Report of Independent Auditors
and Financial Statements with
Supplemental Information for

Washington State Housing Finance Commission

June 30, 2015 and 2014

MOSS-ADAMS LLP

Certified Public Accountants | Business Consultants

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REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Washington State Housing Finance Commission

Report on Financial Statements

We have audited the accompanying financial statements of the Washington State Housing Finance Commission, which comprise the statements of net position as of June 30, 2015 and 2014, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Washington State Housing Finance Commission as of June 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended June 30, 2015, the Washington State Housing Finance Commission adopted new accounting guidance related to accounting for cost-sharing pension plans resulting in a cumulative adjustment to beginning net position. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 10 and the schedules of proportionate share of net pension liability and contributions on page 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements. The supplemental schedules of program net position, program revenues, expenses, and changes in program net position, program cash flows and notes and bonds payable on pages 40 through 55 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules of program net position, program revenues, expenses, and changes in program net position, program cash flows and notes and bonds payable are fairly stated in all material respects in relation to the financial statements as a whole.

Moss Adams LLP

Seattle, Washington
November 23, 2015

As management of the Washington State Housing Finance Commission (the "Commission"), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2015. This overview and analysis is required by accounting principles generally accepted in the United States of America for governmental entities.

FINANCIAL HIGHLIGHTS

During the fiscal year ended, or as of June 30, 2015 ("FY 2015"):

Net position increased $26.4 million to $294.9 million primarily due to the $33.3 million increase in net position of the Program Investment Fund ("PIF"), partially offset by a decrease in net position in the bond funds and the General Operating Fund ("GOF") of $2.7 million and $4.1 million, respectively. The increase in the PIF resulted from an excess of revenues over expenses totaling $24.0 million primarily from the down payment assistance revenues from Homeownership's daily pricing program coupled with the operating transfer from GOF of $9.4 million. The decrease in the bond fund net position is due to the excess of expenses over revenues ($5.1 million) primarily related to the reduction in the unrealized gain on mortgage-backed securities ("MBSs") offset by the operating transfer of $2.4 million from GOF.

As a member of retirement (pension) plans through the state of Washington, implementation of Governmental Accounting Standards Board ("GASB") statement No. 68, *Accounting and Financial Reporting for Pensions,* required reducing the beginning net position of the GOF by its proportionate share of the plans' Net Pension Liability ("NPL") and the related deferred outflow of resources. This net reduction at July 1, 2014 was $3.7 million. Additional information regarding implementation of this standard is in Note 2. Information regarding the NPL and the related deferred inflows and outflows of resources is in Note 8.

During the fiscal year mortgage loans increased by $147.3 million due to issuance of new loans while MBS's decreased by $126.0 million as borrowers continued to make prepayments. Cash, cash equivalents and investments increased by $13.6 million as new conduit bonds were issued and bond proceeds were held to fund project costs. Primarily due to these factors, total assets increased by $36.9 million.

Total bonds and notes payable of $3.4 billion were outstanding, net of premiums and discounts. This represents a net increase of $7.3 million (0.2%) over the prior year resulting from the issuance of bonds ($503.8 million) and the payment of principal ($496.5 million).

PIF and GOF program fees and grant revenue increased by $9.8 million due primarily to an increase in program fees associated with the Home Advantage daily pricing program. Bond program revenues (mortgage interest, unrealized loss on mortgage-backed securities, investment and other) decreased by $5.5 million partially due to the increase in the unrealized losses on mortgage-backed securities and the reduction of cost of issuance revenues from a drop in issuances in the nonprofit housing program.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of three parts: Management's Discussion and Analysis, the basic financial statements, and the notes to the financial statements. The basic financial statements include the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. The financial statements are presented in a manner similar to that of a private business, using the economic resources measurement focus and the accrual basis of accounting.

The financial statements report information for all Commission programs and operations. The statement of net position includes all of the Commission's assets, liabilities and deferred inflows and outflows of resources. All of the revenues and expenses of the Commission are accounted for in the statement of revenues, expenses, and changes in net position. Program financial statements are presented as supplementary schedules. These schedules separate the financial statements into General Operating Fund, Program Investment Fund, and Bond Fund.

Economic Outlook

During the fiscal year ended June 30, 2015, multifamily bond issuances increased, nearly matching a record level set in 2008. The recovery was supported by the issuance of tax-exempt bonds coupled with 4% Housing Credit. Developers have been using this as an alternative to the 9% Housing Credit where demand far outstrips supply. While there was only a small amount of issuance in the Nonprofit Housing Program, the Nonprofit Facilities Program issuances remained similar to recent years. In the Homeownership Division, production continued to be funded primarily through the Home Advantage, daily-priced program using traditional, taxable mortgage funding rather than with proceeds of tax-exempt bonds issued by the Commission. Production through that program reached a record level ($714 million through 3,649 originations) for the year. We anticipate utilizing this funding mechanism for the foreseeable future.

Interest rates remain low by historical standards. Indications are that the Federal Reserve will begin raising interest rates over the next year. While this might be expected to have a negative impact on our production, rising rates are expected to increase the value of the tax-exemption on interest that we can provide as the spread between taxable and tax-exempt rates widens. Also, Washington State continues to grow and benefit from a strong economy. The demand for housing, especially in urban areas, is high. We expect that will also support production, even in a rising interest rate environment.

FINANCIAL ANALYSIS OF THE COMMISSION

Statements of Net Position

The following table summarizes the changes in assets and deferred outflows of resources, liabilities, and net position between June 30, 2015 and 2014, in millions:

	2015	2014	Change	
Assets				
Cash and cash equivalents	$ 233.2	$ 183.4	$ 49.8	27.2%
Investments	139.4	175.6	(36.2)	(20.6)
Accrued interest receivable	8.9	8.2	0.7	8.5
Fees receivable, net	4.8	3.6	1.2	33.3
Other receivables	0.7	0.7	-	-
Mortgage-backed securities, net	615.5	741.5	(126.0)	(17.0)
Mortgage loans, net	2,862.4	2,715.1	147.3	5.4
Prepaid fees and other	0.4	0.3	0.1	33.3
Total assets	3,865.3	3,828.4	36.9	1.0
Deferred outflows of resources	1.3	1.1	0.2	18.2
Total assets and deferred outflows of resources	$ 3,866.6	$ 3,829.5	$ 37.1	1.0%

	2015	2014	Change	
Liabilities				
Accounts payable and other liabilities	$ 108.5	$ 101.8	$ 6.7	6.6%
Accrued interest payable	20.4	20.4	-	-
Unearned revenue and other	13.6	14.0	(0.4)	(2.9)
Derivative instrument - interest rate swap	0.9	1.1	(0.2)	(18.2)
Project equity held for borrower	1.2	5.3	(4.1)	(77.4)
Bonds and notes payable, net	3,425.7	3,418.4	7.3	0.2
Total liabilities	3,570.3	3,561.0	9.3	0.3
Deferred inflows of resources	1.4	-	1.4	100.0
Net position				
Restricted				
Bond operations	121.8	124.5	(2.7)	(2.2)
Grants and donations to PIF	1.1	1.1	-	-
Net investment in capital assets	0.1	0.1	-	-
Unrestricted				
General operations	13.8	17.9	(4.1)	(22.9)
Housing Washington	0.2	0.3	(0.1)	(33.3)
Program Investment Fund	157.9	124.6	33.3	26.7
Total net position	294.9	268.5	26.4	9.8
Total liabilities, deferred inflows of resources, and net position	$ 3,866.6	$ 3,829.5	$ 37.1	1.0%

FINANCIAL ANALYSIS OF THE COMMISSION (CONTINUED)

Assets increased as loans continued to be issued and cash, cash equivalents and investments were held to fund mortgage commitments. New bond issues exceeded the amount of scheduled and early redemptions resulting in an increase of $7.3 million in the bond payable balance. The net position of the Commission increased $26.4 million from the June 30, 2014 amount. This increase resulted from the operating income in the GOF ($11.4 million) and PIF ($24.0 million) offset by the operating loss in the bond funds ($5.1 million) and the impact to the July 1, 2014 net position ($3.7 million) due to the implementation of GASB 68.

The net position of the bond programs is classified as restricted because the uses of the funds are directed by trust indentures. The Commission has designated a General Operating Fund reserve dedicated to maintaining its future commitments and ensuring its ability to meet unforeseen fiscal or legal challenges. Additionally, it has created the Program Investment Fund to make strategic investments in higher-risk programs to support the financing and production of low-income housing, special needs housing, and facilities that provide community services primarily to low-income persons. The total amount designated for this purpose is $159.0 million which includes $37.3 million in partner investments and $1.1 million donations received.

Statements of Revenues, Expenses, and Changes in Net Position

The following table summarizes the changes in revenues and expenses between 2015 and 2014 (in millions):

	2015	2014	Change	
Revenues				
Bond programs mortgage interest	$ 95.8	$ 94.4	$ 1.4	1.5%
Bond programs investments and other income	0.4	3.6	(3.2)	(88.9)
Bond program gain (loss) on mortgage-backed securities	(10.7)	(7.0)	(3.7)	52.9
Other bond fees	3.4	7.7	(4.3)	(55.8)
Program fees and grants	53.8	44.0	9.8	22.3
General Operating Fund interest income	0.7	0.6	0.1	100.0
Total revenues	$ 143.4	$ 143.3	$ 0.1	0.1%
Expenses				
Bond programs interest expense	$ 90.5	$ 88.5	$ 2.0	2.3%
Other bond programs expenses	3.5	7.7	(4.2)	(54.5)
Salaries and wages	7.1	6.3	0.8	12.7
Other General Operating Fund and Program Investment Fund expenses	12.1	10.8	1.3	12.0
Total expenses	$ 113.2	$ 113.3	$ (0.1)	(0.1%)
Change in net position from operations	$ 30.2	$ 30.0	$ 0.2	0.7%

FINANCIAL ANALYSIS OF THE COMMISSION (CONTINUED)

The primary components of total revenues for the bond funds are mortgage-related interest earnings ($95.8 million) and the unrealized loss on mortgage-backed securities ($10.7 million). Bond interest expense ($90.5 million) is the primary component of total expense for the bond funds. During FY 2015, the Commission's General Operating Fund revenue and expense included $5.8 million of housing counseling and foreclosure relief funds received and disbursed to qualifying counseling agencies. The remaining Commission revenues in the General Operating Fund are generated primarily from issuer fees and the premium generated from the Home Advantage daily pricing program.

DEBT ADMINISTRATION

The Commission has long-term debt obligations of $3.4 billion, net of bond premium and discounts, at June 30, 2015. The Commission's bond program funds are held by a trustee or paying agent who ensures that bond resolution requirements are met, including payments of debt service and funding of necessary reserves. At June 30, 2015, amounts held by the trustees and paying agents represent full funding of these requirements.

Most of the debt issued by the Commission is tax-exempt and is issued under the Internal Revenue Code and Treasury Regulations governing either mortgage revenue bonds or residential rental projects. The Federal Tax Reform Act of 1986 imposes an annual ceiling on the aggregate amount of federally tax-exempt private activity bonds, including bonds for housing, student loans, beginning farmers/ranchers, exempt facilities, small issue industrial, redevelopment, and certain public utility projects that may be issued during any calendar year by or on behalf of states and their political subdivisions. The private-activity volume cap received by Washington State is allocated to eligible issuers pursuant to the Revised Code of Washington Chapter 39.86. The Commission's Single-family Homeownership and Multifamily Housing Programs rely on private activity bonds subject to this volume cap. Bonds issued under the Nonprofit Programs are private activity bonds, which are not subject to this cap.

The Commission's ability to recycle tax-exempt debt is limited by the Code of Federal Regulations, Title 26, commonly known as the ten-year rule, which prohibits refunding of mortgage prepayments received more than ten years after the date of issuance of the bonds. The Commission also issues limited amounts of taxable debt in order to supplement its tax-exempt authority and for lending under programs where federal restrictions are inconsistent with the program requirements.

The Commissioners have adopted policies that govern the process followed to issue debt. All bonds issued in the Single-family Homeownership Program are backed by Federal National Mortgage Association ("Fannie Mae"), Government National Mortgage Association ("Ginnie Mae"), or Federal Home Loan Mortgage Corporation ("Freddie Mac") securities and are rated equal to the credit rating of the United States by Moody's Investors Service or by Standard and Poor's Ratings Services. Multifamily and Nonprofit Program publicly sold bond issues generally must have a minimum initial A rating by one of the major rating agencies.

DEBT ADMINISTRATION (CONTINUED)

The Commission evaluates and uses available debt management techniques to achieve its goals of reducing interest expense and preserving the maximum amount of bonding authority in the Single-family Homeownership Program. In implementing these techniques, the Commission often retires higher interest rate debt as opportunities for economic refunding occur, to reduce overall borrowing costs and for preservation of bonding authority.

The Commission's outstanding debt is limited to six billion dollars by the Revised Code of Washington Section 43.180.160. The Commission has no general obligation bonds and does not currently have an issuer credit rating.

Net bonds and notes payable as of June 30, 2015 was $3.4 billion, an increase of about $7.3 million from 2014. Changes by program are summarized in the following table (in millions):

	2014	Issued	Redeemed	Changes	2015
Single-family	$ 407.5	$ 50.8	$ 110.0	$ (59.2)	$ 348.3
Home Ownership (NIPB)	249.2	68.5	118.5	(50.0)	199.2
Multifamily Housing	1,694.2	286.1	177.2	108.9	1,803.1
Nonprofit Housing	716.1	19.0	20.9	(1.9)	714.2
Nonprofit Facilities	351.4	79.4	69.9	9.5	360.9
	$ 3,418.4	$ 503.8	$ 496.5	$ 7.3	$ 3,425.7

COMPARISON OF FISCAL YEAR 2014 WITH 2013

Statements of Net Position

The following table summarizes the changes in combined adjusted net position between June 30, 2014 and 2013 (in millions):

	2014	2013	Change	
Assets				
Cash and cash equivalents	$ 183.4	$ 210.2	$ (26.8)	(12.8%)
Investments	175.6	129.0	46.6	36.1
Accrued interest receivable	8.2	10.9	(2.7)	(24.8)
Fees receivable, net	3.6	5.1	(1.5)	(29.4)
Other receivables	0.7	2.1	(1.4)	(66.7)
Mortgage-backed securities, net	741.5	891.9	(150.4)	(16.9)
Mortgage loans, net	2,715.1	2,625.7	89.4	3.4
Prepaid fees and other	0.3	1.1	(0.8)	(72.7)
Total assets	3,828.4	3,876.0	(47.6)	(1.2)
Deferred outflows of resources	1.1	1.5	(0.4)	(26.7)
Total assets and deferred outflows of resources	$ 3,829.5	$ 3,877.5	$ (48.0)	(1.2%)

COMPARISON OF FISCAL YEAR 2014 WITH 2013 (CONTINUED)

	2014	2013	Change	
Liabilities				
Accounts payable and other liabilities	$ 101.8	$ 95.5	$ 6.3	6.6%
Accrued interest payable	20.4	19.6	0.8	4.1
Unearned revenue and other	14.0	17.4	(3.4)	(19.5)
Derivative instrument - interest rate swap	1.1	1.5	(0.4)	(26.7)
Project equity held for borrower	5.3	5.8	(0.5)	(8.6)
Bonds and notes payable, net	3,418.4	3,499.2	(80.8)	(2.3)
Total liabilities	3,561.0	3,639.0	(78.0)	(2.1)
Net position				
Restricted				
Bond operations	124.5	120.2	4.3	3.6
Grants and donations to PIF	1.1	1.1	-	-
Net investment in capital assets	0.1	-	0.1	100.0
Unrestricted			-	
General operations	17.9	18.0	(0.1)	(0.6)
Housing Washington	0.3	-	0.3	
Program Investment Fund	124.6	99.2	25.4	25.6
Total net position	268.5	238.5	30.0	12.6
Total liabilities and net position	$ 3,829.5	$ 3,877.5	$ (48.0)	(1.2%)

The following summarizes the changes in revenues and expenses between fiscal years 2014 and 2013 (in millions):

	2014	2013	Change	
Revenues				
Bond programs mortgage interest	$ 94.4	$ 101.3	$ (6.9)	(6.8%)
Bond programs investments and other income	3.6	(4.0)	7.6	(190.0)
Bond program gain (loss) on mortgage-backed securities	(7.0)	(42.1)	35.1	(83.4)
Other bond fees	7.7	9.4	(1.7)	(18.1)
Program fees and grants	44.0	38.6	5.4	14.0
General Operating Fund interest income	0.6	-	0.6	100.0
Total revenues	$ 143.3	$ 103.2	$ 40.1	38.9%
Expenses				
Bond programs interest expense	$ 88.5	$ 94.9	$ (6.4)	(6.7%)
Other bond programs expenses	7.7	10.1	(2.4)	(23.8)
Salaries and wages	6.3	5.4	0.9	16.7
Other General Operating Fund and Program Investment Fund expenses	10.8	11.2	(0.4)	(3.6)
Total expenses	$ 113.3	$ 121.6	$ (8.3)	(6.8%)
Change in net position	$ 30.0	$ (18.4)	$ 48.4	(263.0%)

COMPARISON OF FISCAL YEAR 2014 WITH 2013 (CONTINUED)

During the fiscal year ended June 30, 2014, the Commission's total assets decreased by $47.6 million attributable to a decrease in net mortgage loans and MBSs caused by an increase in prepayments, offset by an increase in investments held to fund future mortgage commitments.

