1983–2013 Cumulative Report

30 Years of Statew *Impact*

WASHINGTON STATE HOUSING FINANCE COMMISSION

30 Years of Statewide Impact

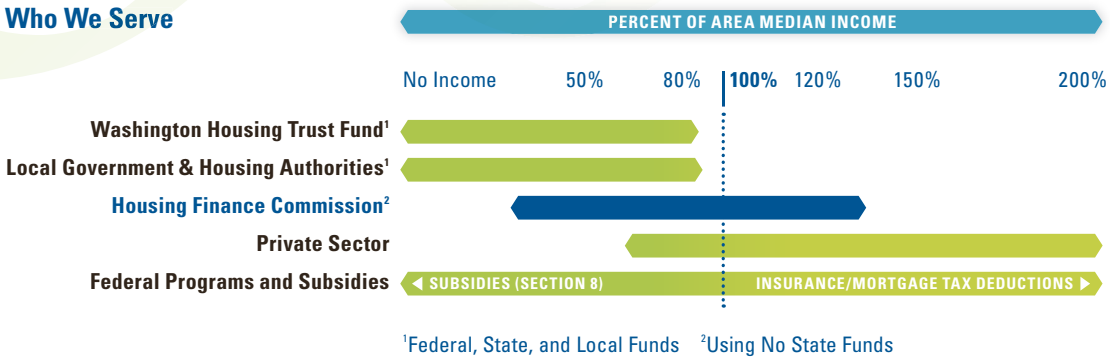
Residents of every county across Washington state benefit from the housing, facilities, and jobs created by our programs.

In fact, just the families who have purchased a home through the Commission equal a city about the size of Everett. The families who first occupied the multifamily rental units we've financed equal a city about the size of Spokane.

That's more than 307,000 people who have a safe, affordable place to sleep tonight, thanks to our programs.

And that's not to mention the community facilities, farms and ranches, and energy projects.

Who We Serve



Most people served by Washington State Housing Finance Commission programs earn less than the state's median income. Our financing mechanisms were designed to be used in cooperation with the private sector. They are "shallow subsidies," intended to address the needs of residents other than those at the lowest income levels.

Financing Community Statewide

Nationally recognized and self-sustaining, our programs fund housing and facilities, create and sustain jobs, and infuse millions into the state economy. We help communities across Washington create affordable housing, build facilities for a wide range of uses, and lend a hand to those who want to make their living from the land. In tough economic times, housing and community development programs like ours are also a crucial source of jobs and economic stimulus.

Learn More

We welcome the opportunity to tell you more about our programs and how they work to make your community stronger. Please contact us at 206-464-7139, or visit our website at www.wshfc.org.

ON THE COVER Mei Jones and Brian Nozynski love their modern, energy-efficient, affordable West Seattle home—one of the "Triplets" renovated through our Sustainable Energy Program and purchased using a Home Advantage loan.

Visualizing Impact, 1983–2013

46,647 single-family homes financed, enough to house the population of Everett, Washington.

97,171 multifamily living units financed, enough to house the population of Spokane, Washington.

