
Invested in Capital Assets	552,811	421,444	131,367	(4) 31%
Committed - Housing Washington *	122,628	350,886	(228,258)	-65%
Unrestricted	67,602,620	61,199,820	6,402,800	10%
<i>Total Net Position</i>	<u>68,278,059</u>	<u>61,972,150</u>	<u>6,305,909</u>	<u>10%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 156,035,981</u>	<u>\$ 175,219,222</u>	<u>\$ (19,183,241)</u>	<u>-11%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The overall increase in fees receivable is primarily due to slower collection of Commission fees on outstanding bonds and higher receivables related to DPA loans in the Homeownership program, while slightly offset by a decrease in receivables related to the Citibank securitization program.
- (3) The increase in prepaids and other receivables balance is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (4) The increase in net capital assets reflects the purchase of new office furniture, audio and visual equipment, and network wiring, along with an offset from continued depreciation and amortization of capital assets.
- (5) These accounts reflect the implementation of GASB 87 in which long-term, non-ownership-transferring leases are recorded as an intangible right-of-use asset and a lease liability. Adjustments are made at year-end to record the amortization of the office rent lease asset and reduction in related lease liability.
- (6) The overall decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds.
- (7) The overall decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021, with a smaller offset from greater Covenant Homeownership grant funds.
- (8) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, and effects of the 3% COLA increase at the beginning of the fiscal year, as well as the step increases throughout the year.
- * These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: May 31, 2025
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,894,876	\$ 41,396,238	\$ 34,908,623	\$ 6,487,615 (1)	19%
Interest Earned & Realized Gain	1,307,603	14,153,297	14,120,375	32,922	0%
Other	16,158	236,132	221,594	14,538	7%
<i>Total Unadjusted Revenues</i>	<u>6,218,637</u>	<u>55,785,667</u>	<u>49,250,593</u>	<u>6,535,074</u>	<u>13%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,099,707	12,005,412	10,700,065	1,305,347 (2)	12%
Travel & Conferences	5,595	248,641	241,553	7,088	3%
Professional Fees	262,176	2,420,209	2,340,344	79,865	3%
Office Expense	248,362	2,862,054	2,536,897	325,157 (3)	13%
<i>Total Expenses</i>	<u>1,615,840</u>	<u>17,536,316</u>	<u>15,818,860</u>	<u>1,717,456</u>	<u>11%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(422,554)	1,909,674	1,093,284	816,390	75%
Grant Revenue	5,673,906	57,088,145	65,887,756	(8,799,611)	-13%
<i>Expenses:</i>					
Grant Pass-Through	<u>5,673,906</u>	<u>57,088,145</u>	<u>65,887,756</u>	<u>(8,799,611)</u>	<u>-13%</u>
<i>Total Adjustments</i>	<u>(422,554)</u>	<u>1,909,674</u>	<u>1,093,284</u>	<u>816,390</u>	<u>75%</u>
Excess of Revenues over Expenses	<u>4,180,243</u>	<u>40,159,025</u>	<u>34,525,017</u>	<u>5,634,008</u>	<u>16%</u>
Net Position					
Total net position, beginning of period	64,097,816	28,119,034	27,447,133	671,901	2%
Current Increase (Decrease) - to Net position	<u>4,180,243</u>	<u>40,159,025</u>	<u>34,525,017</u>	<u>5,634,008</u>	<u>16%</u>
Total net position, end of year	<u>\$ 68,278,059</u>	<u>\$ 68,278,059</u>	<u>\$ 61,972,150</u>	<u>\$ 6,305,909</u>	<u>10%</u>

(1) The increase in fee income is primarily due to increased revenue from the Homeownership division's Home Advantage program, coupled with an acceleration of income related to the Citi Securitization program.

(2) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2024, as well as regular annual increases during the year.