The Commission's $30 million increase in net position, resulted primarily from the Program Investment Fund ($25.4 million) as a result of revenues over expenses of $14.9 million, largely due to down payment assistance revenues from the daily pricing program coupled with a $10.4 million transfer from the General Operating Fund.

ADDITIONAL INFORMATION

Questions and inquiries may be directed to the Senior Director of Finance or the Senior Controller at Washington State Housing Finance Commission, 1000 2nd Avenue, Suite 2700, Seattle, Washington 98104 (206-464-7139).

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	June 30, 2015	June 30, 2014
CASH AND CASH EQUIVALENTS	$ 233,213,484	$ 183,407,729
INVESTMENTS		
U.S. government and agencies securities	80,794,629	54,179,174
Investment agreements	58,639,407	121,385,088
	139,434,036	175,564,262
ACCRUED INTEREST RECEIVABLE	8,922,838	8,246,227
FEES RECEIVABLE, net	4,762,203	3,582,484
OTHER RECEIVABLES	708,065	658,835
MORTGAGE-BACKED SECURITIES, cost	570,599,863	685,983,711
Cumulative unrealized gain on mortgage-backed securities	44,854,534	55,516,496
MORTGAGE-BACKED SECURITIES, fair value	615,454,397	741,500,207
MORTGAGE LOANS, net	2,862,449,297	2,715,099,678
PREPAID FEES AND OTHER	434,893	304,814
TOTAL ASSETS	3,865,379,213	3,828,364,236
DEFERRED OUTFLOWS OF RESOURCES	1,284,922	1,151,447
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 3,866,664,135	$ 3,829,515,683

See accompanying notes to financial statements.

	June 30, 2015	June 30, 2014
ACCOUNTS PAYABLE AND OTHER LIABILITIES	$ 108,545,743	$ 101,835,181
ACCRUED INTEREST PAYABLE	20,352,137	20,431,005
UNEARNED REVENUE AND OTHER	13,605,992	14,022,599
DERIVATIVE INSTRUMENT - INTEREST RATE SWAP	862,919	1,151,447
PROJECT EQUITY HELD FOR BORROWER	1,235,179	5,257,506
BONDS PAYABLE		
Current interest bonds	3,255,385,240	3,291,896,807
Taxable bonds	164,181,906	119,564,158
Unamortized bond discount	(308,265)	(356,250)
Unamortized bond premium	6,467,014	7,290,207
	3,425,725,895	3,418,394,922
TOTAL LIABILITIES	3,570,327,865	3,561,092,660
DEFERRED INFLOWS OF RESOURCES	1,392,761	-
NET POSITION		
Restricted		
Bond operations	121,774,203	124,489,389
Grants and donations to Program Investment Fund	1,082,696	1,082,696
Net investment in capital assets	152,620	109,490
Unrestricted		
General operations	13,763,918	17,890,510
Housing Washington	247,127	275,069
Program Investment Fund	157,922,945	124,575,869
	294,943,509	268,423,023
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 3,866,664,135	$ 3,829,515,683

See accompanying notes to financial statements.

WASHINGTON STATE HOUSING FINANCE COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Years Ended June 30, 2015	2014
REVENUES		
Interest earned on mortgage loans and mortgage-backed securities	$ 95,749,754	$ 94,419,510
Other interest and investment income	1,132,195	4,185,153
Unrealized loss on mortgage-backed securities	(10,661,954)	(7,015,082)
Other fee income	51,479,505	44,751,474
Nonoperating revenues - grants	5,705,642	6,934,190
	143,405,142	143,275,245
EXPENSES		
Interest on debt	90,474,796	88,520,562
Amortization of bond discount	47,984	754,969
Amortization of bond premium	(1,739,294)	(2,132,274)
Bond issuance costs	2,515,736	5,063,465
Amortization of bond insurance premium	2,231	955,367
Servicing and commission fees	2,105,311	2,267,999
Salaries and wages	7,070,657	6,250,836
Communication and office expense	2,789,534	1,730,445
Professional fees	1,190,234	1,444,164
Trustee and paying agent fees	171,152	207,302
Other	2,751,167	2,975,385
Nonoperating expenses - grants	5,799,000	5,348,485
	113,178,508	113,386,705
EXCESS OF REVENUES OVER EXPENSES	30,226,634	29,888,540
NET POSITION		
Balance, beginning of year	268,423,023	238,534,483
Cumulative effect of change in accounting principle	(3,706,148)	-
Balance, beginning of year, as restated	264,716,875	238,534,483
Balance, end of year	$ 294,943,509	$ 268,423,023

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

	Years Ended June 30, 2015	Years Ended June 30, 2014
OPERATING ACTIVITIES		
Receipts for interest on mortgages	$ 95,568,456	$ 100,099,780
Receipts for other fee income	55,560,829	45,605,473
Receipts for loans and mortgage prepayments	388,498,241	525,495,849
Payments for acquisition of loans and mortgages	(417,946,360)	(463,514,762)
Payments for bond program expenses	(4,712,978)	(8,291,598)
Payments to employees and suppliers	(18,231,215)	(15,838,704)
Net cash from operating activities	98,736,973	183,556,038
INVESTING ACTIVITIES		
Purchase of investments	(139,679,196)	(197,843,459)
Sale of investments	175,616,035	153,796,079
Interest received on investments	1,601,753	1,515,111
Net cash used for investing activities	37,538,592	(42,532,269)
NONCAPITAL FINANCING ACTIVITIES		
Project equity used, net	(4,022,327)	(582,156)
Proceeds from sale of bonds and notes	493,936,536	476,281,296
Interest paid on debt	(90,553,664)	(87,711,054)
Debt repayments	(485,830,355)	(555,817,388)
Net cash used for capital financing activities	(86,469,810)	(167,829,302)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	49,805,755	(26,805,533)
CASH AND CASH EQUIVALENTS		
Beginning of year	183,407,729	210,213,262
End of year	$ 233,213,484	$ 183,407,729

See accompanying notes to financial statements.

	Years Ended June 30,	
	2015	2014
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENSES TO NET CASH USED FOR OPERATING ACTIVITIES		
Excess of revenues over expenses	$ 30,226,634	$ 29,888,540
Adjustments to reconcile excess of revenues over expenses to net cash from operating activities		
Amortization of mortgage discount	(709,012)	(2,080,230)
Amortization of mortgage premium	304,588	280,066
Amortization of bond insurance premium	(2,231)	(955,367)
Amortization of bond premium	(1,739,294)	(2,132,274)
Amortization of bond discount	47,984	754,969
Amortization of unearned fee income	2,231	955,367
Acquisition of mortgage loans	(421,643,177)	(470,945,260)
Repayments of mortgage loans	388,498,241	525,495,849
Unrealized loss on securities	10,661,954	4,455,939
Cash from changes in operating assets and liabilities		
Interest and other receivables	(1,761,764)	7,182,238
Interest and other payables	94,850,819	90,656,201
Net cash from operating activities	$ 98,736,973	$ 183,556,038

Note 1 – Description of Business

Organization – The Washington State Housing Finance Commission (the "Commission") was created in 1983 by the legislature of the State of Washington (the "State") to "act as a financial conduit which, without using public funds or lending the credit of the state or local government, can issue nonrecourse revenue bonds and participate in federal, state, and local housing programs thereby making additional funds available at affordable rates to help provide housing throughout the state." The state legislature later authorized the Commission to issue bonds to finance or refinance nursing homes and capital facilities owned and operated by nonprofit corporations, beginning farmers/ranchers, sustainable energy and energy efficiency retrofit programs. The Commission's debt limit is six billion dollars.

The Commission has eleven voting members. Two commissioners, the state treasurer and the director of the Department of Commerce, serve ex officio. The chair of the Commission is appointed by, and serves at the pleasure of, the governor. The remaining eight members are appointed by the governor to a four-year term.

The Commission is legally separate from the State and does not impose a financial burden on, nor accrue any financial benefit to, the State. Legal restrictions on the Washington State legislature's ability to impose its will on the Commission and the inability of the governor to remove the majority of the voting members of the Commission prevent the State from being considered to be financially accountable for the Commission. However, in the State's Comprehensive Annual Financial Report ("CAFR"), the Commission is presented as a discrete component unit of the State.

Program Funds – The Commission summarizes its financial activities in the General Operating Fund, Program Investment Fund and Bond Fund.

General Operating Fund – The General Operating Fund accounts for the fiscal activities related to the administration of the Commission's ongoing program responsibilities. Revenues of this fund are derived primarily from fees earned on bond issues, homeownership daily pricing program, housing tax credit allocations and compliance monitoring, as well as interest income on General Operating and Program Investment Fund investments. Except for certain pass-through grants and loans, all funds received by the Commission are generated by its activities and are not direct appropriations from the State.

The Commission adopted a General Operating Fund Reserve Policy in 1989. The current policy requires the maintenance of general reserves of $18 million based upon capital adequacy analyses. However, for the fiscal year ending June 30, 2015 the $4.1 million net reduction in the general reserves, due to the implementation of GASB No. 68, was excluded from the calculation. General reserves provide income to fund current operations, help to ensure a sufficient revenue stream for the Commission to remain independent of State funds, and safeguard the Commission's ability to meet its future legal and program obligations. Earnings in excess of the reserve requirements are transferred to the Program Investment Fund, except for a portion of earnings on the homeownership daily pricing program which are transferred to the Single Family Indenture.

Note 1 – Description of Business (Continued)

Program Investment Fund – The Program Investment Fund, established by the Commission in 1989, is comprised of reserves above those required by the General Operating Fund Reserve Policy. This fund strategically invests in programs to support the financing and production of low-income housing, special needs housing facilities that provide community services, and energy programs. Investments also include resources provided by other funders for use in established down payment assistance and other programs in which our missions align. Revenues include interest on these investments and down payment assistance fees associated with the homeownership daily pricing program.

Bond Fund – All activities of Commission-issued bond transactions are established under separate Indentures of Trust, Funding or Financing Agreements. Financial activities under such documents are recorded by the Commission in this fund. The Commission further summarizes its bond activities by program type as follows:

Single-Family Homeownership Program – The proceeds from the sale of Single-family Homeownership Program mortgage revenue bonds and the debt service requirements of these bonds are summarized in this program. The program consists of three indentures, the General (Single-family) Indenture, the Homeownership Bond Program (NIBP) Indenture and the Special Single Family Program Indenture. Activities of the program are, in general, limited to the purchase of MBSs containing pools of mortgage loans originated under the Commission's First-time Homebuyer program which are secured by mortgages on single-family, owner-occupied, new or existing residential housing located in Washington State. The bonds, which are established under multiple series indentures within the three program indentures, constitute a special obligation of the Commission, are payable solely from the bond funds established pursuant to the indenture and are funded primarily from payments received on the MBS pools and from any other money held by the bond trustee pursuant to the indenture. As such, the assets of the bond are pledged as collateral for the debt. As of June 30, 2015 and 2014, the assets so pledged were $640.5 million and $755.9 million, respectively.

Loans in the programs are made to first-time homebuyers (except for some in targeted areas) whose income does not exceed the limits established by the Commission. Mortgage rates for these programs ranged from 2.50% to 6.75%.

The General (Single-family) and the Special Single Family Program indentures are reported together on the supplemental schedules of program net position, results of program revenues, expenses, and changes in program net position, and program cash flows.

Conduit Financing Programs – All bonds issued by the Commission, except for the Single-family Homeownership Program discussed above, are conduit debt, i.e., limited-obligation bonds issued for the express purpose of providing financing for a specific third party that is not a part of the Commission's financial reporting entity. Financing proceeds for the Conduit Financing Programs are used to purchase qualified mortgages or MBSs from mortgage lenders. The issuer of the MBSs, the mortgagor, the letter of credit provider or the lender will pay the bond trustee principal and interest in amounts calculated to meet periodic debt service payments on the bonds.

Note 1 – Description of Business (Continued)

Although the conduit debt securities bear the name of the Commission, it has no obligation for payment of such debt beyond the resources provided by the loan with the third party on whose behalf they are issued.

At the time of a Conduit Financing Program bond issuance, the Commission assigns its rights, title and interest in the loan or financing agreement (with certain exceptions and reservations), and in any collateral securing the loan, to a bond trustee or the lender pursuant to a trust indenture or financing agreement. The bond trustee, paying agent or the lender administers the bond issue. The bonds, which constitute a special obligation of the Commission, are payable solely from the bond fund established pursuant to the indenture, and principal and interest payments are funded primarily from payments made by the borrower to satisfy the loan agreement and from any other money held by the bond trustee pursuant to the indenture. As such, the assets of each bond are pledged as collateral for the debt. As of June 30, 2015 and 2014, the assets so pledged were $3.0 billion and $2.8 billion, respectively.

The obligation of the borrower to repay the loan is absolute and unconditional. The bonds do not constitute a general, moral, or special obligation of the State of Washington, a pledge of the faith and credit of the State, or a general obligation of the Commission. The owners of the bonds have no right to require the State of Washington or the Commission, nor has the State of Washington or the Commission any obligation or legal authorization to levy any taxes or appropriate or expend any of its funds for the payment of principal thereof, premium, if any, or interest thereon.