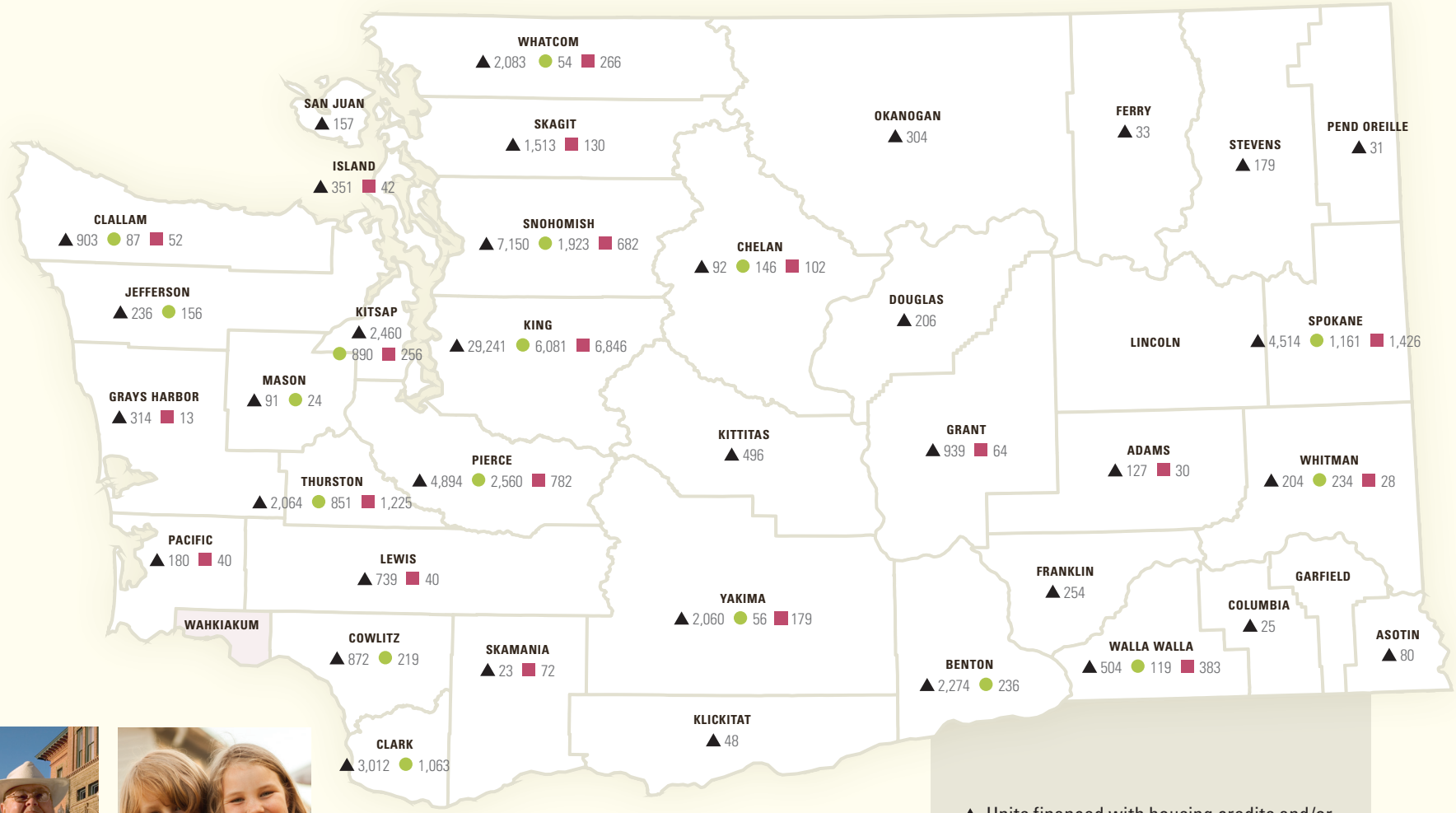
Multiplied by just 2.1 people per household...

More than **307,000** people have safe, affordable housing tonight, thanks to the Commission.

307,000+ PEOPLE

Multifamily Housing—30-Year Impact by *County*

97,171 *housing units*



▲ Units financed with housing credits and/or tax-exempt bonds: 68,653

● Units financed with bonds only: 15,860

■ Nonprofit units financed: 12,658

Cumulative Totals per County from 7/1/83 to 6/30/13

Through the allocation of federal housing credits and the issuance of tax-exempt bonds, we help finance a spectrum of affordable multifamily housing statewide, with projects in nearly every county.

97,171
housing units

27,418
housing units for seniors

Multifamily Senior Housing Units

(Included in Total Unit Count)

Type	Number of Units
Assisted-living Units	5,147
Independent-living Units	19,205
Nursing Beds	3,066
Total	**27,418**

Multifamily Bonds Issued and Housing Credits Allocated by County

County	Bonds	Housing Credits
Adams	$ —	$ 8,679,940
Asotin	—	7,445,850
Benton	103,048,815	57,957,240
Chelan	9,345,000	10,899,590
Clallam	23,343,295	60,961,344
Clark	127,334,059	429,530,869
Columbia	—	2,631,250
Cowlitz	13,149,633	36,151,750
Douglas	—	18,915,434
Ferry	—	4,229,900
Franklin	—	36,092,709
Garfield	—	—
Grant	9,600,000	104,452,476
Grays Harbor	—	24,143,030
Island	5,535,089	11,665,890
Jefferson	15,860,914	12,705,276
King	1,047,495,477	1,475,090,254
Kitsap	70,693,200	127,484,397
Kittitas	—	25,688,200
Klickitat	—	4,624,370
Lewis	11,145,000	74,112,729
Lincoln	$ —	$ —
Mason	1,837,935	3,772,540
Okanogan	—	18,450,749
Pacific	—	1,995,910
Pend Oreille	—	566,590
Pierce	186,863,049	229,287,210
San Juan	—	5,745,260
Skagit	31,288,501	71,031,138
Skamania	—	2,495,860
Snohomish	388,475,847	219,449,760
Spokane	154,295,000	223,131,487
Stevens	—	14,457,420
Thurston	105,699,656	68,750,580
Walla Walla	13,148,098	42,244,190
Whatcom	43,715,000	115,488,422
Whitman	9,770,000	19,791,021
Yakima	4,255,489	185,367,726
Tax-exempt	$ 2,375,899,057	
Taxable	$ 254,855,117	
Total	**$2,630,754,174**	**$3,755,488,361**

[1] Federal housing credits are allocated for 10 years. Credit amounts used are the 10-year totals.