(3) The increase in office expenses is primarily due to the sponsorship of the Housing Washington conference program and events held in September 2024, along with greater office and computer related equipment expenses due to the office move, and higher database and software support expenses.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined be beneficial to the Commission Fund to resume allocation and transfers.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: May 31, 2025
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	21.9%	\$ 5,226,642	\$ 23,882,134	\$ 29,108,776	\$ 26,086,647	\$ 3,022,129	11.6%
Issuance, Application, and Servicing Fees	11.4%	1,260,972	11,026,489	12,287,461	5,994,777	6,292,684	105.0%
Interest Earned & Realized Gain	0.2%	32,922	14,120,375	14,153,297	12,967,652	1,185,645	9.1%
Other Income	6.6%	14,538	221,594	236,132	821,550	(585,418)	-71.3%
<i>Total Unadjusted Revenues</i>	13.3%	6,535,074	49,250,593	55,785,665	45,870,626	9,915,040	21.6%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	12.4%	1,032,800	8,321,254	9,354,054	10,878,422	(1,524,368)	-14.0%
Employee Benefits - Staff	11.5%	272,547	2,378,811	2,651,358	3,027,191	(375,833)	-12.4%
Conference, Education & Training	-15.5%	(14,133)	90,990	76,857	195,972	(119,115)	-60.8%
Travel out of state - Staff	-16.3%	(15,243)	93,744	78,501	203,400	(124,899)	-61.4%
Travel in state - Staff	64.2%	36,465	56,819	93,284	148,271	(54,987)	-37.1%
Accounting Fees	14.8%	17,416	118,028	135,444	138,663	(3,219)	-2.3%
Legal Fees	-19.0%	(129,167)	680,124	550,957	734,250	(183,293)	-25.0%
Financial Advisor Fees	85.7%	173,906	202,994	376,900	332,933	43,967	13.2%
Investment Management Fees	17.9%	28,602	159,378	187,980	199,833	(11,853)	-5.9%
Office Rent/Conf. Room Rentals	-6.0%	(31,009)	513,326	482,317	560,218	(77,901)	-13.9%
Furniture & Equipment Rental	-45.7%	(9,632)	21,079	11,447	24,820	(13,373)	-53.9%
Advertising	-12.8%	(12,018)	93,605	81,587	293,457	(211,870)	-72.2%
Publications/ Subscriptions/ Dues	10.4%	9,360	90,012	99,372	121,055	(21,683)	-17.9%
Deliveries	-13.3%	(189)	1,424	1,235	4,693	(3,458)	-73.7%
Insurance	22.5%	13,020	57,886	70,906	60,638	10,268	16.9%
Meeting Expense	163.2%	73,822	45,238	119,060	157,855	(38,795)	-24.6%
Equipment & Building Maintenance	54.2%	16,774	30,972	47,746	98,102	(50,356)	-51.3%
Software Maint. Support & Other Info Svcs	7.9%	108,351	1,366,240	1,474,591	1,693,869	(219,278)	-12.9%
Non-capitalized Equipment/Supplies	127.9%	87,935	68,736	156,671	223,746	(67,075)	-30.0%
Postage	1.4%	11	804	815	4,748	(3,933)	-82.8%
Printing	12.4%	987	7,971	8,958	12,806	(3,848)	-30.0%
State Services	9.5%	237	2,482	2,719	6,389	(3,670)	-57.4%
Supplies	152.4%	32,171	21,103	53,274	44,092	9,182	20.8%
Telephone	14.9%	10,825	72,617	83,442	52,613	30,829	58.6%
Contract Services	-0.9%	(10,891)	1,179,820	1,168,929	1,581,540	(412,611)	-26.1%
Depreciation	17.1%	24,513	143,403	167,916	196,443	(28,527)	-14.5%
<i>Total Expenses</i>	10.9%	1,717,460	15,818,863	17,536,320	20,996,019	(3,459,699)	-16.5%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	74.7%	816,390	1,093,284	1,909,674	-	1,909,674	NA
Grant Revenue	-13.4%	(8,799,611)	65,887,756	57,088,145	55,873,254	1,214,891	2.2%
<i>Expenses:</i>							
Grant Pass-Through	-13.4%	(8,799,611)	65,887,756	57,088,145	55,873,254	1,214,891	2.2%
	74.7%	816,390	1,093,284	1,909,674	-	1,909,674	NA
<i>Excess of Revenues over Expenses- adjusted</i>	16.3%	5,634,004	34,525,014	40,159,019	24,874,607	15,284,413	61.4%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
<i>Excess of Revenues over Expenses (Net of Transfers)</i>	16.3%	\$ 5,634,005	\$ 34,525,014	\$ 40,159,019	\$ 24,874,607	\$ 15,284,413	61.4%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

May 15, 2025

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the "Commission") General Operating Fund as of April 30, 2025, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Finance Director

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

April 30, 2025

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
April 30, 2025
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 4,160,415	\$ 4,144,335	\$ 16,080	(1) 0%
Money Market Accounts	94,143,117	120,774,699	(26,631,582)	(1) -22%
Investment Securities	24,221,310	24,198,615	22,695	(1) 0%
Interest Receivable	950,528	938,851	11,677	1%
Fees Receivables	14,530,362	13,674,841	855,521	6%
Prepaid Expenses & Other Receivable	4,291,606	3,194,634	1,096,972	(2) 34%
Furniture and Fixtures (net of depreciation)	569,809	250,893	318,916	(3) 127%
Intangible Lease Asset (net of amortization)*	-	763,411	(763,411)	(4) -100%
Net Pension Asset*	1,894,532	1,767,016	127,516	7%
<i>Total Assets</i>	<u>144,761,679</u>	<u>169,707,295</u>	<u>(24,945,616)</u>	<u>-15%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>4,490,914</u>	<u>5,479,906</u>	<u>(988,992)</u>	<u>-18%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 149,252,593</u>	<u>\$ 175,187,201</u>	<u>\$ (25,934,608)</u>	<u>-15%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 6,018,065	\$ 10,072,920	\$ (4,054,855)	(5) -40%
Unearned Fee Income	68,629,066	94,661,909	(26,032,843)	(6) -28%
Accrued Payroll Payable	2,117,513	1,893,333	224,180	(7) 12%
Lease Liability*	-	719,844	(719,844)	(4) -100%
Net Pension Liability *	3,454,593	3,584,711	(130,118)	-4%
<i>Total Liabilities</i>	<u>80,219,237</u>	<u>110,932,717</u>	<u>(30,713,480)</u>	<u>-28%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>4,935,541</u>	<u>6,907,214</u>	<u>(1,971,673)</u>	<u>-29%</u>
NET POSITION				
Invested in Capital Assets	569,809	250,893	318,916	(3) 127%
Committed - Housing Washington *	122,628	350,886	(228,258)	-65%
Unrestricted	63,405,378	56,745,491	6,659,887	12%
Total Net Position	<u>64,097,815</u>	<u>57,347,270</u>	<u>6,750,545</u>	<u>12%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 149,252,593</u>	<u>\$ 175,187,201</u>	<u>\$ (25,934,608)</u>	<u>-15%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The increase in prepaids and other receivables balance is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA, as well as a one month advanced, increased prepayment of HB/Salesforce annual fee compared to the prior year.
- (3) The increase in net capital assets reflects the purchase of new office furniture, audio and visual equipment, and network wiring, along with an offset from continued depreciation and amortization of capital assets.
- (4) These accounts reflect the implementation of GASB 87 in which long-term, non-ownership-transferring leases are recorded as an intangible right-of-use asset and a lease liability. Adjustments are made at year-end to record the amortization of the office rent lease asset and reduction in related lease liability.
- (5) The overall decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds.
- (6) The overall decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021, with a smaller offset from greater Covenant Homeownership grant funds.
- (7) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, and effects of the 3% COLA and general increases at the beginning of the fiscal year.
- * These balances are adjusted only at year-end.

**Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position**

Fund: General Operating Fund

Division: All

For The Year To Date Ending: April 30, 2025

(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 3,553,082	\$ 36,501,362	\$ 30,458,410	\$ 6,042,952 (1)	20%
Interest Earned & Realized Gain	1,223,003	12,845,694	12,804,531	41,163	0%
Other	17,660	219,974	210,393	9,581	5%
<i>Total Unadjusted Revenues</i>	<u>4,793,745</u>	<u>49,567,030</u>	<u>43,473,335</u>	<u>6,093,695</u>	<u>14%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,065,858	10,905,706	9,721,950	1,183,756 (2)	12%
Travel & Conferences	4,079	243,046	203,541	39,505 (3)	19%
Professional Fees	280,626	2,158,033	1,959,260	198,773 (4)	10%
Office Expense	252,708	2,613,692	2,269,791	343,901 (5)	15%
<i>Total Expenses</i>	<u>1,603,271</u>	<u>15,920,477</u>	<u>14,154,543</u>	<u>1,765,934</u>	<u>12%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	511,832	2,332,228	581,345	1,750,883	301%
Grant Revenue	6,042,059	51,414,239	60,794,060	(9,379,821)	-15%
<i>Expenses:</i>					
Grant Pass-Through	<u>6,042,059</u>	<u>51,414,239</u>	<u>60,794,060</u>	<u>(9,379,821)</u>	<u>-15%</u>
<i>Total Adjustments</i>	<u>511,832</u>	<u>2,332,228</u>	<u>581,345</u>	<u>1,750,883</u>	<u>301%</u>
Excess of Revenues over Expenses	<u>3,702,306</u>	<u>35,978,781</u>	<u>29,900,137</u>	<u>6,078,644</u>	<u>20%</u>
Net Position					
Total net position, beginning of period	60,395,509	28,119,034	27,447,133	671,901	2%
Current Increase (Decrease) - to Net position	<u>3,702,306</u>	<u>35,978,781</u>	<u>29,900,137</u>	<u>6,078,644</u>	<u>20%</u>
Total net position, end of year	<u>\$ 64,097,815</u>	<u>\$ 64,097,815</u>	<u>\$ 57,347,270</u>	<u>\$ 6,750,545</u>	<u>12%</u>

(1) The increase in fee income is primarily due to increased revenue from the Homeownership division's Home Advantage program, coupled with an acceleration of income related to the Citi Securitization program.

(2) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2024, as well as regular annual increases, plus an approximately 8% increase in staff headcount compared to the prior year.

(3) The increase in travel and conference fee expenses is primarily due to in-state travel expenses incurred for lodging and transportation related to the Housing Washington conference held in Spokane. In the prior year, the conference was held in Tacoma.

(4) Professional fees increase is primarily due to an increase in expenses related to tax credit property inspections in the AMC division.

(5) The increase in office expenses is primarily due to the sponsorship of the Housing Washington conference program and events held in September 2024, along with greater office and computer related equipment expenses due to the office move.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined be beneficial to the Commission Fund to resume allocation and transfers.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: April 30, 2025
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	21.7%	\$ 4,689,449	\$ 21,587,549	\$ 26,276,998	\$ 23,715,133	\$ 2,561,865	10.8%
Issuance, Application, and Servicing Fees	15.3%	1,353,502	8,870,862	10,224,364	5,449,798	4,774,566	87.6%
Interest Earned & Realized Gain	0.3%	41,163	12,804,531	12,845,694	11,788,774	1,056,920	9.0%
Other Income	4.6%	9,581	210,393	219,974	746,863	(526,889)	-70.5%
<i>Total Unadjusted Revenues</i>	<u>14.0%</u>	<u>6,093,695</u>	<u>43,473,336</u>	<u>49,567,029</u>	<u>41,700,568</u>	<u>7,866,462</u>	<u>18.9%</u>
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	12.3%	932,491	7,563,985	8,496,476	9,889,474	(1,392,998)	-14.1%
Employee Benefits - Staff	11.6%	251,264	2,157,965	2,409,229	2,751,992	(342,763)	-12.5%
Conference, Education & Training	-7.0%	(5,707)	81,978	76,271	184,307	(108,036)	-58.6%
Travel out of state - Staff	-13.9%	(12,529)	90,063	77,534	190,688	(113,154)	-59.3%
Travel in state - Staff	183.3%	57,742	31,500	89,242	140,467	(51,225)	-36.5%
Accounting Fees	16.3%	16,161	99,222	115,383	135,247	(19,864)	-14.7%
Legal Fees	-18.9%	(120,296)	636,503	516,207	667,500	(151,293)	-22.7%
Financial Advisor Fees	82.5%	147,585	178,994	326,579	302,667	23,912	7.9%
Investment Management Fees	16.8%	24,496	145,428	169,924	181,667	(11,743)	-6.5%
Office Rent/Conf. Room Rentals	-9.0%	(42,532)	473,894	431,362	509,289	(77,927)	-15.3%
Furniture & Equipment Rental	-44.2%	(7,737)	17,496	9,759	22,563	(12,804)	-56.7%
Advertising	11.4%	7,681	67,342	75,023	266,779	(191,756)	-71.9%
Publications/ Subscriptions/ Dues	7.3%	6,074	83,594	89,668	110,050	(20,382)	-18.5%
Deliveries	-14.8%	(211)	1,424	1,213	4,267	(3,054)	-71.6%
Insurance	22.0%	11,592	52,697	64,289	55,125	9,164	16.6%
Meeting Expense	264.6%	83,501	31,555	115,056	153,959	(38,903)	-25.3%
Equipment & Building Maintenance	51.9%	16,076	30,972	47,048	89,183	(42,135)	-47.2%
Software Maint. Support & Other Info Svcs	8.4%	103,432	1,228,955	1,332,387	1,539,881	(207,494)	-13.5%
Non-capitalized Equipment/Supplies	157.3%	95,785	60,886	156,671	203,406	(46,735)	-23.0%
Postage	-23.4%	(172)	734	562	4,317	(3,755)	-87.0%
Printing	22.0%	1,301	5,925	7,226	11,642	(4,416)	-37.9%
State Services	9.6%	239	2,480	2,719	5,808	(3,089)	-53.2%
Supplies	163.5%	32,662	19,981	52,643	40,084	12,559	31.3%
Telephone	22.9%	14,368	62,706	77,074	47,830	29,244	61.1%
Contract Services	14.6%	130,828	899,113	1,029,941	1,437,763	(407,822)	-28.4%
Depreciation	16.9%	21,842	129,150	150,992	178,584	(27,592)	-15.5%
<i>Total Expenses</i>	<u>12.5%</u>	<u>1,765,936</u>	<u>14,154,545</u>	<u>15,920,478</u>	<u>19,124,539</u>	<u>(3,204,061)</u>	<u>-16.8%</u>
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	301.2%	1,750,883	581,345	2,332,228	-	2,332,228	NA
Grant Revenue	-15.4%	(9,379,821)	60,794,060	51,414,239	50,793,868	620,371	1.2%
<i>Expenses:</i>							
Grant Pass-Through	-15.4%	(9,379,821)	60,794,060	51,414,239	50,793,868	620,371	1.2%
	301.2%	1,750,883	581,345	2,332,228	-	2,332,228	NA
<i>Excess of Revenues over Expenses- adjusted</i>	<u>20.3%</u>	<u>6,078,642</u>	<u>29,900,136</u>	<u>35,978,779</u>	<u>22,576,029</u>	<u>13,402,751</u>	<u>59.4%</u>
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
<i>Excess of Revenues over Expenses (Net of Transfers)</i>	<u>20.3%</u>	<u>\$ 6,078,643</u>	<u>\$ 29,900,136</u>	<u>\$ 35,978,779</u>	<u>\$ 22,576,029</u>	<u>\$ 13,402,751</u>	<u>59.4%</u>