Bonds may be sold in the capital markets by underwriters, or, in the case of private placement bonds, privately placed directly by the Commission with a financial institution or other sophisticated investor. Proceeds of the conduit bonds may be used in any of the following programs:

Multifamily Housing Program – This program accounts for financing issued on behalf of developers of multifamily housing. The proceeds are used to purchase, construct, refinance and/or remodel projects containing affordable housing and housing for the elderly.

Nonprofit Housing Program – This program accounts for bonds and notes issued on behalf of nonprofit housing organizations. The proceeds are used to purchase, construct, refinance, and/or remodel projects containing housing consistent with the organization's IRS approved purpose.

Nonprofit Facilities, Beginning Farmers/Ranchers and Energy Programs – This program accounts for the bonds and notes sold to purchase loans of 501(c)(3) organizations whose proceeds are used for capital acquisitions and/or improvements, to purchase loans on behalf of beginning farmers and ranchers and to purchase loans qualified under the Commission's energy programs. The Nonprofit Facilities and Energy loans may be secured by real and/or personal property used by borrowers. The Beginning Farmers/Ranchers loans, which must be secured by real and/or personal property, are used for the acquisition of land, purchase, construction or improvement of related buildings, machinery, equipment or certain animals for use in farm or ranching. These borrowers must directly manage and work on the farm or ranch.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Commission has applied all applicable GASB pronouncements. The more significant of the Commission's accounting policies are described below.

Measurement Focus and Basis of Accounting – All accounts and transactions of the Commission are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred inflows and outflows of resources and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in net position for all funds present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. These funds utilize the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Unclassified Statement of Net Position – The Commission's business cycle is greater than one year. As such, all assets and liabilities as shown on the statement of net position are unclassified.

Cash and Cash Equivalents – The Commission considers all highly liquid, interest-bearing instruments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash deposits in the Bond Fund are held in the corporate trust departments of commercial banks in the bond issue's name. As of June 30, 2015 and 2014, the total amount of uncollateralized or uninsured cash equivalents in the bond fund were $72.6 million and $74.1 million, respectively, virtually all of which was held in government money market funds. Cash deposits held by the General Operating Fund are entirely covered by the Federal Depository Insurance Corporation ("FDIC") or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission ("PDPC").

Investments – Reserves in the General Operating and undeployed Program Investment Funds are invested and managed by Nuveen Asset Management. They are comprised of marketable securities issued or guaranteed by the U.S. government and are valued at fair value based upon quoted market prices as of June 30, 2015 and 2014. Guaranteed investment contracts held in the Bond Funds are non-participating and therefore stated at cost as the redemption terms are not affected by market rates. At June 30, 2015, commercial paper, repurchase agreements, and US government backed securities were held by the trustee for conduit bond issues for eight issues and are stated at market value at year end.

Mortgage-Backed Securities – Mortgage-backed securities are presented at their fair value based on quoted market prices as of June 30, 2015 and 2014.

Mortgage Loans, Net – Mortgage loans, net are stated at their unpaid principal balance, increased by mortgage premiums or reduced by unearned discounts, and reduced by unamortized bond insurance premiums associated with the loans, which are amortized over the life of the loans.

Note 2 – Summary of Significant Accounting Policies (Continued)

Provision for Loan Losses – The provision for loan losses is estimated for each fund.

General Operating Fund – Most fees in the General Operating Fund are billed and collected in advance so no provision for loss is deemed to be necessary.

Program Investment Fund – The Commission provides for estimated losses on the loans it funds in the Program Investment Fund based on its past loan loss experience, known and inherent risks in the portfolio and current economic conditions. The allowance for loan losses is increased by charges to expense and decreased by charge-offs (net of recoveries). The loan loss reserve was $6,390,157 and $4,610,945 as of June 30, 2015 and 2014, respectively. No provision for loss is made on loan balances funded by partner investments because return of those investments is not guaranteed by the Commission.

Bond Fund – Mortgage loans and mortgage-backed securities are purchased with non-recourse revenue bonds payable solely from the assets specifically pledged under the trust indenture with respect to such bonds. No assets of the Commission, other than those assets held under such trust indentures, are pledged to payment of the bonds.

Single-Family Homeownership Program Mortgage Loans – No loan loss provisions are considered necessary, as the assets held by all the outstanding Single-family Homeownership Program indentures are mortgage-backed securities, of which payment is guaranteed by Fannie Mae, Ginnie Mae, or Freddie Mac.

Conduit Financing Programs Mortgage Loans – Since borrowers through the Commission's Conduit Financing Programs obtain credit enhancements from a third party that pays or secures the payment of principal and interest on the bonds, no loan loss provisions are considered necessary. However, in some programs, the only collateral for the payment of principal and interest is the real estate loan. In these cases, the Commission has generally limited investment in such bonds to a small number of bond owners, who must be sophisticated investors that have underwritten the real estate loan. These investors have authority under the bond documents to enforce remedies against the projects to protect their interests as investors. These limited-investor bond issues include those privately placed with a lender. On bond issues where there have been delinquencies in the payment of debt service, workout agreements have been reached between the bond owner/investor and the borrower.

Other Assets – Furniture, fixtures, equipment and leasehold improvements are accounted for in the General Operating Fund and are stated at cost, less accumulated depreciation and amortization. The Commission's policy is to capitalize assets with a cost of $5,000 or more. Depreciation and amortization are charged to current operations on the straight-line method over the estimated useful lives of the assets, generally between three and ten years. See Note 5 for additional information concerning furniture, fixtures and equipment.

Note 2 – Summary of Significant Accounting Policies (Continued)

Unearned Revenue – Unearned revenue represents the unearned portion of the Commission's bond fees, tax credit reservation fees, and compliance monitoring fees that are received in advance. These fees are recorded as other fee income on the statement of revenues, expenses and changes in net position when earned.

Deferred Outflow and Inflow of Resources – Deferred outflows of resources represent consumption of resources that are applicable to future reporting periods and deferred inflows of resources represent acquisition of resources that are applicable to future reporting periods. Deferred outflow of resources represents the year-end estimated negative fair value of the Commission's derivative instruments as of June 30 and the value of pension contributions made during fiscal year, which is subsequent to the pension liability measurement date. Deferred inflows of resources represent the difference between actuarial projected and actual earnings on pension plan assets. Additional information on the derivative is found in Note 6. More information regarding pension liability and the related deferred outflows and inflows of resources is found in Note 8.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") of the State of Washington and additions to or deductions from PERSs fiduciary net position have been determined on the same basis as they are reported by PERS.

Bonds Payable – Current interest serial and term bonds are stated at their principal amounts outstanding, net of unamortized bond premium and discount, if any. Certain bonds in the single-family, multifamily and nonprofit programs are variable rate bonds remarketed on a periodic basis and are subject to market rate fluctuation.

Unamortized Bond Premium, Unamortized Bond Discount, and Unamortized Bond Insurance Premiums – Unamortized bond premium, unamortized bond discounts, and unamortized bond insurance premiums are amortized using the bonds outstanding method.

Bond Issuance Costs – Bond issuance costs, including underwriter's fees are expensed at issuance.

Project Equity Held for Borrower – Project equity held for borrower represents funds contributed by the borrower to the trust estate to complete the bond issuance, pursuant to the terms of the indenture. The funds may be used for project expenditures, interest costs or to fund reserve funds or lag deposits necessary to meet rating agency requirements. The funds are accounted for as a liability until such time as the funds are requisitioned and released to the borrower.

Compensated Absences – Permanent employees of the Commission earn annual leave in accordance with length of service. Generally, a maximum of 240 hours of annual leave may be accumulated. Upon termination, employees are entitled to compensation for their unused annual leave.

Note 2 – Summary of Significant Accounting Policies (Continued)

In addition, non-exempt work period employees may earn compensatory time at the rate of time-and-one-half up to a maximum of 240 hours. Employees classified as exempt work period employees may earn exchange time at the rate of actual time worked up to a maximum of 174 hours. Upon separation or transfer to another agency, the employee is given the opportunity to postpone his/her cessation of employment until the accumulated authorized compensatory or exchange time has been used.

Employees earn sick leave at the rate of one day per month and may be compensated for accumulated sick leave at the rate of 25% in many circumstances. In consideration of this, the Commission accrues all costs associated with compensated absences and 25% of sick leave, including an allowance for payroll taxes.

Net Position – Net position is classified into three components:

Restricted net position has constraints placed on use by external parties such as creditors, grants, laws or regulations.

Net Investment in capital assets consists of capital assets, net of accumulated depreciation. The Commission does not hold any debt related to capital assets.

Unrestricted net position consists of the remaining assets and liabilities.

Revenue Recognition – The primary source of revenue for the Commission is interest earned on its mortgage loans outstanding, MBSs and other investments. This revenue is used to pay interest expense on the bonds outstanding.

In addition, the Commission earns fees on its bond issues and the sale of MBSs originated in the Home Advantage Program, which are allocated to the Bond, General Operating and Program Investment Funds all of which are recorded as other fee income on the statement of revenues, expenses and changes in net position. Other fee income is comprised of the following at June 30:

	2015	2014
Commission fees	$ 8,439,555	$ 8,121,689
HomeOwnership Program fees	30,757,837	20,667,181
Other program fees	9,385,096	8,938,931
Other income	2,897,017	7,023,673
	$ 51,479,505	$ 44,751,474

Interest and fees are recognized on the accrual basis.

Note 2 – Summary of Significant Accounting Policies (Continued)

Income Taxes – The Commission, as an instrumentality of the State of Washington, is exempt from federal and state income taxes. Accordingly, no provision for income taxes is necessary.

Arbitrage Rebate – Arbitrage rebate obligations vary by bond type:

Single Family Homeownership Program – Arbitrage earnings that are owed to the United States Department of the Treasury are recorded as accrued arbitrage rebate and are based on calculations performed by independent valuation specialists on an ongoing basis.

Conduit Financing Programs – The liability for potential arbitrage earnings on conduit programs remains the responsibility of the borrower and is not accrued by the Commission.

Use of Estimates – The preparation of the statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements. The Commission uses estimates in determining the allowance for doubtful accounts, arbitrage rebate liability, loan loss provisions, accrued sick leave and other contingencies. Actual results may differ from those estimates.

Risks and Uncertainties – The Commission may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and those changes could subsequently affect the amounts reported in the statement of net position.

Adoption of New Accounting Pronouncements – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. The statement significantly changed how government measures and reports the long term obligations and annual cost associated with the pension benefits provided. As an employer participating in multi-employer cost sharing pension plans managed by Washington State's Department of Retirement Services ("DRS"), the Commission is required to recognize its proportionate share of the net pension liability and other related activity for both the pension plans in which are employees participate and the pension plan (PERS plan 1) against whose unfunded actuarially accrued liability ("UAAL") the Commission is required to contribute.

An amendment to GASB 68, GASB 71, *Pension Transition for Contributions made Subsequent to the Measurement Date*, requires that pension contributions made to applicable cost-sharing pension plans subsequent to the measurement date be recognized as a deferred outflow of resources.

Note 2 – Summary of Significant Accounting Policies (Continued)

The statements are effective for financial statements of fiscal years beginning after June 15, 2014. It is not practical for the DRS to determine the amounts of all deferred inflows of resources and deferred outflows of resources related to pensions as of the beginning of the plan year. As a result, the prior year has not been restated for deferred inflows of resources, deferred outflows of resources, net pension liability and pension expenses. Since the restatement of the prior year presented is not practical, the cumulative effect of applying this Statement is reported as a restatement of beginning net position as of July 1, 2014.

NET POSITION	
Balance, July 1, 2014	$ 268,423,023
Cumulative effect of change in accounting principle	(3,706,148)
Balance, July 1, 2014 as restated	$ 264,716,875

Note 3 – Investments

General Operating and Program Investment Funds

Investment Policy – Investment policies vary by fund.

General Operating and Program Investment Funds – While RCW 43.180.080(5) grants the Commission the authority to invest its funds, it provides no investment guidelines or restrictions. The State law generally limits the type and character of investment of "public funds." In light of the Commission's authorizing legislation, Washington State court decisions, and the sources of its dedicated funds, the Commission finds that the investment limitations on public funds do not apply to its dedicated funds. However, as a matter of policy, the Commission believes that it is appropriate at this time to invest its dedicated funds in a manner generally consistent with the investment limitations on public funds. The Commission has entered into an agreement with Nuveen Asset Management to manage the investment of the Funds' reserves, subject to the following policy.

The Commission may invest in non-governmental investments, including certificates of deposit, banker's acceptances, and repurchase agreements. In addition, the following governmental investments are eligible:

1. Treasury bills, notes, and other obligations issued by the United States Department of the Treasury and backed by the full faith and credit of the U.S. government.

2. Federal Home Loan Bank notes and bonds.

3. Federal Land Bank bonds.

Note 3 – Investments (Continued)

4. Federal National Mortgage Association notes, debentures, and guaranteed certificates of participation.

5. The obligations of certain government-sponsored entities whose obligations are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System.

6. Shares of mutual funds with portfolios consisting of only U.S. government bonds or U.S. government guaranteed bonds issued by federal agencies with average maturities of less than four years.

Investments in State Investment Pool – The Commission is a voluntary participant in the Local Agency Investment Pool operated by the State Treasurer pursuant to RCW 43.250. Investments in the pool are reported at fair value.

Limiting investments to those authorized in this policy minimizes the Commission's exposure to credit risk on these Funds.

The investments of the Funds are registered and are held by the Commission's agent in the Commission's agent's name and therefore subject to custodial credit risk. However, the Commission addresses this custodial credit risk by pre-qualifying institutions with which the Commission places investments.

Examining the maturities of the Funds' securities can reveal information about interest rate risk. Cash, cash equivalents and investment securities along with maturities of the Commission's debt securities, as of June 30, 2015 consist of the following:

		Maturities (In Years)		
Type	Market	Less than 1	1-5	>5
Deposits	$ 3,437,260	$ 3,437,260	$ -	$ -
Money market fund	32,638,084	32,638,084	-	-
US Agencies	39,238,012	4,853,811	34,330,522	53,679
US Treasuries	15,097,373	1,014,060	14,083,313	-
	$ 90,410,729	$ 41,943,215	$ 48,413,835	$ 53,679

Note 3 – Investments (Continued)

Investment Securities – Bond Funds

Bond Fund – Investment risk in the bond programs accrues to the Commission in the Single-family Homeownership Program and to the borrower in the Conduit Financing Programs. The indenture for each bond issue outlines the permitted investments for that transaction. Often, bond proceeds are invested in guaranteed investment contracts ("GICs") with institutions whose credit rating is investment grade (Baa or BBB and higher for Moody's and Standard and Poor's, respectively). These GICs are binding agreements, but are not usually collateralized by specifically identified securities and, as such, are not tradable or subject to risk categorization. However, generally there are provisions in the GIC that require the provider to collateralize the investment in the event their rating is downgraded below the required standard, thereby minimizing the Commission's or borrower's exposure to credit risk within the bond funds. GICs are stated at cost as the redemption terms are not affected by market rates. Investments within the bond programs are held by the Trustee in the name of the bond issue, thereby minimizing custodial credit risk.