Multifamily Housing—30 Year Impact by *Program*

Total Investments, 1983–2013

Since 1983, we have financed more than 97,000 units, of which over 27,000 serve the elderly. The greatest number of projects are located in the state's highest population centers, where demand is greater and developers are able to secure the complex financing necessary for such projects. Multifamily bond financing, particularly, is most feasible in urban areas, where projects are large enough and rents are high enough to enable developers to repay their bond debt.

Projects financed with housing credits, meanwhile, serve people with lower incomes in rural and urban communities alike. Many of these units have been set aside for large families and farmworkers, and for elderly, disabled, and previously homeless residents.

Multifamily Housing Bonds

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

- $2.38 billion in tax-exempt bonds helped finance 43,269 units of rental housing, of which 29,772 were reserved for low-income and/or special-needs households.
- $296.4 million in refunded tax-exempt bonds extended and preserved a portion of the 29,772 low-income units.
- $254.8 million in taxable bonds allowed the financing of 3,779 of the 43,269 units. These would not have been built without the Commission's ability to issue taxable bonds.

4 Percent Housing Credit/ Tax-Exempt Bond Program

267 projects–38,686 units

The 4% housing credit program (in which the credit provides up to 30% of the project's equity) combined more than $908 million in annual housing credits with tax-exempt bond financing to fund multifamily rental housing, including housing for the elderly and the disabled.

9 Percent Housing Credit Program

626 projects–30,159 units

Housing credits in the 9% program (in which the credit provides up to 70% of the project's equity) are allocated through an annual competitive process in which projects are evaluated and scored according to the Commission's established criteria.

- This program finances projects in rural and urban communities statewide for low-income individuals, including the elderly (nearly 6,639 units), the disabled (3,901 units), large households (over 2,510 units), farmworkers (1,652 units), and the homeless (1,909 units).
- 24,038 units are still under a regulatory agreement, meaning that they are subject to compliance with income and/or rent restrictions.

Housing credits are sold to investors and converted into equity for the construction, acquisition, or rehabilitation of affordable multifamily housing throughout the State of Washington.

Nonprofit Housing

125 projects – 12,658 units

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

- $1.1 billion in tax-exempt bonds helped finance 12,658 units of rental housing, of which 2,702 were reserved for low-income and/or special-needs households.
- Tax-exempt nonprofit bonds were refunded for 21 projects.
- $41 million in taxable bonds were issued to finance associated project costs.

501(c)(3) Bonds for Nonprofit Housing & Facilities*

County	Bonds Issued
Adams	$ 815,677
Benton	5,643,802
Chelan	3,607,390
Clallam	3,366,843
Clark	3,900,000
Grant	2,254,115
Grays Harbor	2,900,000
Island	250,000
King	1,457,032,053
Kitsap	46,386,000
Lewis	1,100,000
Pacific	3,050,000
Pierce	83,737,749
Skagit	6,490,004
Skamania	3,427,438
Snohomish	89,345,429
Spokane	79,836,546
Thurston	81,417,810
Walla Walla	13,422,800
Whatcom	17,472,750
Whitman	1,275,697
Yakima	26,583,961
Tax-exempt	$ 1,933,316,064
Taxable	$ 63,862,500
Total	**$1,997,178,564**

*See pages 10–11 for facilities detail.

Capital Plus!

21 projects – $7.5 million invested

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

The projects funded through Capital Plus! include community gardening for at-risk youth in Olympia; senior housing in rural Stevens County; a community center for disabled adults in Whatcom County; supportive housing in Thurston County; and seasonal farmworker housing in Mesa, Washington.