Hundreds tap WA help for people who faced housing discrimination

June 9, 2025 at 6:01 am

By [Heidi Groover](#)

Seattle Times business reporter

More than 400 homebuyers across Washington state have tapped into a down payment assistance program launched last year to redress past housing discrimination.

Now, that number could climb as the state broadens income eligibility to help more people struggling to afford sky-high home prices.

The Covenant Homeownership Program offers no-interest down payment loans to certain homebuyers of color whose families were affected by racist property covenants commonly used in the first half of the 20th century.

Shortly after its launch, it became the target of a lawsuit claiming reverse discrimination. But for the hundreds of people it has helped so far, the program offered a path to homeownership, said Dee Scott, a Keller Williams real estate agent in Kent who has helped buyers — including four members of her family — access the program.

Before the Fair Housing Act outlawed housing discrimination in 1968, Scott's grandparents lived in Seattle's Central District, one of the few Seattle neighborhoods where Black people could buy homes and an area that went on to experience rapid gentrification.

Down payment assistance for people affected by exclusionary policies is a way of "beginning the process of closing this wealth gap for our people and to be able to build generational wealth," Scott said.

[Racially restrictive covenants](#) often banned anyone who wasn't white from buying property, sometimes specifically excluding Black people and other racial groups. Although federal law rendered the covenants illegal, the effects linger in the ongoing segregation of American cities including Seattle and in persistent homeownership and income gaps.

More than two thirds of white residents in Washington own their homes, while only about one third of Black Washingtonians are homeowners. Nearly half of Hispanic residents own their

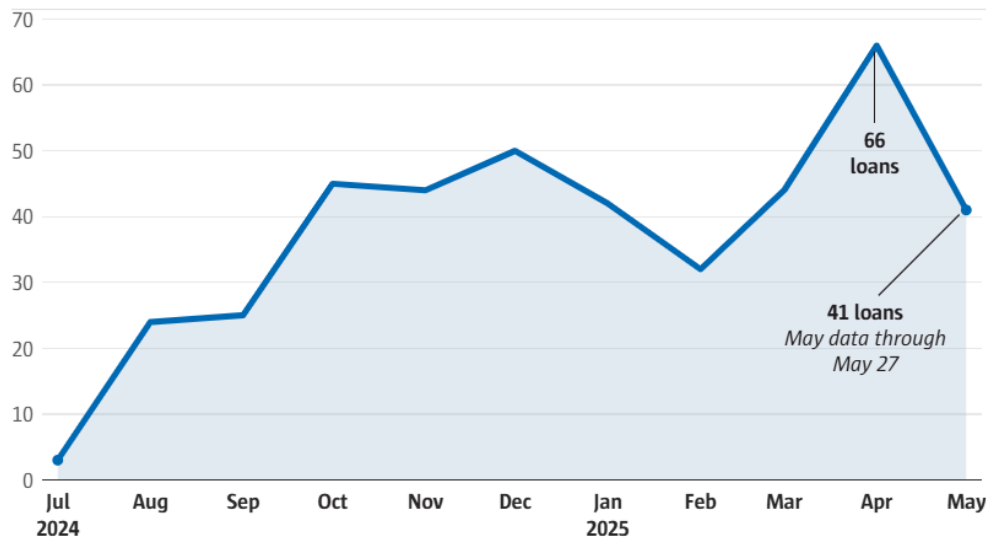


Dee Scott, a local real estate agent, inside one of her currently listed properties in Covington. Scott has helped Black homebuyers, including members of her family, access a state program offering down-payment assistance for homebuyers of color who were once discriminated against. (Ken Lambert / The Seattle Times)

homes. A similar gap emerges in income: A state-commissioned [study](#) last year found white households in Washington had a net worth of about \$286,000 per household compared with \$68,000 for households of color. Lower incomes affect potential homebuyers’ ability to secure a mortgage, the study noted.

Down payment assistance program picks up

Homebuyers across Washington are tapping into new down payment assistance for people who were discriminated against by past housing practices or are the descendants of those who faced discrimination.



Source: Washington State Housing Finance Commission (Frank Mina / The Seattle Times)

When Scott entered the real estate market two decades ago, “I saw that my community was in apartments. I saw that many didn’t even consider the idea of owning a home.”

“The playing field wasn’t level and what we’re seeing today is an impact of that uneven playing field,” Scott said.

First-in-family homeowners

As home prices climb across Washington and mortgage rates remain high, the new form of down payment assistance has, for some people, “moved them from never being able to own a home to being able to own a home for the first time in their family’s life,” said Bryan LaFlamme, a loan officer in Tacoma.

Starting July 28, a recent law will open the program to people making 120% of area median income in their county, up from 100%. Supporters say the change will be a lifeline for people who may have higher incomes but still struggle to save for the high down payments necessary to afford homes in Washington.