Single-Family Homeownership Program – Investments in the Single-family Homeownership Program indenture as of June 30, 2015 are comprised of MBSs and GICs.

GICs – The Commission places no limit on the amount that may be invested in any one GIC provider. GICs were held with DEPFA Bank in the Single-family Homeownership Programs in the amounts of $4,869,145 and $9,196,743 at June 30, 2015 and 2014, respectively.

Non-Purpose MBS – During the year, the Commission invests available Single Family bond fund reserves by purchasing MBSs originated through its Single Family Homeownership programs in advance of issuing bonds. These investments are recorded at fair market value. However, no such investments were held at June 30, 2015, or at June 30, 2014.

Conduit Financing Programs – Concentration risk in these programs does not affect the Commission since the risk is borne by the borrower. At June 30, 2015, a portion of bond proceeds for eight conduit bond issuances were invested in US government backed securities, collateralized repurchase agreements, and commercial paper and held by the trustee. At June 30, 2015, the total market value of the US government backed securities, collateralized repurchase agreements, and commercial paper was $75.4 million. At June 30, 2014, a portion of bond proceeds for five conduit bond issuances were invested in US government backed securities and commercial paper and held by the trustee. At June 30, 2014, the total market value of the US government backed securities and commercial paper was $106.2 million. Funds not in GICs, US government backed securities, collateralized repurchase agreements, or commercial paper are generally held in money market accounts in the name of the bond issuance. Although all of the program funds must be used for program purposes, certain other funds have been restricted for payment of debt service as required by the bond indentures.

Note 4 – Mortgage-Backed Securities

The bond proceeds for all Single-family Homeownership Program bond issues issued since 1988 have been used to purchase mortgage-backed securities in which principal and interest are guaranteed by either the Ginnie Mae, Freddie Mac, or Fannie Mae, whose guarantee is backed by the full faith and credit of the U.S. government. Two bond issues in the Conduit Financing Programs also contain mortgage-backed securities.

For the fiscal years ended June 30, 2015 and 2014, the net decrease in fair market value from that of the prior year end, based upon quoted market price at the fiscal year end, was $10,661,954 and $7,015,082, respectively. The following table shows the sources of the gains and losses on mortgage-backed securities on the statements of revenue, expenses, and changes in net position for 2015 and 2014 by program.

Unrealized gain (loss) on mortgage-backed securities as of June 30:

	2015				2014			
	Single Family Program Bonds	Homeownership Program Bonds	Multifamily & Non-Profit Housing	Total	Single Family Program Bonds	Homeownership Program Bonds	Multifamily & Non-Profit Housing	Total
Unrealized gain (loss) due to adjustment to market value	$ (5,640,774)	$ (4,412,454)	$ (608,726)	$ (10,661,954)	$ (7,388,584)	$ 1,047,128	$ (673,626)	$ (7,015,082)

Cumulative unrealized gains at June 30 2015 and 2014 were $44,854,534and $55,516,496, respectively, and are included in the balance of mortgage-backed securities on the statement of net position.

Note 5 – Furniture, Fixtures and Equipment

Furniture, fixtures and equipment as shown below at June 30, 2015 and 2014 are included in prepaid fees and other on the statements of net position.

	Useful Life	July 1, 2014	Increase	Decrease	June 30, 2015
Furniture, fixtures and equipment	3 to 10 years	$ 1,532,012	$ 74,636	$ -	$ 1,606,648
Leasehold improvements	4 to 5 years	176,058	-	-	176,058
Total assets		1,708,070	74,636	-	1,782,706
Less accumulated depreciation		(1,598,580)	(31,506)	-	(1,630,086)
Net book value		$ 109,490	$ 43,130	$ -	$ 152,620

	Useful Life	July 1, 2013	Increase	Decrease	June 30, 2014
Furniture, fixtures and equipment	3 to 10 years	$ 1,431,809	$ 100,203	$ -	$ 1,532,012
Leasehold improvements	4 to 5 years	176,058	-	-	176,058
Total assets		1,607,867	100,203	-	1,708,070
Less accumulated depreciation		(1,578,873)	(19,707)	-	(1,598,580)
Net book value		$ 28,994	$ 80,496	$ -	$ 109,490

Note 6 – Bonds and Notes Payable

Bonds issued by the Commission are limited obligations payable solely from and secured by a pledge of the mortgage loans (including any insurance payments made with respect thereto), restricted investments, undisbursed bond proceeds and the earnings thereon held under the indenture authorizing the bonds.

As of June 30, 2015, the Commission had outstanding notes and bonds of $3.4 billion bearing interest varying in rates as listed below:

	Low	High
Single-family Program	0.07%	5.75%
Homeownership Program	1.40%	5.30%
Multi Family Program	0.01%	9.50%
Nonprofit Housing Program	0.06%	8.00%
Nonprofit Facilities Program	0.03%	6.63%

Derivative Instruments – Interest Rate Swaps

Single-Family Homeownership Program – The Commission has entered into interest rate swap agreements ("swaps") in connection with issuing variable rate mortgage revenue bonds. The intention of the swaps are to create debt with synthetic interest rates with ranges that are lower than would have been achievable from long-term fixed rate bonds to achieve the Commission's goal of lending to low- and moderate-income first-time home buyers at below market, fixed interest rates. The swaps are considered to be hedging derivative instruments. Additional information, including the fair market value of each swap, is listed below.

Using rates as of June 30, 2015, debt service requirements of the outstanding variable rate debt and associated net swap payments, assuming current interest rates remain the same for their term, are as follows. As rates vary, variable rate bond interest payments and net swap payments will vary.

Fiscal Year	Principal	Interest	Interest Rate Swap, Net	Total
2016	$ 11,397,500	$ 10,397	$ 377,731	$ 11,785,629
2017	8,972,500	8,203	297,654	9,278,357
2018	6,740,000	6,177	223,847	6,970,024
2019	4,697,500	4,319	156,233	4,858,052
2020	2,837,500	2,618	94,519	2,934,637
2021	1,272,500	1,189	42,630	1,316,319
2022	310,000	310	4,524	314,834

Note 6 – Bonds and Notes Payable (Continued)

The terms and counterparty credit ratings of the outstanding swaps as of June 30, 2015 are shown below. The notional amounts of the swaps match principal amounts of the associated debt as of June 30, 2015. The notional amounts are expected to approximately follow scheduled or anticipated reductions in the principal amounts of the associated debt.

Associated Bond Series	Current Notional Amount	Current Principal Amount	Effective Date	Fixed Rate Paid	Rate Received	Fair Value	Swap Termination Date	Counterparty Credit Rating
2008 VR-1A	$ 6,720,000	$ 6,720,000	July 22, 2008	3.629%	SIFMA plus 10bps	$ (523,676)	December 1, 2021	Aaa
2008 VR-2N	5,305,000	5,305,000	September 25, 2008	3.249%	SIFMA plus 5 bps	(339,243)	June 1, 2021	Aaa
	$ 12,025,000	$ 12,025,000				$ (862,919)		

The fair values presented in the foregoing tables were estimated by the Commission's counterparties to the swaps and approximate the termination payments that would have been due had the swaps been terminated as of June 30, 2015. A negative fair value represents the amount payable by the Commission had the swaps been terminated on June 30, 2015.

The maturity of the variable debt exceeds that of the swaps by a range of 14.5 to 27 years creating the risk that variable rates after the swaps terminate may exceed the maximum swap fixed rates to the Commission and that the Commission might not be able to obtain subsequent interest rate agreements that limit interest at or below these levels.

The Commission's swap contracts are based upon the International Swap Dealers Association Master Agreement, which includes standard termination events. The swap contracts may be terminated by either party if the other party fails to perform under the terms of the contract. Upon termination, a payment is due to one party irrespective of causality based upon the market value of the swap. The potential termination risks to the Commission are the liability for termination payments to the counterparty or the inability to replace the swaps under favorable financial terms. To reduce the Commission's termination risk, the swap contract limits the counterparty's ability to terminate due to the following Commission actions or events: payment defaults, other defaults that remain uncured for 30 days after notice, bankruptcy and insolvency.

The terms of the swaps expose the Commission to potential credit risk with the counterparties upon the occurrence of a termination event. The swap agreements contain collateral requirements based upon counterparty credit ratings and the fair value of the swaps. These bi-lateral requirements are established to mitigate potential credit risk exposure. These requirements were met as of June 30, 2015.

The Commission may incur amortization risk because the Commission may receive prepayments from the mortgage loans portfolio that cannot be used to call other bonds of the same Series or to cross-call into other Series. The flexibility of the Commission's operating policy and other series of bonds as well as the use of Planned Amortization Class ("PAC") Bonds for restricted principal payments minimizes this risk. Additionally, the Commission may terminate the swaps at market value at any time.

Note 6 – Bonds and Notes Payable (Continued)

The Commission incurs the potential risk that the variable interest payments on its bonds will not equal the variable interest receipts from its swaps. This basis risk exists because the Commission pays a variable rate on its bonds based on a weekly remarketing rate but, under the terms of its swap, receives a variable rate based upon the weekly SIFMA rate, plus a specified spread as outlined in the table above, which is based upon AA variable rate demand bonds. Basis risk will vary over time due to inter-market conditions. As of June 30, 2015, the interest rate on the Commission's variable rate debt ranged from 0.08% to 0.10% per annum while the variable interest rate on the corresponding swaps was 0.07% per annum (SIFMA at June 30, 2015). In order to reduce the cumulative effect of basis risk the variable rate determination structure included cash flow modeling with bond rate assumptions consistent with the terms of the associated swap.

The structure of the variable interest rate payments the Commission receives from its swap contracts is based upon the historical long-term relationship between taxable and tax-exempt short-term interest rates. Tax risk represents a risk that may arise due to a change in the tax code that may fundamentally alter this relationship. The Commission has chosen to assume this risk because it was not economically feasible to transfer to the swap counterparties.

Conduit Financing Programs – While borrowers in these programs may enter into interest rate swaps on these transactions, the Commission is neither a party to, nor a beneficiary of these contracts and does not include them in its financial statements.

Bond Defeasance

Defeasance amounts are deposited in irrevocable trusts to provide for all future debt service payments on the bonds. Accordingly, neither the assets of the respective trust accounts or the liabilities for the defeased bonds are reflected in the Commission's financial statements. Funds held in the respective trust accounts are qualifying U.S. government securities and are assumed sufficient to service and redeem the defeased bonds. Because of the nature of the programs, reporting varies.

Single-Family Homeownership Program – The difference between the cost to defease outstanding debt and the carrying value of bonds defeased by refunding bonds is deferred and amortized over the shorter of the remaining term of the refunded bonds or the term of the refunding bonds, using the straight-line method.

On May 28, 2015, the Commission issued taxable Homeownership Program Bonds Series 2015 A B of $69,370,000 with an effective interest rate of 3.12%. The bond proceeds were used to refund $69,370,000 of outstanding 2009 Series AC1 and AC2 bonds issued under the New Issue Bond Program ("NIBP"). As a result of the current refunding, the Commission reduced its total debt service requirements by $1,940,701, which resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of $9,168,586.

Note 6 – Bonds and Notes Payable (Continued)

On December 18, 2014, the Commission issued Series 2014 2A-R, and 2N-R bonds of $28,715,000 with an effective interest rate of 2.997%. The bond proceeds were used to refund $29,685,000 of outstanding 2005 Series 1, 2005 Series 2, 2005 Series 3, 2005 Series 4, and 2006 Series 1 bonds. As a result of the current refunding, the Commission reduced its total debt service requirements by $5,505,775, which resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of $5,640,806.

On January 28, 2014, the Commission issued Series 2014 1A-R, 1N, and 1N-R bonds of $36,700,000 with an effective interest rate of 3.71%. The bond proceeds were used to refund $17,885,000 of outstanding 2004 Series 1 and 2004 Series 4 bonds. As a result of the current refunding, the Commission reduced its total debt service requirements by $4,557,513, which resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of $4,345,163.

Conduit Financing Programs – No difference between the cost to defease outstanding debt and the carrying value of bonds defeased by refunding bonds is calculated, amortized or disclosed since the cash flows and economic gain or loss accrues to the borrower and not the Commission as the conduit issuer.

Future Principal and Interest Payments and Bonds Outstanding – Bonds mature in varying amounts through 2054. The following table is based on scheduled terms of the bond agreements; however, refinancing or early redemptions may periodically occur. As of June 30, 2015, future principal and interest requirements per the bond agreements are as follows:

Fiscal Year June 30,	Total Principal Redemptions	Total Interest Payments	Total Debt Service
2016	$ 59,586,884	$ 89,382,876	$ 148,969,760
2017	37,608,349	87,525,510	125,133,859
2018	44,913,943	86,377,614	131,291,557
2019	44,902,803	84,871,274	129,774,077
2020	57,914,161	83,283,954	141,198,115
2021-2025	253,956,827	385,569,335	639,526,162
2026-2030	481,665,483	317,479,675	799,145,158
2031-2035	587,365,110	224,969,481	812,334,591
2036-2040	613,669,695	155,399,308	769,069,003
2041-2045	868,175,301	78,396,792	946,572,093
2046-2050	298,896,651	21,646,393	320,543,044
2051-2055	70,911,939	3,155,657	74,067,596
	$ 3,419,567,146	$ 1,618,057,869	$ 5,037,625,015

Note 6 – Bonds and Notes Payable (Continued)

Changes in bonds outstanding during the fiscal year ended June 30, 2015 are summarized in the following table:

June 30, 2014	Issued	Redeemed	June 30, 2015
$ 3,411,460,965	$ 504,496,536	$ 496,390,355	$ 3,419,567,146

Note 7 – Commitments

Mortgage Loans – The Commission has committed to purchase mortgage loans to the extent qualified loans are available under each of the programs currently in the acquisition phase. The Commission's commitments by program as of June 30, 2015, are shown below:

Mortgage Loan, Commitments Program	Amount
Single Family Housing Program	$ 556,617
Multifamily Housing Program	60,638,884
Nonprofit Housing Program	55,109,776
Nonprofit Facilities Program	10,902,185
	$ 127,207,462

Operating Lease – The Commission has lease commitments for office space on a long-term basis. Lease expense for the fiscal years ended June 30, 2015 and 2014 was $635,922 and $630,382, respectively. The future minimum lease payments for these lease agreements, which all end in fiscal year 2016, is $677,231.

Line of Credit – On April 22, 2013, the Commission agreed to provide Impact Capital, a Community Development Financial Institution, a revolving liquidity loan, with an amount not to exceed $2 million. As of June 30, 2015, no funds had been drawn.

Note 8 – Employee Benefit Plans

Deferred Compensation Plan – The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Commission employees, permits them to defer a portion of their salaries until future years. The deferred compensation is paid to employees upon termination, retirement, death or unforeseeable emergency. The money is held under a separate fund by the State; therefore, neither an asset nor liability is recorded on the Commission's financial statements.

Note 8 – Employee Benefit Plans (Continued)

Retirement (Pension) Plan – The Commission's employees participate in the PERS of the State. The legislature established PERS in 1947. PERS is a cost-sharing multiple-employer retirement system. Membership in the system includes elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of legislative committees; community colleges, college and university employees not in national higher education retirement programs such as TIAA/CREF; judges of district and municipal courts; noncertified employees of school districts, and employees of local government. Approximately 50% of PERS salaries are from State employment. Within the PERS, the Commission's employees are eligible to participate in plans 2 and 3. Plan 2 and a portion of Plan 3 are defined benefit plans. Plan 3 includes a defined contribution component. Each employee is responsible for plan selection.