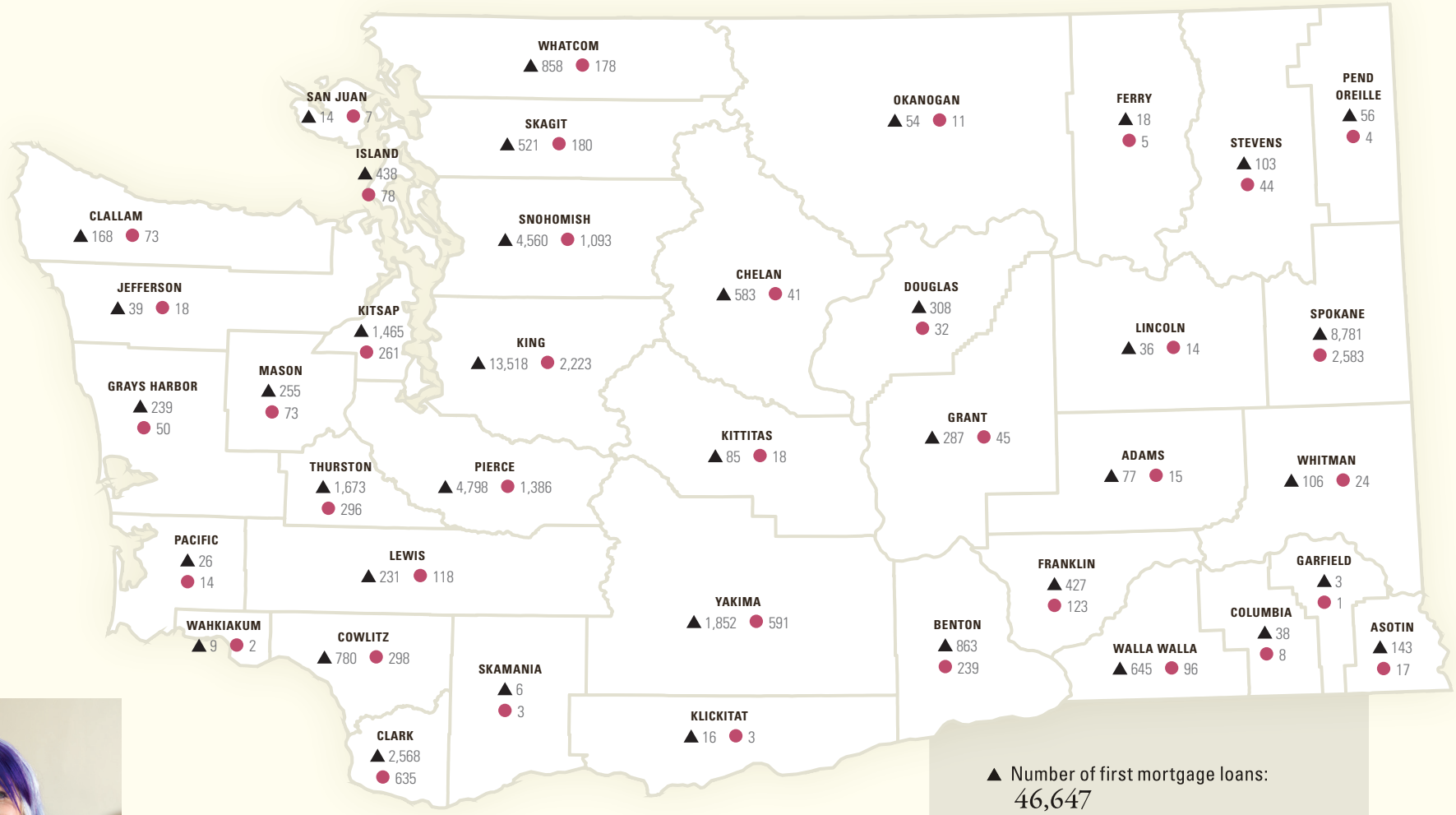
Land Acquisition Program

16 projects, $9.4 million

The Land Acquisition Program is a revolving loan program that assists eligible organizations to purchase land suited for the eventual development of either multi- or single-family affordable housing. This program resulted in the development of 108 homes for homeowners and 536 rental units.

Homeownership—30-Year Impact by *County*

57,547 *home loans,* $4.5 billion *invested*



▲ Number of first mortgage loans: 46,647

● Number of downpayment assistance loans: 10,900

[2] Households that receive first mortgage loans may also receive downpayment assistance loans.

Cumulative Totals per County from 7/1/83 to 6/30/13

Washington state residents in every county have achieved the American dream of homeownership thanks to the Commission's home loans and downpayment assistance.