Republicans in the state Legislature pushed back against the change, arguing state dollars should be focused on people earning less.

In another new change, borrowers earning less than 80% of area median income will become eligible to have their down payment loans forgiven when they refinance, sell or pay off their homes after at least five years.

Without loan forgiveness, some homebuyers worry about repaying the loan when they sell or pay off the home; others wonder how the extra debt might affect their ability to refinance, LaFlamme said.

It's too early to assess just how much of an effect the Covenant Homeownership Program could have on wealth and homeownership gaps. The state offered no target for how many people it expected would qualify for help from the new program. But state data shows the program is likely on track to help 500 people by its one-year mark in July.

To qualify, applicants must be first-time homebuyers who meet the income requirement in their county and lived in the state before the Fair Housing Act outlawed housing discrimination in April 1968 or whose parent, grandparent or great-grandparent lived in Washington during that time. The person who lived in the state before April 1968 must be Black, Hispanic, Native American, Alaska Native, Native Hawaiian or other Pacific Islander, Korean or Asian Indian.

The state defines first-time homeowners broadly, including those who haven't owned a home in at least three years and those who have only owned a mobile home.

While covenants often excluded some other groups, including Jewish people, those who qualify for the loans still show notable gaps in homeownership or "are still being impacted most deeply," the authors of the study wrote.

Finding paperwork to prove an ancestor's race and their residency in the state 60 years ago can prove challenging. Realtors and loan officers often help clients comb through birth and death certificates or school, medical and census records.

Legal threats continue

The racial qualifications are the key difference between the program and many other forms of assistance the state already offered — and the key factor that has drawn criticism from conservatives.

The national nonprofit Foundation Against Intolerance and Racism sued in October the head of the Washington State Housing Finance Commission in federal court, claiming the program illegally excludes white homebuyers who don't qualify.

The group says it represents homebuyers who would qualify for the program if not for their race, creating an "inability to compete on equal footing for a loan."

Attorneys for the housing finance commission director are seeking to have the case thrown out, arguing the group lacks standing to sue.

"In adopting the Act, the State of Washington became one of the first states to face and address the role of government institutions in housing-related discrimination," they wrote in court filings. The case is ongoing.

To access the loans, buyers must complete all the steps of qualifying for a mortgage “just like anybody else does,” LaFlamme said.

“They have to have credit score requirements, job requirements, they have to have stability. We have to prove that they’re going to be able to repay the loan, just like every other mortgage.”

Scott, the real estate agent, said homebuyers tapping into the program often tell her they didn’t expect to ever own a home. Some watched their parents rent instead of own or saw grandparents own homes only to be priced out of the Central District by other costs.

America’s economic system “wasn’t really built for us,” she said, “but it was built on our backs.”

By the numbers:

- The program offers buyers loans for up to 20% of the cost of the home, up to \$150,000, plus closing costs.
- To fund the program, state lawmakers passed a \$100 fee on recorded real estate documents, estimating the fee would raise \$75 million to \$100 million a year. So far, about \$85 million from the new fee has flown to the down-payment assistance program and the state has spent a bit more than half of that.
- As of late May, homebuyers across Washington had received about \$46 million in loans, with another \$9 million reserved but not yet closed.
- Most loan recipients live in the state’s most populous counties, particularly Pierce and King. Loan amounts were highest in Snohomish County, where the median single-family home costs \$833,000 and down payment help averaged \$126,500. Loans were lower in more rural counties where homes are more affordable.
- About 70% of recipients were Black, 15% were Native American, 9% were Hispanic or Latino and 1% were Asian.
- The average incomes of buyers receiving loans varied widely across the state, from \$47,000 in Stevens County to \$107,000 in Snohomish County. The average borrower in Pierce County, where the largest number of loans have been issued, earned \$87,000 — well below the county’s median income of nearly \$121,000.
- From July through March, Covenant loans represented about 7% of the down-payment assistance loans the state provided.

Source: Washington State Housing Finance Commission, Washington State Department of Commerce

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The Seattle Times

Property management firm misled WA senior tenants, AG lawsuit says

June 13, 2025 at 1:51 pm

By [Heidi Groover](#)

Seattle Times business reporter

A large-scale property manager promised Washington tenants high-end apartments with affordable rents and instead subjected them to mold, mice, mothballed amenities and unexpected rent hikes, the state alleges in a lawsuit filed Friday.

The Washington attorney general's office filed [the suit](#) in Snohomish County Superior Court, accusing California-based FPI Management and several property owners of violating state consumer protection law at five Western Washington buildings. The apartments, all for people 55 and older, use federal tax credits to offer affordable rents.

The state accuses the property management firm and building owners of misrepresenting the quality of the apartments and of failing to disclose to tenants how their rents might increase.

"This is a pretty systematic and consistent level of fraud, essentially, on a particularly vulnerable population," Attorney General Nick Brown said in an interview.

Representatives for FPI did not immediately respond to requests for comment Friday.

Vintage Housing, the company that owns four of the five buildings, said it "disputes the Attorney General's allegations and will address them in court."



The Vintage at Marine View in Everett is open to people 55 and older. The Washington attorney general's office has sued Vintage Housing, accusing it of misrepresenting the quality of the apartments and of failing to disclose to tenants how their rents might increase. (Erika Schultz / The Seattle Times)

Vintage Housing “has been a part of providing housing in Washington for over 25 years,” Senior Vice President Maureen Picarella said in an email. “We take seriously our role as providers of affordable housing to seniors and the communities we are part of. We will work with our property manager, FPI, to address any issues.”

The owner of the fifth building, AMCAL Multi-Housing, declined to comment.

The case raises alarms about rental costs and conditions at FPI-managed buildings in Everett, Arlington, Mill Creek, Tacoma and Sequim — five buildings among FPI’s portfolio of 87 in the state, according to the attorney general’s office.

Retired educator Susan Kamin moved into the Everett building in 2017, when, she said, marketing materials promised “luxury apartments for mature adults” with “countless amenities.” On a tour, staff wouldn’t show her an apartment, but they showed her other parts of the building and told her rent would be limited based on her income, Kamin said in an interview. On a fixed income from Social Security, that stability would be key.