Commission employees may retire at the age of 65 with five years of service or at age 55 with 20 years of service, with an allowance of 2% per year of service of the average final salary (average final compensation is based on the greatest compensation during any consecutive 60-month period) for PERS plan 2 and 1% for PERS plan 3. Retirements prior to age 65 are reduced by amounts dependent on age and service date. A cost-of-living allowance on the benefit is added, based on the Seattle Consumer Price Index, capped at 3% annually. PERS plans 2 and 3 benefits include duty and non-duty disability payments and a one-time duty related death benefit.

PERS retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to PERS accrue interest at a rate specified by the DRS. The DRS-established rate of interest on employee contributions was 5.5%, compounded quarterly. Retirement benefit provisions are established in State statute and may be amended only by the State legislature. Employees in PERS can elect to withdraw total employee contributions and interest earnings thereon upon termination. PERS defined benefits are vested after an employee completes five years of eligible service for Plan 2 participants. For PERS plan 3 participants, defined benefits are vested after ten years of eligible service or after five years if twelve months of that service are earned after age 44.

Each biennium the legislature establishes employer and employee contribution rates. These rates are developed by the Office of the State Actuary to fully fund the plan. All employers are required to contribute at the level established by the legislature. The methods used to determine the contribution requirements are established under State statute in accordance with chapters RCW 41.40 and 41.45. While no Commission employees are eligible to participate in PERS plan 1, the employer rate for participants in plans 2 and 3 include a component to address the PERS plan 1 unfunded actuarial accrued liability. PERS Plan 1 is closed to new participants.

Note 8 – Employee Benefit Plans (Continued)

The Commission and employee required contribution rates and amounts to the pension plan for the fiscal years 2015 and 2014 are detailed below:

	2015			2014		
	Rate		Amount	Rate		Amount
Employer contributions						
Plan 1 component	4.01%	$	191,004	4.05%	$	184,347
Plan 2 and 3 component	5.20%		247,802	5.15%		234,574
	9.21%	$	438,806	9.20%	$	418,921
Employee contributions						
Plan 2	4.92%	$	224,621	4.92%	$	185,388

Detailed information about the pension plan's fiduciary net position is available in the separately issued DRS financial statements, which may be obtained at:

Washington State Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380
www.drs.wa.gov

The DRS retirement plans are accounted for in pension trust funds using the flow of economic-resources-measurement focus and the accrual basis of accounting. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investments held by the plans are reported at fair value. As of the most recent period available, fiscal year ended June 30, 2014, DRS reported a total net pension liability for Plan 1 of $5.0 billion, and a total net pension liability for Plan 2 and 3 of $2.0 billion.

At June 30, 2015, the Commission recognized its proportionate share of the net pension liabilities of Plan 1, and Plans 2 and 3 of $2,065,694 and $1,047,010, respectively, which is included in accounts payable and other liabilities within the General Operating Fund. The net pension liability was measured as of June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014. Plan liabilities were rolled forward using each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments. The Commission's proportion of net pension liability was based upon its contributions in relation to all other employer and non-employer contributions to the plan. The Commission's proportions used for measurement of its obligations as of June 30, 2015 and 2014 were:

	2014	2013	Change
Plan 1	0.0411%	0.0355%	0.0056%
Plans 2 and 3	0.0529%	0.0473%	0.0056%

Note 8 – Employee Benefit Plans (Continued)

The change in Commission proportions were determined to not be material, therefore a deferral of the impact of the change was not recognized.

For the year ended June 30, 2015 the Commission recognized pension expense of $799,317. At June 30, 2015 the Commission recognized deferred outflows and inflows of resources related to pension obligations from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments:		
Plan 1		$ 258,908
Plans 2 and 3		1,133,853
Contributions subsequent to the measurement date	$ 422,003	
Total	$ 422,003	$ 1,392,761

The $422,003 reported as deferred outflows of resources related to pensions resulting from the Commissions contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows for years ending June 30:

2016	$ 348,191
2017	$ 348,190
2018	$ 348,190
2019	$ 348,190

The total pension liability in the June 30, 2013 actuarial valuation was determined using the following actuarial assumptions.

Inflation:	
Economic	3.00%
Salary	3.75%
(Salries are also expected to grow by promotions and longevity)	
Investment rate of return	7.50%
Discount rate	7.50%

Note 8 – Employee Benefit Plans (Continued)

Mortality rates were based on the RP-2000 report's combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The Office of State Actuary applied offsets to the based table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year through his or her lifetime.

The long-term expected rate of return on pension plan investments was determined using a building-block method. The Washington State Investment Board ("WSIB") used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of the WSIB's Capital Market Assumptions ("CMAs"). WSIB uses the CMAs and their target asset allocations to simulate future investment returns at various future times. The long-term expected rate of return of 7.50% approximately equals the median of the simulated investment returns over a 50 year time horizon, increased slightly to remove WSIB's implicit, small, short-term downward adjustment due to assumed mean reversion. WSIB's implicit short-term adjustment, while small and appropriate over a 10 to 15 year period, becomes amplified over a 50 year period.

The target allocation and best estimates of arithmetic real rates of return for each major asset class (as of PERS year-end June 30, 2014), including an inflation component of 2.70%, are summarized in the following table:

Asset Class	Target Allocation	% Long-Term Expected Rate of Return
Fixed Income	20%	0.80%
Tangible Assets	5%	4.10%
Real Estate	15%	5.30%
Global Equity	37%	6.05%
Private Equity	23%	9.05%
	100%	

The discount rate used to measure the total pension liability was 7.50%. The rate was determined by completing an asset sufficiency test on whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members.

Note 8 – Employee Benefit Plans (Continued)

Consistent with current law, the asset sufficiency test included an assumed 7.70% long-term discount rate to determine funding liabilities for calculation future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.50% future investment rate of return on investment assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates. Based upon those assumptions, the pension plan‘s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return of 7.50% was used to determine the total liability.

The following presents the Commission’s proportionate share of the net pension liability calculated using the discount rate of 7.50% as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	Discount Rate Sensitivity		
	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Plan 1	$ 2,552,134	$ 2,065,694	$ 1,657,125
Plan 2 and 3	$ 4,461,797	$ 1,047,010	$ (1,521,295)

Note 9 – Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; natural disasters and acts of terrorism for which the agency carries commercial insurance. As of June 30, 2015, there were no known asserted or unasserted claims or judgments against the Commission.

The Commission may be subject to various threatened or pending legal actions, contingencies and commitments in the normal course of conducting its business. The Commission provides for costs or income related to a settlement of these matters when a loss or gain is probable and the amount can be reasonably estimated. The effect of the outcome of these matters on the Commission’s future results of operations and liquidity cannot be predicted because any such effect depends on future results of operations and the amount and timing of the resolution of any such matters. While it is not possible to predict with certainty, management believes that the ultimate resolution of any such matters will not have a material adverse or beneficial effect on the financial position of the Commission.

Note 10 – Related Party Transactions

The Commission provides staff and administrative services to the following state agencies as of and for the years ended June 30, 2015 and 2014:

Charges for Services	2015	2014
Washington Higher Education Facilities Authority	$ 212,812	$ 222,263
Tobacco Settlement Authority	$ 67,117	$ 469,444
Receivable From		
Washington Higher Education Facilities Authority	$ 89,020	$ 33,243
Tobacco Settlement Authority	$ 24,026	$ 7,636

Note 11 – Subsequent Events

Subsequent to June 30, 2015, the Commission issued $338.7 million in additional bonds and the trustees, under the normal and early redemption provisions of the trust indenture, have redeemed $131.4 million in bonds.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of Net Pension Liability

PLAN 1	2015
WSHFC's portion of net pension liability	0.0411%
WSHFC's proportionate share of the net pension liability	$ 2,065,694
WSHFC's covered employee payroll	N/A
WSHFC's proportionate share of the net pension liability as a percentage of its covered employee payroll	N/A
Plan fiduciary net position as a percentage of the total pension liability	61.19%
PLAN 2 and 3	
WSHFC's portion of net pension liability	0.0529%
WSHFC's proportionate share of the net pension liability	$ 1,047,010
WSHFC's covered employee payroll	$ 4,556,682
WSHFC's proportionate share of the net pension liability as a percentage of its covered employee payroll	45.44%
Plan fiduciary net position as a percentage of the total pension liability	93.29%

Schedule of Contributions

PLAN 1	2015
Statutorily-required contributions	$ 181,929
Contributions in related to the statutorily-required contributions	181,929
Contribution (deficiency) excess	$ -
WSHFC's covered-employee payroll	N/A
Contribution as a percentage of covered-employee payroll	N/A
PLAN 2 and 3	
Statutorily-required contributions	$ 223,548
Contributions in related to the statutorily-required contributions	223,548
Contribution (deficiency) excess	$ -
WSHFC's covered-employee payroll	$ 4,556,682
Contribution as a percentage of covered-employee payroll	4.91%

Plan 1 – No Commission employees are eligible for PERS 1. Commission contributions are required in order to address the PERS 1 unfunded actuarial accrured liability. Therefore, covered payroll and contributions as a percentage of covered payroll is not applicable to Plan 1.

SUPPLEMENTAL INFORMATION

	Restricted Bond Fund		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program
CASH AND CASH EQUIVALENTS	$ 49,500,637	$ 18,488,217	$ 95,380,721
INVESTMENTS			
U.S. government and agencies securities	-	-	9,605,020
Investment agreements and other investments	4,869,145	-	615,637
	4,869,145	-	10,220,657
ACCRUED INTEREST RECEIVABLE	1,472,643	639,836	3,282,620
FEES RECEIVABLE, net	-	-	-
OTHER RECEIVABLES	708,065	-	-
MORTGAGE-BACKED SECURITIES, cost	364,183,393	192,321,334	14,095,136
Cumulative unrealized gain on mortgage-backed securities	29,170,512	15,597,484	86,538
MORTGAGE-BACKED SECURITIES, fair value	393,353,905	207,918,818	14,181,674
MORTGAGE LOANS, net	-	-	1,718,803,989
PREPAID FEES AND OTHER	-	-	29,277
TOTAL ASSETS	449,904,395	227,046,871	1,841,898,938
DEFERRED OUTFLOWS OF RESOURCES	862,919	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 450,767,314	$ 227,046,871	$ 1,841,898,938

Nonprofit Housing Bond Program	Nonprofit Facilities Bond Program	General Operating Fund	Program Investment Fund	June 30, 2015	June 30, 2014
$ 23,481,357	$ 10,287,208	$ 28,868,713	$ 7,206,631	$ 233,213,484	$ 183,407,729
13,918,117	2,936,107	-	54,335,385	80,794,629	54,179,174
53,154,625	-			58,639,407	121,385,088
67,072,742	2,936,107	-	54,335,385	139,434,036	175,564,262
2,538,093	237,793	254,733	497,120	8,922,838	8,246,227
-	-	4,592,185	170,018	4,762,203	3,582,484
-	-	-	-	708,065	658,835
-	-	-	-	570,599,863	685,983,711
-	-	-	-	44,854,534	55,516,496
-	-	-	-	615,454,397	741,500,207
659,574,586	350,014,091	-	134,056,631	2,862,449,297	2,715,099,678
-	-	405,616	-	434,893	304,814
752,666,778	363,475,199	34,121,247	196,265,785	3,865,379,213	3,828,364,236
-	-	422,003	-	1,284,922	1,151,447
$ 752,666,778	$ 363,475,199	$ 34,543,250	$ 196,265,785	$ 3,866,664,135	$ 3,829,515,683

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF PROGRAM NET POSITION (CONTINUED)

	Restricted Bond Fund		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program
ACCOUNTS PAYABLE AND OTHER LIABILITIES	$ 5,073,890	$ 500,859	$ 32,032,688
ACCRUED INTEREST PAYABLE	1,068,318	1,291,751	5,211,541
UNEARNED-REVENUE AND OTHER	-	-	-
DERIVATIVE INSTRUMENT - INTEREST RATE SWAP	862,919	-	-
PROJECT EQUITY HELD FOR BORROWER	-	-	1,235,179
BONDS PAYABLE			
Current interest bonds	325,970,000	113,610,000	1,749,775,776
Taxable bonds	20,115,595	84,420,510	53,321,375
Unamortized bond discount	-	-	-
Unamortized bond premium	2,233,465	1,215,054	-
	348,319,060	199,245,564	1,803,097,151
TOTAL LIABILITIES	355,324,187	201,038,174	1,841,576,559
DEFERRED INFLOWS OF RESOURCES	-	-	-
NET POSITION			
Restricted			
Bond operations	95,443,127	26,008,697	322,379
Grants and donations to Program Investment Fund	-	-	-
Net investment in capital assets	-	-	-
Unrestricted			
General operations	-	-	-
Housing Washington	-	-	-
Program Investment Fund	-	-	-
	95,443,127	26,008,697	322,379
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 450,767,314	$ 227,046,871	$ 1,841,898,938

Nonprofit Housing Bond Program	Nonprofit Facilities Bond Program	General Operating Fund	Program Investment Fund	June 30, 2015	June 30, 2014
$ 26,575,474	$ 1,721,856	$ 5,380,832	$ 37,260,144	$ 108,545,743	$ 101,835,181
11,939,610	840,917	-	-	20,352,137	20,431,005
-	-	13,605,992	-	13,605,992	14,022,599
-	-		-	862,919	1,151,447
-	-	-	-	1,235,179	5,257,506
709,641,464	356,388,000	-	-	3,255,385,240	3,291,896,807
1,800,000	4,524,426	-	-	164,181,906	119,564,158
(308,265)	-	-	-	(308,265)	(356,250)
3,018,495	-	-	-	6,467,014	7,290,207
714,151,694	360,912,426	-	-	3,425,725,895	3,418,394,922
752,666,778	363,475,199	18,986,824	37,260,144	3,570,327,865	3,561,092,660
-	-	1,392,761	-	1,392,761	-
-	-	-	-	121,774,203	124,489,389
-	-	-	1,082,696	1,082,696	1,082,696
-	-	152,620	-	152,620	109,490
-	-	13,763,918	-	13,763,918	17,890,510
-	-	247,127	-	247,127	275,069
-	-	-	157,922,945	157,922,945	124,575,869
-	-	14,163,665	159,005,641	294,943,509	268,423,023
$ 752,666,778	$ 363,475,199	$ 34,543,250	$ 196,265,785	$ 3,866,664,135	$ 3,829,515,683