46,647
Total first mortgage loans

10,900
Total downpayment assistance loans

57,547
Total home loans

$4.5 billion
Total amount loaned

Single-Family Loans by County

County	First Mortgage Loans	Downpayment Loans
Adams	$ 4,648,009	$ 95,762
Asotin	8,155,164	99,768
Benton	69,056,439	1,166,533
Chelan	41,351,732	190,091
Clallam	16,412,840	661,133
Clark	260,345,482	3,925,008
Columbia	1,886,508	91,758
Cowlitz	65,249,091	1,234,843
Douglas	24,696,065	143,446
Ferry	1,193,128	22,326
Franklin	41,953,197	582,092
Garfield	219,461	3,811
Grant	18,355,507	250,982
Grays Harbor	15,722,928	329,177
Island	53,659,003	582,182
Jefferson	4,763,269	134,696
King	1,387,258,080	31,917,078
Kitsap	138,383,082	1,584,090
Kittitas	7,952,390	139,216
Klickitat	1,196,040	12,450
Lewis	$ 20,349,225	$ 718,143
Lincoln	2,394,668	112,704
Mason	24,540,017	510,690
Okanogan	3,947,234	60,103
Pacific	2,086,051	100,722
Pend Oreille	4,126,388	17,252
Pierce	501,264,473	9,609,473
San Juan	1,473,112	83,063
Skagit	59,092,874	1,019,277
Skamania	582,829	20,458
Snohomish	559,997,353	7,964,671
Spokane	657,949,699	11,738,563
Stevens	8,662,153	296,420
Thurston	158,328,115	1,884,341
Wahkiakum	833,830	7,000
Walla Walla	41,070,637	520,466
Whatcom	90,468,895	1,473,890
Whitman	7,320,232	190,036
Yakima	150,380,760	2,884,864
Total	**$4,457,325,960**	**$82,378,578**

Homeownership—30-Year Impact by *Program*

First Mortgage Programs

HOME ADVANTAGE (2013 – PRESENT)

$275 million in loans

1,563 households served

In 2013, Home Advantage replaced House Key as the Commission's primary first-mortgage program. It is funded by the proceeds from loans bought and sold on the open market. Key differences are simplified eligibility, no restriction to first-time homebuyers, and universal access to downpayment assistance.

HOUSE KEY STATE BOND (1983 – 2013)

$4.12 billion in tax-exempt bonds

$156 million in taxable bonds issued

45,084 households served

These numbers include the following programs:

Mortgage Credit Certificate A tax-credit program used to offset a portion of personal federal tax liability so that buyers can more easily afford their mortgage payments. This program provided 2,466 loans from 2008 – 2012.

Open Door Second Mortgage Provided 74 loans in downpayment and closing-cost assistance for first-time homebuyers in Tacoma and King County.

Community Reinvestment Act (CRA) Single-Family Home Ownership Provided 49 first-mortgage loans for families in rural areas.

Cash Window, Voyager, and Express Programs Provided 168 House Key loans that were sold directly to Fannie Mae and Ginnie Mae.

Homebuyer Education (1991 – present)

- 166,251 potential homebuyers educated about first-time homebuying, real estate and finance terminology, and home maintenance and repair.
- 13,870 homebuyer seminars coordinated statewide.
- 6,362 instructors, including loan originators, real-estate professionals, and nonprofit partners, trained to teach free homebuyer education seminars.

Homeowner/Homebuyer Counseling (1998 – present)

$21 million allocated to nonprofit organizations

89,000 households assisted

The Commission oversees one of the state's largest housing counseling programs. While this includes pre-purchase counseling, since 2008 the program has focused on assisting the thousands of Washington homeowners facing foreclosure.

In addition to nonprofit partners and housing counselors statewide, these funds also support the state's foreclosure counseling hotline, providing personal assistance to hundreds of callers each year.

Amount	Grant Source	Nonprofit Organizations Providing Counseling
$3.12 million*	Washington State Office of the Attorney General (National Settlement) (2012 – 2013)	9
$7.5 million*	State of Washington 2011 Foreclosure Fairness Act (2011 – 2013)	18
$385,250*	Housing and Urban Development Emergency Homeowners Loan Program (2011 – 2013)	10
$3.84 million*	Housing and Urban Development (1998 – 2013)	48
$550,000	Washington State Office of the Attorney General (Wells Fargo Settlement) (2011 – 2012)	16
$2.43 million	National Foreclosure Mitigation (2008 – 2012)	11 (administered by NeighborWorks)
$595,000	Washington State Office of the Attorney General (Countrywide Settlement) (2010 – 2011)	11
$500,000	State of Washington 2010 legislative appropriation (2010 – 2011)	15
$250,000	Housing and Urban Development Neighborhood Initiative (2009 – 2011)	22
$990,000	State of Washington 2008 legislative appropriation (2008 – 2009)	25
$571,355	Rural Housing and Economic Development (2000 – 2001, 2003 – 2004)	16