But reality looked far different. Kamin’s apartment wasn’t ready, and building managers directed her temporarily to another unit that had grime, dirty appliances and bugs, she said. Her permanent apartment was in better condition, but common spaces were dirty, equipment in the building’s gym and other common rooms was dated and broken, and rent increases she struggled to afford soon arrived.

Picarella, from Vintage Housing, declined to comment further on specific allegations, citing the pending legal action.

The attorney general’s office says tenants across the five buildings in question faced similar concerns and a lack of clarity about how their rent could increase.

The properties are part of the widely used Low Income Housing Tax Credit program. Under that program, property owners who receive tax credits must cap the rent in some of their apartments to be affordable for people making a certain share of area median income in their county, for example 60%.



Susan Kamin moved into the Vintage at Marine View in 2017. When she toured the property, staff told her rent would be limited based on her income, Kamin said. But the rent increases became too much, and the retired educator eventually moved elsewhere. (Erika Schultz / The Seattle Times)

The federal government sets those income levels each year, and those numbers dictate the maximum rent price — not the individual tenant’s actual income. That’s distinct from some other types of affordable housing.

The case alleges that although FPI advertises affordable units, “it does not explain or adequately disclose” that it will calculate rent based on a share of area median income, “which is often significantly more than the fixed Social Security or pension incomes many senior LIHTC tenants must live on.”

Once housing becomes unaffordable, older tenants can have a particularly difficult time moving out because of physical limitations and fixed incomes, the state argues.

Kamin said she received rent increases, sometimes twice a year, and the monthly cost for her one-bedroom apartment reached \$1,220 by the time she moved out in 2023. Earning just \$1,500 in monthly Social Security income, she borrowed money to cover the rent until she finally found a subsidized rental elsewhere.

With limited affordable housing in the region, “They know people have nowhere to go,” Kamin said of FPI.

It wasn’t immediately clear Friday how often other landlords offering tax-credit units explicitly state pricing details in rental applications. But Brown said that “given both the population and the unique qualifications that anyone would have to have to rent this property, the company had an obligation to fully disclose how rent calculations could be increased.”

“That certainly wasn’t done here,” Brown said.

Renters also faced ongoing maintenance issues, the state alleges.

Despite promises of “brand-new appliances,” “resort-style” features and secure buildings, renters found a “starkly different” reality with persistent maintenance issues and security concerns, the lawsuit claims.

“Many tenants find their units are dirty, with broken microwaves, chronic water intrusion and leaks, mold, missing window screens, worn carpets, and torn kitchen flooring, among other issues,” the lawsuit said. “Some tenants are shown a ‘model’ unit that is significantly nicer than the unit they ended up receiving.”



Tenants reported damage from leaking water at a Tacoma apartment building but were met with “inaction” from the property management company FPI, according to a lawsuit filed Friday. (Courtesy of Washington state attorney general’s office)

Joe Papenbrock, 64, who rented an FPI-managed apartment in Tacoma, said he and his neighbors saw mice scurrying down the hallway as a rodent problem spread throughout the building. Management didn't address the problem fully with an exterminator for two years, Papenbrock said.

As rents increased, Papenbrock thought, "I'm paying you more money, but I'm not getting more service."

Brown said his office communicated with FPI about its concerns before filing the lawsuit but was not able to "reach an agreement."

The state asked a judge to order penalties up to \$7,500 per legal violation, plus \$5,000 more per violation in enhanced penalties based on the age of the tenants. FPI and the other defendants will have the chance to respond to the allegations in court.

Heidi Groover: 206-464-8273 or hgroover@seattletimes.com.

Seattle's affordable housing industry is in crisis. City faces tough choices

June 17, 2025 at 6:00 am

By [Greg Kim](#) and [David Kroman](#)

Seattle Times staff reporters

PROJECT HOMELESS

The Seattle Times' [Project Homeless](#) is supported by Campion Foundation, Raikes Foundation and Seattle Foundation. The Seattle Times maintains editorial control over Project Homeless content.

Late last year, one of Seattle's most vaunted affordable housing providers put six buildings up for sale.

A few months later, another nonprofit listed four of its eight.

Then, another developer gave up its stake in all three of its affordable properties in Seattle.

While one-off sales happen from time to time, 13 buildings with more than 1,100 units where low-income people live is an unusual amount and a symptom of something bigger: The affordable housing sector is at a breaking point.

The number of subsidized properties losing money has surged since before the pandemic as rapidly rising operating costs collide with lagging rent payments. In an industry that has scraped by for decades on razor-thin margins, the math no longer adds up.

Some low-income tenants are at risk of losing their housing through sales or loosened eviction rules, as providers search for financial remedies.

All three organizations that sold or transferred buildings, along with 20 others, had asked Seattle for money to prop up their troubled properties in 2024. The city had given them at least part of what they asked for, but it wasn't enough to stop the sales. Now, Seattle's politicians are weighing where their remaining dollars are better spent: building new homes or propping up those that already exist.

"We have a shaky and unstable affordable housing sector that, without bold action, could fail," city staff wrote in a mayoral briefing at the end of 2024.

Some providers are lobbying Seattle's elected officials to make it easier to evict and screen out tenants who aren't paying rent — a fight that's already roiled city politics. One organization has

gone so far as to sue the city for its tenant protection laws, claiming they have “destroyed the value” of its property.

Housing advocates say the stakes for finding a solution could not be higher.

“If nonprofit and mission-driven housing providers can’t afford to keep their properties running, we won’t just see an increase in evictions, but we will see the loss of the entire affordable housing portfolio,” said Patience Malaba, executive director of the Housing Development Consortium, a network of Seattle housing providers.

Skyrocketing costs

For the past two years, affordable housing providers have raised alarm bells with state, county and city officials saying they are in dire need of financial relief.

Community Roots, a nearly 50-year-old nonprofit, received \$660,000 from Seattle in 2024 to prop up its buildings. But the help was a drop in the bucket; the organization is currently losing more than \$2 million a year in rent collections, said spokesperson Kiley Dhatt.