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF PROGRAM REVENUES, EXPENSES AND CHANGES IN PROGRAM NET POSITION

	Restricted Bond Fund		
	Single-family Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program
REVENUES			
Interest earned on mortgage loans and mortgage-backed securities	$ 19,373,952	$ 8,562,568	$ 31,496,397
Other interest and investment income (loss)	538,224	1,752	57,298
Gain (loss) on mortgage-backed securities	(5,640,774)	(4,412,454)	(608,726)
Other fee income	1,353,068	566,971	810,060
Nonoperating revenues - grants	-	-	-
	15,624,470	4,718,837	31,755,029
EXPENSES			
Interest on debt	14,714,270	7,905,212	31,509,192
Amortization of bond discount	-	-	-
Amortization of bond premium	(630,948)	(825,105)	(12,582)
Bond issuance costs	570,852	522,194	807,828
Amortization of bond insurance premium	-	-	2,231
Servicing and commission fees	1,495,916	566,971	42,424
Salaries and wages	-	-	-
Communication and office expense	-	-	-
Professional fees	-	-	122,480
Trustee and paying agent fees	104,633	56,442	10,077
Other	282,138	-	-
Nonoperating expenses - grants	-	-	-
	16,536,861	8,225,714	32,481,650
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	(912,391)	(3,506,877)	(726,621)
NET POSITION			
Balance, beginning of year	93,924,815	29,515,574	1,049,000
Cumulative effect of change in accounting principle	-	-	-
Balance, beginning of the year, as restated	93,924,815	29,515,574	1,049,000
Contribution (distribution) of equity	2,430,703	-	-
Balance, end of year	$ 95,443,127	$ 26,008,697	$ 322,379

Nonprofit Housing Bond Program	Nonprofit Facilities Bond Program	General Operating Fund	Program Investment Fund	Years Ended June 30, 2015	2014
$ 29,990,867	$ 6,325,970	$ -	$ -	$ 95,749,754	$ 94,419,510
(193,147)	(243)	728,311	-	1,132,195	4,185,153
-	-	-	-	(10,661,954)	(7,015,082)
286,418	328,444	21,576,929	26,557,615	51,479,505	44,751,474
-	-	5,799,000	(93,358)	5,705,642	6,934,190
30,084,138	6,654,171	28,104,240	26,464,257	143,405,142	143,275,245
30,020,395	6,325,727	-	-	90,474,796	88,520,562
47,984	-	-	-	47,984	754,969
(270,659)	-	-	-	(1,739,294)	(2,132,274)
286,418	328,444	-	-	2,515,736	5,063,465
-	-	-	-	2,231	955,367
-	-	-	-	2,105,311	2,267,999
-	-	7,070,657	-	7,070,657	6,250,836
-	-	2,789,534	-	2,789,534	1,730,445
-	-	1,067,754	-	1,190,234	1,444,164
-	-	-	-	171,152	207,302
-	-	-	2,469,029	2,751,167	2,975,385
-	-	5,799,000	-	5,799,000	5,348,485
30,084,138	6,654,171	16,726,945	2,469,029	113,178,508	113,386,705
-	-	11,377,295	23,995,228	30,226,634	29,888,540
-	-	18,275,069	125,658,565	268,423,023	238,534,483
-	-	(3,706,148)	-	(3,706,148)	-
-	-	14,568,921	125,658,565	264,716,875	238,534,483
-	-	(11,782,551)	9,351,848	-	-
$ -	$ -	$ 14,163,665	$ 159,005,641	$ 294,943,509	$ 268,423,023

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF PROGRAM CASH FLOWS

	Restricted Bond Fund		
	Single-family Housing Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program
OPERATING ACTIVITIES			
Receipts for interest on mortgages	$ 18,958,867	$ 8,732,956	$ 32,426,840
Receipts for other fee income	1,134,540	566,971	-
Receipts for loans and mortgage prepayments	69,110,414	48,992,328	166,096,290
Payments for acquisition of loans and mortgages	(21,233,469)	-	(239,681,093)
Payments for bond program expenses	(1,968,229)	(1,147,078)	(982,809)
Payments to employees and suppliers	-	-	-
Net cash from (used for) operating activities	66,002,123	57,145,177	(42,140,772)
INVESTING ACTIVITIES			
Purchase of investments	(29,729,723)	-	(24,209,521)
Sale of investments	34,057,321	-	22,030,560
Interest received on investments	556,633	1,755	61,613
Net cash from (used for) investing activities	4,884,231	1,755	(2,117,348)
NONCAPITAL FINANCING ACTIVITIES			
Project equity used, net	-	-	(4,022,327)
Proceeds from sale of bonds and notes	50,515,000	69,370,000	274,989,985
Interest paid on debt	(14,990,351)	(8,766,654)	(31,517,634)
Debt repayments	(109,957,250)	(118,533,899)	(166,096,290)
Contributions	2,430,703	-	-
Net cash from (used for) noncapital financing activities	(72,001,898)	(57,930,553)	73,353,734
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,115,544)	(783,621)	29,095,614
CASH AND CASH EQUIVALENTS			
Beginning of year	50,616,181	19,271,838	66,285,107
End of year	$ 49,500,637	$ 18,488,217	$ 95,380,721

Nonprofit Housing Bond Program	Nonprofit Facilities Bond Program	General Operating Fund	Program Investment Fund	Year Ended June 30, 2015
$ 28,685,957	$ 6,763,836	$ -	$ -	$ 95,568,456
-	-	27,539,613	26,319,705	55,560,829
21,148,585	70,094,331	-	13,056,293	388,498,241
(35,354,726)	(89,820,403)	-	(31,856,669)	(417,946,360)
(286,418)	(328,444)	-	-	(4,712,978)
-	-	(17,843,216)	(387,999)	(18,231,215)
14,193,398	(13,290,680)	9,696,397	7,131,330	98,736,973
(73,695,945)	(2,241,028)	-	(9,802,979)	(139,679,196)
88,696,953	21,184,434	9,646,767	-	175,616,035
246,154	3,998	731,600	-	1,601,753
15,247,162	18,947,404	10,378,367	(9,802,979)	37,538,592
-	-	-	-	(4,022,327)
19,403,084	79,658,467	-	-	493,936,536
(29,032,797)	(6,246,228)	-	-	(90,553,664)
(21,148,585)	(70,094,331)	-	-	(485,830,355)
-	-	(11,782,551)	9,351,848	-
(30,778,298)	3,317,908	(11,782,551)	9,351,848	(86,469,810)
(1,337,738)	8,974,632	8,292,213	6,680,199	49,805,755
24,819,095	1,312,576	20,576,500	526,432	183,407,729
$ 23,481,357	$ 10,287,208	$ 28,868,713	$ 7,206,631	$ 233,213,484

	Restricted Bond Fund		
	Single-family Housing Bond Program	Homeownership Bond Program (NIBP)	Multifamily Housing Bond Program
RECONCILIATION OF EXCESS (DEFICIT) OF REVENUES OVER EXPENSES TO NET CASH FROM OPERATING ACTIVITIES			
Excess (deficit) of revenues over expenses	$ (912,391)	$ (3,506,877)	$ (726,621)
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash from operating activities			
Amortization of mortgage discount	(661,028)	-	-
Amortization of mortgage premium	512	-	33,417
Amortization of bond insurance premium	-	-	(2,231)
Amortization of bond premium	(630,948)	(825,105)	(12,582)
Amortization of bond discount	-	-	-
Amortization of unearned fee income	-	-	2,231
Acquisition of mortgage loans	(21,233,469)	-	(244,347,067)
Repayments of mortgage loans	69,110,414	48,992,328	166,096,290
Unrealized (gain) loss on securities	5,640,775	4,412,454	608,725
Cash from changes in operating assets and liabilities			
Interest and other receivables	(511,322)	168,636	34,131
Interest and other payables	15,199,580	7,903,741	36,172,935
Net cash from (used for) operating activities	$ 66,002,123	$ 57,145,177	$ (42,140,772)

Nonprofit Housing Bond Program	Nonprofit Facilities Bond Program	General Operating Fund	Program Investment Fund	Year Ended June 30, 2015
$ -	$ -	$ 11,377,295	$ 23,995,228	$ 30,226,634
(47,984)	-	-	-	(709,012)
270,659	-	-	-	304,588
-	-	-	-	(2,231)
(270,659)	-	-	-	(1,739,294)
47,984	-	-	-	47,984
-	-	-	-	2,231
(33,436,650)	(90,769,322)	-	(31,856,669)	(421,643,177)
21,148,585	70,094,331	-	13,056,293	388,498,241
-	-	-	-	10,661,954
(1,620,857)	109,665	(1,767,633)	1,825,616	(1,761,764)
28,102,320	7,274,646	86,735	110,862	94,850,819
$ 14,193,398	$ (13,290,680)	$ 9,696,397	$ 7,131,330	$ 98,736,973

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF NOTES AND BONDS PAYABLE
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE TOTALS FOR 2014

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Single-family (Open Indenture)					
Single-family 2005 1A/1N	03/31/05	$ 25,000,000	12/01/35	$ -	$ 7,240,000
Single-family 2005 2A/VR-2A	06/16/05	30,000,000	03/01/36	9,085,000	14,820,000
Single-family 2005 3A	08/04/05	19,795,000	06/01/36	-	8,880,000
Single-family 2005 4	09/29/05	24,380,000	06/01/36	-	7,580,000
Single-family 2006 1	01/25/06	99,265,000	06/01/37	-	6,970,000
Single-family 2006 2	04/12/06	79,370,000	12/01/37	15,325,000	18,775,000
Single-family 2006 3	07/13/06	55,000,000	12/01/37	3,770,000	4,705,000
Single-family 2006 4	08/23/06	55,000,000	06/01/37	555,000	1,615,000
Single-family 2006 5	10/12/06	55,000,000	12/01/37	22,260,000	23,300,000
Single-family 2006 6	11/02/06	53,795,000	12/01/37	11,430,000	14,155,000
Single-family 2007 1	02/08/07	54,490,000	06/01/38	17,040,000	20,025,000
Single-family 2007 2	03/29/07	55,000,000	06/01/48	43,670,000	44,160,000
Single-family 2007 3	05/17/07	55,000,000	06/01/48	4,680,000	26,310,000
Single-family 2007 4	06/20/07	54,980,000	06/01/48	5,245,000	19,630,000
Single-family 2007 5	10/25/07	80,005,000	12/01/47	13,755,000	14,195,000
Single-family 2008 1	07/01/08	55,000,000	06/01/49	7,205,000	8,735,000
Single-family 2008 2	09/25/08	41,000,000	06/01/48	5,305,000	7,225,000
Single-family 2009 1	06/25/09	20,000,000	06/01/39	6,190,000	6,550,000
Single-family 2009 2N	10/28/09	24,820,000	06/01/40	11,335,000	16,905,000
Single-family 2010 1A-R/1N-R	11/30/10	35,175,000	12/01/35	13,235,000	16,725,000
Single-family 2013 1A-R/1N-R	03/27/13	62,515,000	06/01/43	55,155,000	58,395,000
Single-family 2014 1A-R/1N-R	01/28/14	36,700,000	06/01/43	32,630,000	35,605,000
Single family 2014 2A-R 2N 2N-R	12/18/14	50,515,000	06/01/44	48,575,000	-
Special Single family	10/18/12	26,171,376	10/01/42	19,640,595	23,027,845
				346,085,595	405,527,845
Unamortized Bond Premium				2,233,465	1,948,310
Unamortized Bond Discount				-	-
				348,319,060	407,476,155
Homeownership Program Bonds					
HPB 09 B - NBIP	12/21/09	50,000,000	10/01/40	7,050,000	8,845,000
HPB 09 Series AC1/2010 Series A - NBIP	06/29/10	100,000,000	10/01/41	16,390,000	63,360,000
Homeownership Program Bonds 09 AC2/11 A (3/24/11)	03/24/11	99,990,000	10/01/41	20,335,000	69,750,000
Homeownership Program Bonds 09 AC3/11 B (9/29/11)	09/29/11	116,440,000	10/01/41	69,835,000	87,980,000
Homeownership Program Bonds 2013A	01/30/13	23,675,203	03/01/40	15,050,510	17,259,409
Homeownership Program Bonds2015 AB	05/28/15	69,370,000	05/01/41	69,370,000	-
				198,030,510	247,194,409
Unamortized Bond Premium				1,215,054	2,040,160
Unamortized Bond Discount				-	-
				199,245,564	249,234,569
Streamlined Tax Exempt Private Placement - Multifamily Housing					
Inglenook Court	05/25/95	8,300,000	07/01/25	8,300,000	8,300,000
Wandering Creek Project	11/22/95	5,300,000	01/01/26	5,300,000	5,300,000
LTC Properties	12/13/95	8,300,000	12/01/15	-	1,400,000
Courtside Apartments	02/28/96	10,600,000	01/01/26	7,975,000	8,155,000
Brittany Park Project	11/07/96	14,200,000	11/01/21	10,990,000	11,290,000
Pacific Inn Apartments	11/08/96	5,900,000	05/01/28	3,830,000	4,020,000
Meridian Court	12/12/96	8,000,000	12/01/28	6,700,000	6,700,000
Hamilton Place Senior Living	12/20/96	4,140,000	07/01/28	3,590,000	3,590,000
Larkin Apartments	12/20/96	5,565,000	07/01/28	4,825,000	4,825,000
Merrill Gardens	07/14/97	12,500,000	07/01/22	8,125,000	8,125,000
Anchor Village	12/10/97	10,750,000	12/15/27	10,750,000	10,750,000
Brittany Park II	08/12/98	5,800,000	11/01/21	3,625,000	3,925,000
Boardwalk Apartments	09/14/98	12,400,000	09/01/28	9,920,000	9,920,000
Avalon Ridge Apartments	10/14/99	18,755,000	05/15/26	18,240,000	18,755,000
Regency Park Apartments	09/23/99	11,150,000	09/01/29	7,805,000	7,805,000
WoodRose Apartments	11/09/99	9,000,000	06/15/32	6,755,000	6,955,000
Mill Pointe	12/21/99	14,500,000	01/01/30	9,425,000	9,425,000
Holly Village	12/23/99	8,800,000	07/15/32	6,600,000	6,765,000
Vintage at Bremerton Senior Project	09/29/00	7,600,000	05/15/33	6,200,000	6,200,000
Granite Falls	10/03/00	3,930,000	10/01/27	2,795,000	2,930,000
Greens at Merrill Creek	10/12/00	17,310,000	06/01/24	14,936,000	15,136,000
Lakewood Meadows	11/21/00	7,850,000	07/15/33	6,405,000	6,580,000
Springfield Meadows Apartments Project	08/06/01	17,000,000	01/01/34	11,050,000	11,050,000
Country Club Apartments Project	08/09/01	12,920,000	08/01/32	10,045,000	10,385,000
Woodlands Apartments Project 2001	12/07/01	6,600,000	07/15/34	5,465,000	5,675,000
Ocean Ridge Apartments 2001	12/21/01	9,000,000	11/01/38	8,124,693	8,239,646