*Ongoing programs

Downpayment Assistance

Downpayment Assistance Programs

- $82,378,578 in second-mortgage loans
- 10,900 households served

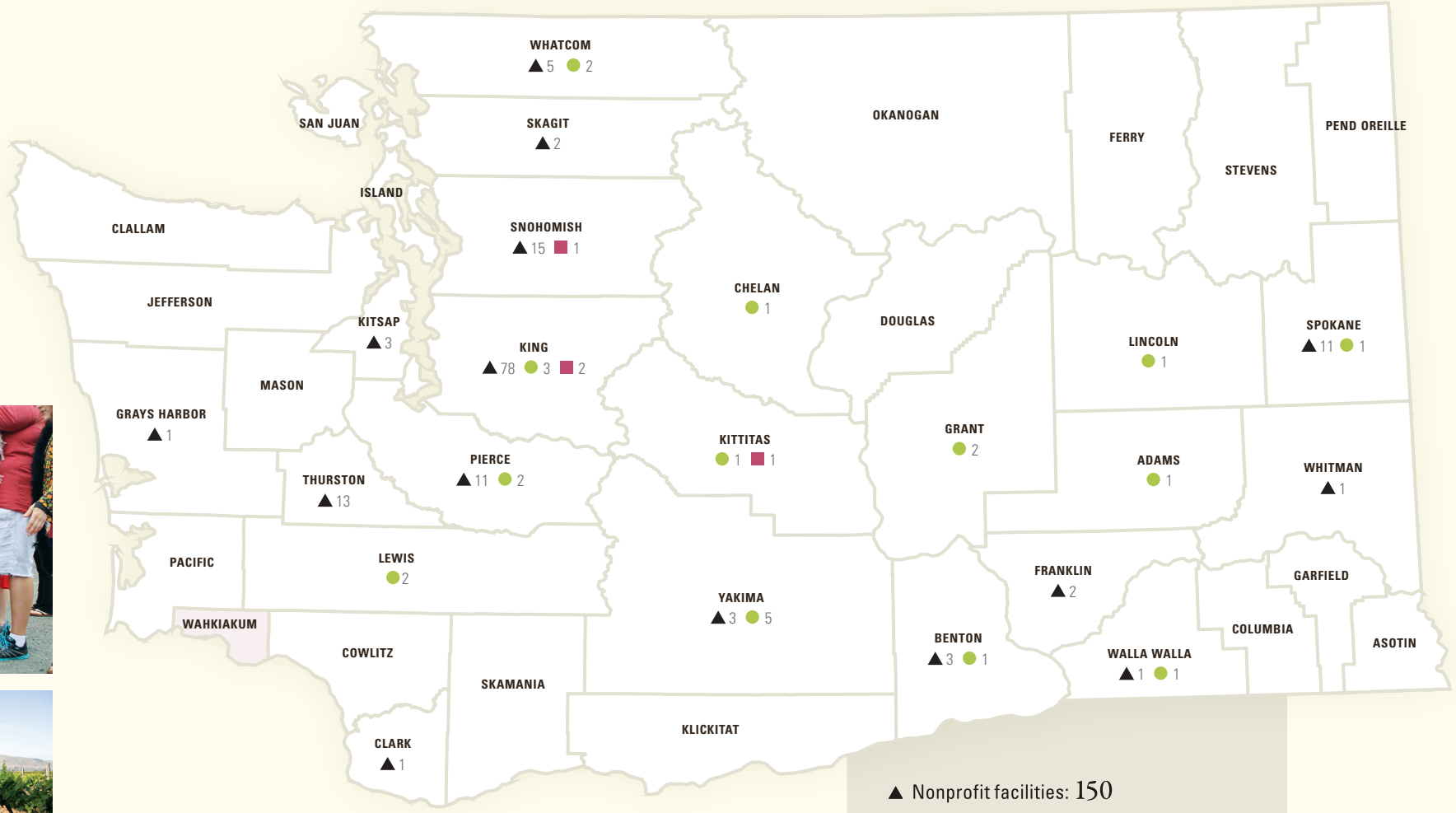
The Commission offers second mortgages to assist homebuyers with the downpayment and closing costs of a home purchase. Maximum loan amounts and interest rates vary by program. Funding sources also vary; many programs are sustained through the Commission's Program Investment Fund, while others are partnerships with other entities.

Downpayment assistance is only available to borrowers who use a Commission first mortgage and complete a homebuyer-education class.