The decision to sell six buildings was grounded in an effort to “maintain organizational stability,” said Dhatt.

Providers’ concerns began as the pandemic wound down and they began opening eye-watering bills.

Their tenants had been cooped up in mostly small studios and one-bedrooms when everyone was told to stay home. All that extra time inside was coupled with worsening mental health and limited staff on site, said Wubet Biratu, a director at the state’s Housing Finance Commission, which oversees Washington’s publicly financed affordable housing.

“So the units got a lot of beating,” Biratu said.

Even after a stack of repair bills, the pandemic wasn’t done squeezing out their pocketbooks.

Biratu said providers had to offer large wage increases to entice staff back to work.

[Construction costs in Seattle](#) increased more than 40% since before the pandemic.

A [2024 state survey](#) of affordable housing providers found that insurance rose about 80% over the previous three years.

Providers that have to refinance buildings faced interest rates that had doubled.

Across the board, expenses rose 47% on average between 2019 and 2023 in Seattle, according to a large sample of affordable housing providers’ finances by the city.

At Denny Park Apartments in South Lake Union, operating costs tripled between 2019 and 2023. At GMD Development's 60-unit Encore building in Belltown, nonmortgage expenses nearly quadrupled between 2022 and 2024.

The rapid inflation of the last several years broke the model that most affordable housing was built on. Organizations had assumed the modest annual cost increases they'd seen during the 2010s would continue. But when those shot past projections, providers had few ways to pay for them besides raising rents, depleting reserves, or selling buildings bleeding cash.

Less rent

To make matters worse, some tenants stopped paying rent.

Nearly every tenant was paying rent before the pandemic. In 2024, 60% to 90% were, according to a 2024 state survey of affordable housing providers in Washington.

In Seattle Housing Authority buildings, the number of tenants not paying was 8% in 2019 and 23% last year.

A number of organizations trace their unpaid rent problem to the eviction moratorium and rental relief provided during the pandemic.

At the Low Income Housing Institute, one of the largest nonprofit affordable housing providers in the state, Executive Director Sharon Lee said the measures caused a cascade effect. One tenant would stop paying rent and then tell neighbors they weren't evicted and pretty soon, more people on the floor stopped paying, Lee said.

Others said their low-income tenants lost jobs or income during the pandemic. State data shows the percentage of affordable housing tenants paying more than 30% of their income toward rent — the threshold that housing is considered affordable — increased from 36% to 44% between 2018 and 2023.

The number of properties in Seattle losing money roughly doubled between 2019 and 2023, according to state reports that most affordable housing buildings submit.

Inland Group, a Spokane-based developer, opened two affordable properties in 2023, in Lake City and Rainier Valley, which immediately lost more than \$300,000 combined in their first year. The organization transferred its stake in all three of its Seattle buildings that "struggled to be self sufficient" to April Housing, a subsidiary of the global investment fund behemoth Blackstone, according to records obtained through a public disclosure request.

Six other organizations told the mayor's office last year they were "likely" or "highly likely" to sell buildings.

Rents in most of the properties being offloaded must remain capped. But affordability requirements have expired for two of the buildings nonprofit Mt. Baker Housing is selling in South Seattle where primarily people of color live.

There, the buyer can do whatever they want, including raising rents or redeveloping them.

Evictions as a solution

In January, the Low Income Housing Institute filed to evict Kiholly Smith, a formerly homeless single mom living in an affordable housing building in the Central District who stopped paying her rent six months prior. Smith wanted to pay, but struggled to find work after her job ended last year.

“They can’t get blood out of stone,” Smith said.

Last month, with the help of local tenant lawyers, she was provided with rental assistance that will keep her housed, avoiding the nightmare of returning to living in the woods off Myers Way where she lived with her 7-year-old son before moving into their apartment four years ago.

Still, she represents the tension between tenants and nonprofit providers, which aim to keep people from homelessness, but are themselves teetering on the edge.

“You’re going to see nonprofits having to go out of business,” Lee said.

Eviction filings in King County, driven partly by affordable housing providers, are on pace to hit their highest level in at least 10 years. But tenants in Seattle are protected by a handful of laws, including bans during the winter time and school year.

One for-profit provider, Goodman Real Estate, sued Seattle in October claiming its laws financially crippled its downtown affordable housing building by preventing the organization from screening out destructive or violent tenants and restricting it from evicting tenants who stop paying rent. The organization said it lost \$2.7 million in 2023 alone.

The lawsuit was thrown out in court. But some local officials agree with Goodman.

Conversations about a bill that could roll back limitations on evictions and allow for sharper screening of tenants have been ongoing in City Hall for more than a year now.

There’s no timeline for its introduction, but the fight over the bill will likely be intense. Already, its rollout has been caught in a complicated political calculus among the council, for-profit landlords, tenant-rights advocates, the mayor’s office and affordable housing providers. Protesters, including former Councilmember Kshama Sawant, have taken to City Hall to accuse members of selling out renters.

Katie Wilson, who helped write many of the city’s current regulations and is now running for mayor, said she agrees the problem facing affordable housing providers is significant. But while

she’s open to making tweaks to the city’s law, she questions how much those changes would translate to improved standing for providers.

“I think we all acknowledge there’s a big problem,” she said. “The question is: Will this landlord-tenant stuff help at all?”

Malaba said while the Housing Development Consortium has been pushing for reforms to tenant protections, it is primarily to protect the safety of other residents, not because it will be a panacea to providers’ budget problems.

“The financial strains are larger than just four or five policies,” Malaba said.