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Streamlined Tax Exempt Private Placement - Multifamily Housing (Continued)					
Tama Qua (Whisperwood)	05/14/02	7,900,000	05/15/35	$ 6,370,000	$ 6,480,000
Valley View Apartments 2002	02/19/02	2,880,000	09/15/20	2,580,000	2,680,000
Olympic Heights Apartments 2002	02/19/02	5,165,000	09/15/20	5,165,000	5,165,000
Parkway Apartments	06/20/02	9,180,000	07/20/37	-	7,990,000
Deer Run	10/01/02	4,900,000	05/01/30	3,869,880	3,968,669
Alderwood Court	05/17/02	7,645,000	06/15/35	6,510,000	6,610,000
Quail Run	12/06/02	7,150,000	07/01/35	6,483,306	6,574,408
Heatherwood Apts.	12/11/02	21,350,000	01/01/35	14,525,000	14,525,000
Tashiro Kaplan	04/30/03	5,290,000	01/20/45	-	4,465,000
Mallard Lake Park Apts.	11/26/02	18,500,000	05/15/35	14,405,000	14,405,000
Fort Vancouver	04/03/03	6,668,000	09/01/39	5,498,175	5,612,400
Vintage at Mt. Vernon	06/05/03	10,000,000	01/15/37	8,285,000	8,430,000
Alaska House	07/15/04	8,040,000	07/20/45	7,365,000	7,455,000
International House	07/15/04	7,390,000	07/20/45	6,760,000	6,840,000
Stonebrook Apartments	10/28/04	15,710,000	02/01/37	12,905,000	13,175,000
Rainier Court Apartments	12/23/03	17,000,000	12/15/36	15,545,000	15,855,000
Rolling Hills Apartments	05/27/04	8,750,000	06/15/37	7,520,000	7,730,000
Highlander Apartments II	04/30/04	10,000,000	05/01/37	8,350,000	8,350,000
Silver Creek Retirement & Assisted Living	11/16/04	15,300,000	11/01/40	-	14,615,000
Silver Creek Apartments	05/26/04	17,500,000	12/15/37	12,465,000	12,675,000
Crestview West Apartments	12/01/04	14,000,000	12/15/37	14,000,000	14,000,000
Vintage at Everett	06/30/04	17,750,000	01/15/38	15,750,000	16,065,000
Vintage at Richland	06/29/04	11,750,000	01/15/38	7,535,000	7,535,000
Ballinger Court Apartments	09/01/04	5,800,000	09/15/37	5,090,000	5,190,000
Arbor Park Apt Homes	07/30/04	9,135,000	07/30/21	7,659,453	7,891,148
Deer Run West	12/22/04	6,270,000	06/15/37	6,130,000	6,130,000
Merrill Gardens at Queen Anne	12/17/04	30,200,000	12/01/40	27,805,000	28,310,000
Merrill Gardens at Renton	12/17/04	23,100,000	12/01/40	21,685,000	22,055,000
Valley View Apartments	12/22/04	29,675,000	05/01/38	26,261,000	26,807,000
Vintage at Burien Apartments Project	12/22/04	7,300,000	01/15/38	6,570,000	6,570,000
Vintage at Sequim	01/27/05	8,390,000	03/01/38	6,101,535	6,186,627
Park Vista Retirement Project	03/07/05	15,250,000	03/01/41	14,285,000	14,515,000
Cedar Landings Apartments	01/03/05	8,260,000	01/01/15	-	6,457,421
Highland Park	06/30/05	11,300,000	07/15/38	10,075,000	10,275,000
Fairwinds - Redmond	07/15/05	27,500,000	07/01/41	23,620,000	24,075,000
Pinehurst Apartments	09/27/05	14,185,000	03/15/39	12,720,000	12,925,000
The Vintage at Silverdale	09/29/05	19,575,000	09/15/39	14,880,000	14,880,000
Lodge at Eagle Ridge	08/17/05	13,550,000	08/01/41	12,910,000	12,910,000
Scenic Vista Senior Apartment	11/22/05	6,100,000	01/01/39	5,851,040	5,896,439
Kamiakin Apartments	11/23/05	8,275,000	05/01/42	7,437,697	7,531,685
Cedar Ridge Retirement and Assisted Living Facility	10/25/05	15,100,000	10/01/41	-	14,875,000
Vintage at Vancouver	02/10/06	8,900,000	04/01/36	8,086,253	8,207,032
Merrill at Tacoma	09/01/06	19,600,000	09/15/40	18,525,000	18,750,000
Vintage at Spokane Senior Living	07/17/06	17,200,000	08/15/40	16,295,000	16,295,000
Forrest Creek	11/30/06	13,815,000	06/15/40	13,680,000	13,680,000
Crowne Pointe Apartments	05/26/06	8,740,000	12/01/47	8,299,182	8,371,572
Orchard Hills	11/03/06	9,060,000	07/01/39	8,546,552	8,649,859
Ballard Landmark	12/15/06	35,100,000	12/15/41	35,100,000	35,100,000
Eagle's Landing Apartments	07/24/06	13,400,000	08/15/39	12,730,000	12,730,000
Echo Lake	12/07/06	17,970,000	07/15/40	17,970,000	17,970,000
Heron Creek	01/03/07	5,000,000	03/01/40	4,779,059	4,819,569
Covington Place	11/02/07	9,975,000	12/01/25	9,561,130	9,652,615
The Season	12/20/06	37,500,000	12/15/40	37,300,000	37,300,000
Vintage at Chehalis	11/30/06	8,190,000	06/15/40	8,190,000	8,190,000
Elk Creek Apartments	04/27/07	7,470,000	04/01/40	7,218,548	7,274,491
Northgate Village	12/08/06	5,990,000	06/01/43	5,555,876	5,630,198
Island Skagit Partner Portfolio	02/28/07	3,850,000	03/01/37	1,990,358	2,036,162
Three County Partners Portfolio	02/28/07	5,900,000	03/01/37	3,715,395	3,800,893
Barkely Ridge Apartments	08/28/07	10,400,000	09/01/40	9,985,000	10,090,000
Linden Square Apartments 2007	11/29/07	45,150,000	06/01/42	43,619,438	44,155,438
Merrill Gardens at Kirkland	10/04/07	34,000,000	04/15/41	24,600,000	24,600,000
Merrill Gardens University Village	10/04/07	55,000,000	04/15/41	48,540,000	48,540,000
2007 Clark Island Portfolio	11/09/07	5,560,000	11/01/42	5,560,000	5,560,000
Twin Ponds Refunding 07	12/03/07	7,285,000	01/01/38	-	6,633,033
Rosecreek Apts Refunding 07	12/03/07	3,570,000	01/01/38	-	3,235,889
Greentree Apartment Homes 08	01/30/08	13,965,000	02/01/26	14,073,364	14,212,460
Arrowhead Gardens Senior Living	12/05/07	35,000,000	01/01/42	34,647,210	34,900,164
First Liberty Apartments 07	12/11/07	5,965,000	04/01/40	4,770,000	4,840,000
Talon Hills Apartments	05/30/08	4,115,000	09/01/40	3,215,000	3,250,000
APD WA RD 2007 Portfolio	07/31/08	9,940,000	02/01/40	5,614,424	5,684,922
Parkview Apartments	07/28/08	3,060,000	08/01/43	3,060,000	3,060,000

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Streamlined Tax Exempt Private Placement - Multifamily Housing (Continued)					
Artspace Everett Lofts	12/23/08	7,500,000	12/01/41	$ 3,200,000	$ 3,200,000
Appian Way	12/31/08	13,610,000	07/01/40	5,639,133	5,755,940
Lake City Way Mixed Use	12/23/09	15,600,000	01/01/44	15,375,000	15,600,000
Lake City Senior Refunding	08/28/09	16,250,000	07/01/44	16,250,000	16,250,000
Washington Terrace Refunding	02/16/10	11,250,000	02/15/43	11,250,000	11,250,000
New Haven Refunding	12/15/09	19,000,000	12/15/44	19,000,000	19,000,000
Cambridge Refunding	12/15/09	12,650,000	12/15/44	12,650,000	12,650,000
Rose Street Apts (Grid)	02/08/10	9,600,000	02/01/27	4,107,645	4,152,230
Discovery Heights Apts	12/22/10	33,175,000	12/01/43	32,210,000	32,610,000
Evergreen Vista Apts A&B	05/03/11	7,300,000	11/01/27	4,627,370	4,696,892
12th Ave & Jefferson Apts WW	05/25/11	6,281,847	05/01/28	2,446,856	2,479,319
Columbia City Station WW	06/28/11	6,220,000	06/28/28	2,399,255	2,435,567
Palouse Family Apts.	05/25/11	12,250,000	06/01/43	-	12,163,344
Tomason Place II WW	06/29/11	2,770,000	06/01/28	1,017,040	1,030,484
55th Avenue Apts, Series 2011AB	08/16/11	9,600,000	07/01/29	6,400,000	9,600,000
Downtowner Apts	06/06/12	24,000,000	07/01/30	24,000,000	24,000,000
La Venture Workforce WWHP	08/03/11	3,940,000	01/29/28	2,228,768	2,262,375
Willow Tree Grove Apts	08/04/11	21,840,000	02/01/44	20,710,000	20,935,000
Traditions @ South Hill	08/15/11	14,780,000	08/01/44	13,500,000	14,780,000
Vintage @ Tacoma	08/15/11	17,800,000	07/15/29	17,800,000	17,800,000
Copper Ridge Apts	12/28/11	15,570,000	01/01/44	-	15,570,000
Urban Center Apts aka Ash Way	06/11/12	41,400,000	07/01/47	41,400,000	41,400,000
Interurban Senior Living	07/11/12	14,750,000	07/01/52	14,750,000	14,750,000
Tri-Court Apts	08/01/12	15,900,000	08/01/29	15,700,807	15,900,000
Desert Villa Apartments	07/30/12	11,100,000	07/01/30	10,820,000	10,965,000
North City Apts	06/07/12	20,150,000	06/01/44	19,963,162	20,150,000
Affinity at Southridge	07/12/12	13,850,000	07/01/45	-	13,850,000
Quilceda Creek Apartments 2012	11/13/12	21,020,000	07/01/30	21,020,000	21,020,000
Affinity at Olympia 2012	11/21/12	19,350,000	11/01/45	-	19,350,000
Rainier Court phase III-MFH	08/08/13	7,200,000	08/08/13	7,200,000	7,200,000
Sunny View Village-MFH	06/04/14	3,068,000	06/01/33	3,068,000	200,660
Parklane Apartments	03/28/13	17,420,000	11/01/46	16,653,941	17,420,000
Villas at Lakewood	03/22/13	24,180,000	03/01/31	23,627,561	22,842,794
The District Apts Series 2013	05/31/13	32,250,000	05/01/45	32,250,000	28,206,596
Des Moines Family Housing-MFH	09/13/13	5,850,000	03/13/34	5,418,207	1,246,768
Ballard Senior Apartments-MFH	11/15/13	7,000,000	12/01/16	-	2,359,401
Copper Landing Apts-MFH	08/15/13	11,500,000	08/01/15	11,500,000	11,500,000
Vantage-MFH	12/05/13	24,300,000	12/01/31	24,300,000	16,047,754
Mercy Housing 2013-MFH	12/12/13	17,225,000	01/05/15	-	17,225,000
Reserve at Everett-MFH	12/23/13	16,350,000	12/01/31	14,807,531	6,288,107
Monroe Family Village	05/23/14	6,800,000	12/01/45	2,831,459	133,087
Copper Trail Apts-MFH	10/03/13	26,300,000	10/01/45	26,183,637	13,246,866
Park 16-MFH	12/02/13	32,750,000	12/01/31	29,083,671	9,403,298
Beaver Creek Apts-MFH	02/03/14	6,700,000	08/01/15	-	6,700,000
Lake Washington 2014-MFH	03/14/14	28,000,000	09/01/26	24,951,540	14,095,513
Vintage at Lakewood-MFH	04/03/14	20,200,000	10/01/47	13,297,767	1,880,983
Olympia Vista-MFH	05/05/14	10,500,000	06/01/17	7,294,841	1,530,449
Hirabayashi Place-MFH	05/16/14	15,250,000	11/16/34	2,221,398	50,045
Celebration Senior Living East-MFH	06/10/14	22,400,000	06/01/47	20,864,784	1,774,145
Lilac Terrace	10/09/08	5,200,000	11/01/25	153,028	162,945
Traditions @ Walla Walla	03/30/11	9,552,000	05/01/21	-	9,044,793
Copper Lantern Apts	12/21/11	1,834,000	01/01/27	1,744,600	1,772,541
Pioneer Human Services 11	12/16/11	6,603,000	12/01/31	5,758,258	6,017,446
Appleway Court II	03/15/13	2,000,000	05/06/15	-	2,000,000
15 West Apartments-MFH	07/02/14	12,850,000	07/01/54	8,743,194	-
Summit Ridge Apartments-MFH	10/28/14	11,600,000	11/01/52	9,206,586	-
Towne Square Apts-MFH	09/11/14	3,600,000	04/30/31	3,493,934	-
The Reserve at Renton-MFH	07/30/14	24,000,000	08/01/49	24,000,000	-
Kitt's Corner-MFH	09/12/14	27,500,000	10/01/49	27,500,000	-
High Point-MFH	09/11/14	44,000,000	10/01/47	6,951,768	-
Axis Apartments-MFH	10/15/14	41,500,000	11/01/47	9,671,759	-
Grand View Apartments-MFH	10/23/14	42,000,000	11/01/47	5,185,074	-
Market Street Apartments-MFH	11/21/14	12,000,000	12/01/51	12,000,000	-
Polaris at Covington Apts-MFH	11/01/14	24,800,000	12/01/46	7,704,263	-
The Douglas-MFH	12/23/14	9,000,000	01/01/32	7,703,281	-
Scriber Creek-MFH	02/28/15	44,400,000	03/01/52	2,712,162	-
Copper Lane Apartments-MFH	01/28/15	19,000,000	02/01/33	5,265,177	-
The Reserve at SeaTac-MFH	03/03/15	33,000,000	04/01/53	33,000,000	-
The Winthrop-MFH	05/05/15	28,000,000	06/01/32	9,696,400	-
Mt. Baker Apts	10/15/98	2,320,000	10/01/28	1,548,119	1,620,310
Covington Commons Apts	06/11/99	2,600,000	07/01/29	988,771	1,022,884

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF NOTES AND BONDS PAYABLE (CONTINUED)
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE TOTALS FOR 2014