Program	Eligible Households	Borrowers Served	Total Loaned for Downpayment and Closing-Cost Assistance
ONGOING PROGRAMS			
Home Advantage DPA	Those who qualify for a Home Advantage first mortgage	1,461	$10,074,283
HomeChoice	Individuals with disabilities; 42% of borrowers earn less than 50% of the area median income	1,139	$14,475,051
Home Advantage Built New *(formerly New Home for You)*	Purchasing newly constructed, never-occupied homes	128	$ 954,096
Home Advantage Rebound *(funded by the state Consumer Remedy Fund)*	Buying a home that has been foreclosed	58	$ 512,640
House Key Plus Seattle *(a partnership with the City of Seattle since 2004)*	First-time homebuyers within the City of Seattle earning 80% or less of area median income	360	$18,771,554
House Key Schools	Employees of community/technical colleges, K-12 public schools, and private schools accredited or recognized by the State of Washington	153	$ 1,154,369
House Key Plus CLT	Buying a home in King, Skagit, San Juan, or Whatcom counties on community land trust (CLT) property	102	$ 1,337,782
House Key Plus ARCH *(A Regional Coalition for Housing)*	Buying a home in east King County within an ARCH member city or surrounding unincorporated area	60	$ 1,726,961
House Key Veterans	Military veterans	40	$ 287,551
PREVIOUS PROGRAMS			
House Key Plus *(ended Jan. 2013)*	Low- and moderate-income first-time homebuyers	6,319	$26,521,431
House Key Real Estate Owned *(ended 2012)*	Buying a home that has been foreclosed	893	$ 6,448,429
House Key Bremerton *(ended 2012)*	Buying a home in the City of Bremerton	5	$ 36,916
House Key Rural *(ended 2011)*	Rural borrowers who earn up to 80% of area median income	193	$ 1,760,117
House Key King County *(ended 2010)*	Buying a home in King County (outside the Seattle city limits and outside the ARCH King County area)	38	$ 1,124,256
House Key Federal Way *(ended 2010)*	Buying a foreclosed, bank-owned, delinquent, or abandoned home in Federal Way	11	$ 314,213
House Key Extra *(ended 2005)*	Rural residents with disabilities or who have a dependent family member with a disability	27	$ 165,075

Beyond Housing—30-Year Impact by *County*

179 *Community Projects,* $811 *Million Invested*



▲ Nonprofit facilities: 150

● Farms/ranches: 23 (1,173 acres total)

■ Energy projects: 4

Beyond Housing—30-Year Impact by *Program*

Nonprofit Facilities Program

150 facilities

$796 million in bonds

The Commission issues tax-exempt 501(c)(3) bonds to finance capital facilities and equipment owned by nonprofit organizations. Projects include schools, day-care centers, community centers, job training centers, social services offices, and research facilities.

- $88.2 million in nonprofit bonds were refunded to decrease debt service.
- $22.7 million in taxable bonds were issued to finance associated project costs.

Category	Facilities
Social Services & Athletic Facilities	64
Animal Welfare	3
Cultural Facilities	13
Economic Development	3
Job Training	16
Education	49
Scientific Research	2
Total	**150**

Beginning Farmer/Rancher Program

1,173 acres

$5 million in bonds

The Commission, in partnership with Northwest Farm Credit Services, issues bonds to enable beginning farmers and ranchers to purchase land and equipment. The loans of up to $477,000 can be combined with other loans and grants.

Beginning Farmer/Rancher Loans by County

County	Acres	Bond Amount
Adams	60	$ 165,000
Benton	20.8	187,000
Chelan	11	400,000
Grant	116	274,603
King	59.5	672,500
Kittitas	120	225,000
Lewis	106	415,000
Lincoln	270	242,000
Pierce	74	412,500
Spokane	40	72,000
Walla Walla	10.1	184,800
Whatcom	48	518,000
Yakima	237.6	1,244,500
Total	**1,173**	**$5,012,903**

Sustainable Energy Program

4 projects

$10.5 million in bonds and loans

In 2009, the legislature gave the Commission the authority to develop financing programs for energy-efficiency and renewable-energy projects. In 2012–13, the Commission's Sustainable Energy Program funded its first projects. They included:

- $500,000 501(c)(3) bond to upgrade energy efficiency at a community health nonprofit in Everett.
- $9 million Qualified Energy Conservation Bond to establish a private wind-turbine farm that powers local homes near Ellensburg.
- $1 million in loans from the Sustainable Energy Trust (a revolving loan fund) to support the development or remodeling of seven highly energy-efficient homes in Seattle.