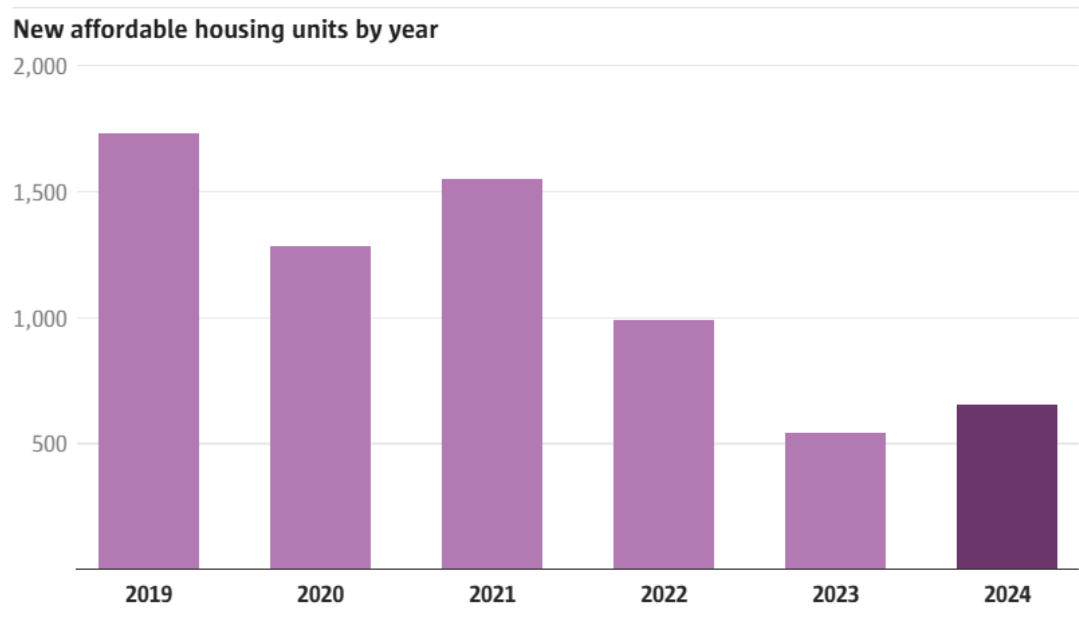
Less affordable housing

Seattle officials are now weighing a tricky political question: Should they assume current dire trends will continue? That would mean it would cost more to subsidize affordable housing going forward and they’d be able to add fewer units.

Already, Seattle is funding fewer new units than it used to, despite a big boost in dollars for affordable housing since 2019.

Seattle is funding less affordable housing

The number of new affordable housing units funded by Seattle has dropped since 2019 despite an increase in funding. Scroll over the bars to see the numbers. Source: City of Seattle
(Chart by Mark Nowlin / The Seattle Times)



Source: City of Seattle (Chart by Mark Nowlin / The Seattle Times)

Those dollars have instead gone toward higher building and operating costs.

The city has spent \$130 million since 2023 offsetting increased costs for projects that were already planned and funded.

In 2024, \$14 million went toward “stabilizing” affordable housing providers’ budgets.

This year, it allocated \$52 million on operations and maintenance subsidies — seven times more than it did in 2019 — and will likely make more funds available next year for ongoing support, according to city staff.

Additionally, Harrell will soon sign an executive order authorizing more rental assistance, according to a spokesperson.

Still, providers say it hasn’t been enough and are pushing for more, and faster. The city’s pace, said Emily Thompson, partner at the for-profit GMD Development, “does not meet the moment of the crisis we find ourselves in.”

Some in the sector worry that if buildings continue losing money and banks foreclose on them, private investors may pull out of Seattle’s affordable housing market altogether, causing the system to fall apart.

City officials say they have already spent a lot of money in the short term trying to stabilize affordable housing and are looking into long-term sustainable solutions. They expect to meet the housing production goals of the 2023 levy, but they face an increasingly tight budget, and are weighing trade-offs between stabilizing and preserving existing affordable housing and new units.

Officials at the state Housing Finance Commission said they’re also shifting their focus away from adding as many affordable housing units as they can.

“Now, I’d say it’s all hands on deck to preserve the units that we have,” said Lisa Vatske, a director at the agency.

Seattle Times reporter Heidi Groover contributed reporting.

Correction: An earlier version of this story misstated the name of the hedge fund that owns April Housing. It is Blackstone.

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David Kroman: 206-464-3196 or dkroman@seattletimes.com: Seattle Times staff reporter David Kroman covers Seattle City Hall.

Events Calendar

Date	6/24/2025	Length of Event	TBA
Event	2025 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Marriott Marquis Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/25/2025	Length of Event	TBA
Event	2025 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Marriott Marquis Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/26/2025	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/26/2025	Length of Event	TBA
Event	2025 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Marriott Marquis Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/27/2025	Length of Event	TBA
Event	2025 NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Marriott Marquis Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	7/24/2025	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
Date	8/28/2025	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
Date	9/25/2025	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
Date	9/28/2025	Length of Event	TBA
Event	2025 Housing WA Conference	Audience	Conf. Attendees
Address	Hyatt Regency Bellevue Hotel	Division	Administration
City	Bellevue, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
Date	9/29/2025	Length of Event	TBA
Event	2025 Housing WA Conference	Audience	Conf. Attendees
Address	Hyatt Regency Bellevue Hotel	Division	Administration
City	Bellevue, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
Date	9/30/2025	Length of Event	TBA
Event	2025 Housing WA Conference	Audience	Conf. Attendees
Address	Hyatt Regency Bellevue Hotel	Division	Administration
City	Bellevue, WA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/4/2025	Length of Event	TBA
Event	2025 NCSHA Annual Conf. & Showplace	Audience	Conf. Attendees
Address	New Orleans Marriott Hotel	Division	Administration
City	New Orleans, LA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/5/2025	Length of Event	TBA
Event	2025 NCSHA Annual Conf. & Showplace	Audience	Conf. Attendees
Address	New Orleans Marriott Hotel	Division	Administration
City	New Orleans, LA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/6/2025	Length of Event	TBA
Event	2025 NCSHA Annual Conf. & Showplace	Audience	Conf. Attendees
Address	New Orleans Marriott Hotel	Division	Administration
City	New Orleans, LA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/7/2025	Length of Event	TBA
Event	2025 NCSHA Annual Conf. & Showplace	Audience	Conf. Attendees
Address	New Orleans Marriott Hotel	Division	Administration
City	New Orleans, LA	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/23/2025	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/20/2025	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/11/2025	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Roo	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470