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Streamlined Tax Exempt Private Placement - Multifamily Housing (Continued)					
Rockwood Terrace	09/29/99	1,551,107	10/01/14	$ -	$ 1,156,231
Terrace Apartments	08/28/00	1,222,000	08/01/30	918,175	951,183
Yakima Gardens	12/18/98	942,500	01/01/29	635,993	664,824
Oregon Place	07/14/00	2,500,000	08/01/30	944,621	980,475
Westgage Terrace Apts	08/31/05	3,218,000	03/01/22	2,733,595	2,800,459
Parkland Terrace Apts	08/31/05	1,600,000	03/01/22	1,359,152	1,392,397
Hiawatha Artist's Loft	12/01/06	8,500,000	12/01/28	3,490,300	3,558,611
Creston Point Apartments 07	10/19/07	2,000,000	11/01/37	2,000,000	2,000,000
				1,803,097,151	1,694,203,456
Unamortized Bond Premium				-	12,583
Unamortized Bond Discount				-	-
				1,803,097,151	1,694,216,039
Streamlined Tax Exempt Private Placement - Nonprofit Housing					
Nikkei Concerns	10/20/94	6,250,000	10/01/19	1,880,000	2,230,000
Nikkei Manor	11/06/96	3,100,000	10/01/21	1,400,000	1,550,000
Panorama City	01/29/97	24,300,000	01/01/27	10,330,000	11,650,000
Living Care Centers	10/26/00	14,950,000	10/01/30	10,970,000	11,385,000
Pioneer Human Services 2001	08/02/01	7,100,000	08/01/19	1,365,000	1,785,000
Franke Tobey Jones	08/27/03	13,035,000	09/01/33	13,035,000	13,035,000
Mercy Housing	09/19/03	6,445,215	09/19/33	4,485,491	4,626,311
Mercy Housing - Cobble Knoll, Phase II	11/30/04	3,900,000	11/01/34	3,175,404	3,262,637
Mirabella	11/03/06	256,745,000	03/01/36	30,750,000	30,750,000
Skyline at First Hill	02/28/07	214,700,000	01/01/38	101,025,000	103,015,000
Wesley Homes Lea Hill Refunding	04/02/07	57,610,000	01/01/36	41,425,000	42,425,000
Panorama Apartments	04/03/08	28,500,000	04/01/43	28,000,000	28,000,000
Edmonds Community College	07/16/08	16,155,000	07/01/43	15,880,000	15,990,000
Pioneer Human Services 2009	06/30/09	10,460,000	07/01/29	8,990,000	9,335,000
Odd Fellows 2010 Refi	07/15/10	8,609,000	07/01/20	6,920,563	7,293,440
Crista Ministries Ref	12/29/10	13,495,000	01/01/26	10,264,908	11,043,074
San Franciscan Apts WW	12/22/10	1,250,000	01/01/31	1,155,209	1,178,385
Mt Baker/Cedar Village WW	12/21/10	2,444,000	12/01/21	2,298,056	2,342,078
Mount Vista Apts WW	03/29/11	1,100,000	04/01/41	1,015,062	1,036,900
Purple Sage Apts WW	05/12/11	1,100,000	05/01/21	1,038,214	1,063,012
Littlerock Road Housing WW	05/27/11	3,568,621	06/01/43	3,229,664	3,282,848
Park Place Townhomes	08/19/11	1,200,000	09/01/41	1,117,746	1,141,386
Kline Galland Center Ref	12/08/11	20,880,000	12/01/26	16,951,601	18,129,771
Skyline 2012 Refunding	03/23/12	8,000,000	01/01/19	5,465,000	5,465,000
Judson Park 2012	05/31/12	21,505,000	02/01/37	18,889,527	19,761,351
Housing Hope 2012	08/31/12	1,713,769	09/01/42	1,642,628	1,669,662
Mirabella Refunding	12/27/12	89,240,000	10/01/47	80,775,000	81,440,000
Riverview Retirement Community 2012	12/03/12	15,695,000	01/01/48	15,360,000	15,530,000
Emerald Heights Refunding	02/07/13	29,845,000	07/01/33	28,270,000	29,245,000
Tacoma Lutheran Retirement Community	03/22/13	13,000,000	04/01/43	12,405,494	12,685,761
Presbyterian Retirement Comm NW	06/19/13	14,840,000	01/01/43	14,485,000	14,720,000
Bellevue Duplexes 2013	07/01/13	820,000	08/01/23	796,334	809,498
The Hearthstone 2013	07/03/13	25,000,000	07/01/41	23,256,542	14,117,518
Rockwood Retirement 2014	02/13/14	103,755,000	01/01/49	102,505,000	103,755,000
Heritage Heights 2013	07/31/13	1,700,000	08/01/28	1,625,313	1,666,825
Green River Comm College Refunding	08/28/13	14,885,000	07/01/35	14,083,136	14,550,211
Horizon House 2014 Refunding	03/06/14	61,000,000	04/01/39	48,101,560	49,210,262
Wesley Homes at Lea Hill-NPH	09/30/14	10,000,000	10/01/39	3,956,878	-
Liberty Park-NPH	10/30/14	1,160,000	11/02/44	1,152,097	-
Meadowdale Apartments-NPH	05/26/15	7,000,000	06/01/31	4,848,839	-
Wilton Apts	06/21/95	620,000	10/01/15	245,756	281,294
3904 Martin Luther King Way Apts	03/01/00	561,000	04/01/25	333,596	356,736
Brentwood Apartments	08/27/02	1,491,000	09/01/32	1,156,658	1,193,385
Clallam County Hostelries	11/25/02	366,843	12/01/22	182,729	202,620
St. Andrew's Place	07/29/97	3,000,000	08/01/27	1,817,878	1,945,167
Der Garten Haus	09/21/98	650,000	10/01/18	436,333	456,476
Nuuanu Pali Apartments Project	01/31/02	725,000	02/01/32	558,820	576,846
Meadowdale Apartments	02/18/05	5,680,000	02/01/15	-	4,853,930
Christian Health Care Center	10/13/05	7,532,219	10/02/20	3,062,458	3,522,832
Josephine Sunset Home	08/04/05	7,320,000	08/01/25	5,329,188	5,600,188
Tall Firs	07/15/10	2,850,000	07/01/45	2,850,000	2,850,000
Mt Baker View	09/30/10	1,250,000	10/01/40	1,147,782	1,171,561
				711,441,464	713,186,965
Unamortized Bond Premium				3,018,495	3,289,154
Unamortized Bond Discount				(308,265)	(356,250)
				714,151,694	716,119,869

WASHINGTON STATE HOUSING FINANCE COMMISSION
SCHEDULE OF NOTES AND BONDS PAYABLE (CONTINUED)
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE TOTALS FOR 2014

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Streamlined Tax Exempt Private Placement - Nonprofit Facilities					
YMCA-Inland Northwest	04/08/99	5,800,000	07/01/29	$ 4,150,000	$ 4,330,000
St. Vincent dePaul Project	02/01/00	5,000,000	02/01/30	-	3,040,000
Community College of Spokane Foundation 2000	08/04/00	8,800,000	07/01/30	7,010,000	7,200,000
Southwest WA Pipe Trades Training Center	10/31/00	4,230,000	10/01/25	2,485,000	2,650,000
Evergreen School 2002	06/27/02	9,500,000	07/01/28	6,330,000	6,695,000
Tacoma Art Museum	06/04/02	10,000,000	06/01/32	10,000,000	10,000,000
Overlake School	10/02/03	10,030,000	10/01/29	6,750,000	7,075,000
Bertschi School	06/15/06	6,300,000	06/01/35	5,365,000	5,525,000
Antioch University Project	05/18/05	6,780,000	01/01/27	4,245,000	4,540,000
Gig Harbor YMCA	08/01/06	12,500,000	12/01/32	9,190,000	9,715,000
Eastside Catholic	02/12/07	75,800,000	07/01/38	-	21,740,000
Allied Trades Training Center	11/02/06	7,225,000	11/01/32	5,420,000	5,655,000
YMCA of Snohomish County	12/01/06	17,345,000	12/01/33	11,545,000	12,390,000
Overlake School 2008	08/15/08	10,350,000	10/01/29	8,545,000	8,955,000
YMCA - Inland Northwest	09/11/08	11,000,000	07/01/33	10,325,000	10,550,000
Billings Middle School	05/06/10	1,484,000	06/01/20	1,007,780	1,073,909
Benton-Franklin Children's Center	07/28/09	624,000	08/01/19	432,576	469,295
South Sound YMCA Refunding	01/15/10	4,145,000	02/01/20	2,843,738	3,110,502
Eastside Catholic	12/30/09	30,000,000	07/01/38	-	26,525,000
Multi-Service Center	12/30/09	1,750,014	09/30/40	1,201,503	1,226,241
Girl Scouts of W. WA Refi STE	09/08/11	2,741,250	06/01/42	2,586,395	2,640,006
Villa Academy '11 Refunding	12/01/11	8,262,000	12/01/21	7,548,759	7,795,053
Northwest School Ref 2012	05/24/12	16,665,000	06/01/39	12,154,675	16,435,024
Seattle Country Day School Ref	07/20/12	9,450,000	08/01/37	8,960,000	9,210,000
Lutheran Community Services 2012 (STEP)	08/01/12	3,450,000	01/01/37	3,246,432	3,335,623
YMCA of Greater Seattle Ref	07/31/12	30,000,000	09/01/37	28,730,000	29,380,000
Seattle Prep 2013	05/31/13	10,000,000	08/01/38	9,793,212	5,550,000
ACRS Project 2013	11/26/13	3,500,000	11/26/38	3,363,517	3,456,231
YMCA of Pierce & Kitsap 2014	03/26/14	44,040,000	06/01/39	42,245,000	43,700,000
Whatcom CC Foundation 2014	03/31/14	7,740,000	04/01/39	7,074,534	7,642,015
STEP People for People Series 2014	05/01/14	918,000	05/01/24	833,593	911,670
Westside School	06/02/14	8,775,000	06/01/25	8,775,000	175,000
Hamlin Robinson School-NPF	07/02/14	15,000,000	08/01/37	8,707,877	-
Pierce County AIDS Foundation-NPF	07/30/14	1,120,000	07/30/34	1,087,356	-
Amara Project 2015 Series-NPF	06/30/15	5,400,000	12/31/25	3,650,000	-
Puget Sound Regional Services-NPF	12/22/14	1,700,000	01/01/45	1,688,915	-
Pacific Science Center-NPF	04/28/15	2,397,000	05/01/30	2,388,350	-
Eastside Catholic School-NPF	02/25/15	46,765,000	07/01/38	46,765,000	-
Dawson Place Child Adv-NPF	04/28/15	1,196,590	05/01/25	1,194,399	-
Work Force Development	05/23/96	1,027,000	12/01/21	436,791	494,428
Little Red School House	04/29/98	385,941	05/01/23	172,865	191,482
Pacific NW Research Institute	05/06/99	2,700,000	07/01/14	-	135,000
SEED Homesight Project	05/13/99	616,000	07/01/09	411,072	431,748
Pullman Community Action Center	03/30/00	700,000	04/01/30	507,165	526,646
Island School Expansion and Remodel	11/01/01	1,300,000	11/01/26	474,024	509,180
Harlequin Productions Project	11/08/01	538,750	11/01/21	67,775	75,638
Artist Trust Project	11/30/01	350,000	11/30/31	233,809	252,797
Girl Scouts-Totem Council Project	12/28/01	2,576,000	01/01/32	1,956,410	2,022,205
Hyla Middle School Project	12/26/01	650,000	01/01/27	277,634	298,671
Tomorrows Hope	04/05/02	860,000	04/01/27	545,780	584,390
Southside Senior Center	05/22/02	650,000	06/01/22	212,273	247,432
New Horizon's School	07/31/02	875,000	08/01/32	641,126	667,830
Harbor Montessori	07/02/03	1,300,000	07/01/28	856,404	906,790
Opportunity Council	09/04/03	1,350,000	09/01/23	-	833,580
Martha & Mary	12/09/03	1,416,000	12/01/28	763,525	810,814
Whatcom Family YMCA 2004	02/04/04	1,100,000	02/01/24	579,510	637,095
French American School	04/21/04	1,875,000	02/01/25	1,033,780	1,151,353
Metropolitan Development Council	12/30/04	2,403,530	12/01/31	-	1,842,695
NW Pipe Trade - Local 26 Educational Dev. Trust	07/20/05	3,500,000	04/01/31	2,427,815	2,539,739
Morningside	11/07/05	2,244,118	11/01/30	304,911	359,297
Valley Residential Services	11/09/05	640,000	11/01/20	484,198	506,392
Goodwill Industries - Spokane Complex	03/01/06	2,400,000	03/01/26	263,610	457,551
Richland Health Science Center - Columbia Basin	03/30/06	2,950,000	09/01/31	2,184,142	2,368,060
N.E.W.J.A. Training Center	05/05/06	874,989	05/01/06	413,680	476,579
SKCAC Industries	08/01/06	1,100,000	08/01/21	880,521	911,241
Re Sources Sustainable Living Center	10/31/06	2,025,000	11/01/31	1,608,057	1,679,054
Tacoma Musical Playhouse	11/01/06	1,425,000	11/01/18	1,005,293	1,095,965
Archbishop Thomas Murphy School	05/02/07	8,500,000	05/01/27	6,133,240	6,527,034
University Cooperative School	05/09/07	1,000,000	06/01/37	915,167	930,845
Perry Technical Institute	10/26/07	5,000,000	11/01/27	3,837,191	4,056,781

Series	Issue Date	Original Amount	Final Maturity Date	Balance Outstanding 2015	Balance Outstanding 2014
Streamlined Tax Exempt Private Placement - Nonprofit Facilities (Continued)					
Alliance Center	12/19/07	2,150,000	12/31/37	$ 1,883,902	$ 1,926,658
West Sound Academy	04/01/08	4,640,000	04/01/28	4,140,007	4,218,720
French American School	04/03/08	2,290,000	10/01/28	1,527,904	1,666,719
Soundview School	10/01/08	2,890,000	10/01/18	2,461,176	2,536,148
Open Window School (STEP)	08/02/10	7,710,000	08/01/35	6,063,688	6,443,210
TVW Refunding STEP	09/30/11	1,187,251	10/01/21	1,084,896	1,114,572
Alpha SLS STEP	01/29/13	1,336,000	02/01/38	1,252,473	1,289,124
Compass Health	07/10/12	500,000	07/01/27	418,906	447,366
Swauk Wind	12/27/12	9,000,000	12/20/32	8,483,552	8,700,000
YMCA of Greater Seattle 2013	07/12/13	2,030,000	07/01/20	1,506,756	1,781,987
Town & Country	03/06/14	1,150,000	03/06/14	1,130,833	58,000
Tregoning Beginning Farmers	04/30/08	250,000	05/01/33	182,504	190,430
Glasso Beginning Farmers	05/23/08	184,800	06/01/33	141,896	148,025
Pottratz Beginning Farmers	08/06/08	72,000	01/02/33	52,507	54,790
Torres Beginning Farmers	01/07/09	326,500	01/01/24	205,465	225,560
Craig & Pamela Cleveringa	09/22/09	142,000	01/01/39	120,286	123,520
Kenneth & Carrie Little	08/24/09	217,500	08/01/39	188,812	193,849
Daniel & Kimberly Hulse	09/22/09	195,000	09/01/39	171,493	175,953
John & Sara Burns	08/31/09	305,000	08/01/39	266,666	273,636
Sage Shelton	11/18/09	225,000	11/01/39	201,178	206,199
Kyle Chamberlain	11/20/09	132,603	10/01/39	118,206	121,153
Brent & Melissa Favilla	01/15/10	127,500	01/01/35	109,780	113,628
Aaron Otto & Kim Denend	01/29/10	213,000	01/01/40	189,385	194,260
Scott Johnson & Erika Britney	03/04/10	400,000	03/01/35	315,957	332,973
Ross and Deborah Landt	04/29/10	242,000	01/01/34	206,906	214,082
Cody Schoesler	05/21/10	165,000	03/01/35	119,916	132,063
Wesley Wasson & Karen Temen	06/25/10	265,000	03/01/40	220,815	226,333
Jacob Wyles (8/6/2010)-BFL	08/06/10	278,500	01/01/31	235,925	247,017
Nicholas Wyles (3/11/11)-BFL	03/11/11	262,000	01/01/36	231,146	238,705
Jason Salvo & Siri Brown	08/17/11	197,500	08/01/41	182,417	186,666
Josh Hyatt & Melissa Henderso	05/18/12	150,000	05/01/42	132,672	143,913
Gary Johnson	04/21/14	200,000	05/01/29	98,022	199,150
				360,912,426	351,348,290
Unamortized Bond Premium				-	-
Unamortized Bond Discount				-	-
				360,912,426	351,348,290
Totals - Net				$ 3,425,725,895	$ 3,418,394,922
Totals Gross				$ 3,419,567,146	$ 3,411,460,965