Energy Projects By County

County	Amount
Snohomish	$ 500,000
Kittitas	9,000,000
King	1,000,000
Total	**$10,500,000**

Asset Management and Compliance

Keeping Housing Safe and Affordable

Once the construction or remodeling of multifamily affordable housing is finished, the work of the Asset Management and Compliance team begins. This division helps property owners and managers comply with the state statutes, the federal tax code, and contractual commitments that come with bond and tax-credit financing. Our commitment to monitoring and providing technical assistance lasts for the term of the bonds and/or tax credits—anywhere from 10 to 40 years.

30-Year Impact, 1983 – 2013

74,394 units

in 900 properties monitored statewide

- 74,394 housing credit- and/or bond-financed units
  - 13,760 bond-only units
  - 437 Resolution Trust Corporation units

250 properties

inspected each year

EDUCATION AND TRAINING

- Compliance training workshops for more than 1,000 owners, property managers, and staff of public agencies.
- Classes for users of the web-based annual reporting system, WBARS.
- Specialized training sessions in conjunction with the Affordable Housing Management Association and the Council for Affordable and Rural Housing.

PARTNERSHIPS

By working with other entities who fund housing, the Commission helps to maximize agency resources and minimize inspections and reporting requirements.

- Cities of Seattle, Spokane, and Tacoma
- King and Snohomish counties
- Washington State Department of Commerce
- Seattle Housing Authority
- Washington State USDA Rural Development

WEB-BASED REPORTING SYSTEM

The Washington State Web-Based Annual Reporting System, or WBARS, is a comprehensive and innovative system created by the Commission and shared by seven different public funders in Washington state. It manages detailed property and tenant information on hundreds of properties, allowing more than 1,600 property managers and owners to easily meet reporting requirements, while giving funders a powerful oversight tool. WBARS is the only state housing reporting system in the nation used by multiple government agencies.

TECHNICAL ASSISTANCE

Website with frequently updated information including:

- A list of more than 900 properties searchable by county, city, and zip code, with helpful information for prospective residents, owners, and managers.
- Online manuals, report forms, FAQs, web training videos, and electronic workshop registration.
- A calendar of housing and economic development activities.
- Links to funding and compliance resources.
- E-News updates to more than 1,250 subscribers with timely information on asset management and compliance topics.

Financial Oversight

The Commission's Finance Division

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

Finance Activities, 1983–2013

ASSET MANAGEMENT

- Recorded transactions on 343 outstanding bond issues with $3.5 billion of outstanding debt.
- Monitored performance of trustees, servicers, and other outside contractors.
- Created quarterly financial statements on outstanding bond issues.
- Supplied voluntary disclosure reports to bond investors.

GENERAL OPERATIONS

- Prepared monthly financial statements.
- Performed investment management oversight.
- Coordinated the annual budget and work-planning process.
- Coordinated annual audits by the independent auditor and the state auditor.
- Administered and monitored the Program Investment Fund.
- Provided financial management and accounting services for the Washington Higher Education Facilities Authority and the Tobacco Settlement Authority.

Washington Higher Education Facilities Authority

- 27 bond issues – $706 million*

The Finance Division manages the assets of the Washington Higher Education Facilities Authority, a separate Governor-appointed board that oversees financing for the state's nonprofit private educational institutions.

Tobacco Settlement Authority

- 1 bond issue – $370 million*

The Finance Division also provides asset-management services for the Tobacco Settlement Authority, a separate Governor-appointed board established to oversee the issuance of bonds against state tobacco-settlement revenues in 2002.

*Through June 30, 2013

Mixed Sources
Product group from well-managed forests, controlled sources and recycled wood or fiber
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30 Years of Opening Doors to a *Better Life*

To learn more about the impact of the Housing Finance Commission, read our 30-year story and explore our programs at wshfc.org.

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WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

The Washington State Housing Finance Commission is a publicly accountable, self-supporting team dedicated to increasing housing access and affordability and to expanding the availability of quality community services for the people of Washington. We work to increase housing people can afford statewide, and we issue below-market-rate, tax-exempt bonds, and federal housing credits to fund housing and nonprofit facilities across Washington. The bonds of the Washington State Housing Finance Commission are not obligations of Washington state and are not repaid with tax dollars. The Commission is financially self-sufficient. All operating expenses are paid from program revenues. No taxpayer dollars were used to produce this document. For more information about the Commission and its work, visit www.wshfc.org or call (206) 464-7139 or 1 (800) 767-HOME (4663) toll-free in Washington state.