



WASHINGTON STATE HOUSING FINANCE COMMISSION

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

APRIL 23, 2026



Public Engagement at Commission Meetings

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

Sharing Your Thoughts

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

- **Public hearings (specific topics):**
Most Commission meetings begin with public hearings on specific financing projects or other decisions that will come to the Commission for a decision in the near future. Please limit comments during this time to those directly related to the hearing topic.
- **Public comment period (any topic):**
During this period, which takes place at the end of the business meeting, the Commissioners listen to public concerns and comments on any topic related to the work of the Commission. Anyone who wishes to speak can take this opportunity. The starting time for the public comment period depends on the length of the Commission's other business. The Commissioners may not respond to your comment or question during the meeting, but staff may follow up with you with your consent.
- **Zoom Chat**
The chat feature is disabled in all Commission meetings and work sessions, as phone attendees cannot participate.

Raising Your Hand

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

Community Standards

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

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

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, April 23, 2026, at 1:00 p.m., to consider the items in the agenda below.

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

To join virtually, please go to either the [Zoom Meeting Link](#) or go to Zoom.com, click on “Meet,” then click on “Join” or “Join a Meeting” and enter the following:

**Meeting/Webinar ID: 849 4143 3854
Passcode: 461238**

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

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

- I. Chair: Call to Order**
- II. Steve Walker: Roll Call**
- III. Chair: Approval of the Minutes from the March 26, 2026, Special Meeting**
- IV. Steve Walker: Employee Recognition (10 min.)**
- V. Chair: Conduct a Public Hearing on the following:**
 - A. Heron’s Key, (OID 26-40A)**

Dan Schilling: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance and refinance an existing nonprofit housing facility owned and to be owned and operated by Heron’s Key, a Washington nonprofit corporation and an organization described under section 501(c)(3). Proceeds of the Obligations may be used for (i) the expansion, construction and equipping of an existing nonprofit housing facility, (ii) the reissuance of an existing tax-exempt obligation of the Commission, proceeds of which refinanced the acquisition, construction and equipping of the Borrower’s initial facilities, (iii) the payment of capitalized interest and working capital expenditures, and (iv) the payment of all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed \$200,000,000. This project is located in Gig Harbor, Washington. (5 min.)

B. Silver Creek by Vintage, (OID 25-26A)

Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition and rehabilitation of a multifamily housing facility in Pasco, Washington, to be owned by Silvercreek by Vintage, LP, a Washington limited partnership. Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of a 242-unit multifamily housing facility in Pasco, WA, and to pay all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed \$36,675,000. (5 min.)

C. Bond/4% Program: Overview of Proposed Preservation Pilot Policies

Lisa Vatske: Proposed policies and program pilot presentation and overview (30 min.)

VI. Consider and Act on the Following Action Items:

~~A. Resolution No. 26-59, Teanaway Court, (OID 25-28A)~~

~~**Lisa Vatske:** A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Cle Elum, Washington, to be owned by Teanaway Court Associates LLLP, a Washington limited liability limited partnership. Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 41-unit multifamily housing facility in Cle Elum, WA, and to pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$18,000,000. The public hearing was held February 26, 2026. (5 min.)~~

B. Resolution No. 26-60, Wesley Homes Des Moines Phase V, (OID 26-42A)

Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance costs for the construction, expansion and equipping of nonprofit housing facilities in Des Moines, WA, owned and to be owned and operated by Wesley Homes Des Moines, LLC, a Washington limited liability company, the sole member of which is Wesley Homes, a Washington nonprofit corporation and an organization described under section 501(c)(3). Proceeds of the Obligations are expected to be used to (i) finance costs for the demolition of a vacant facility and the construction, expansion and equipping of nonprofit housing facilities in Des Moines, WA, (ii) fund a debt service reserve fund, (iii) pay capitalized interest and certain working capital expenditures relating to the Project, and (iv) pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$100,000,000. The public hearing was held March 26, 2026. (5 min.)

- C. **Resolution No. 26-61, The Summit at First Hill, (OID 26-43A)**
Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance and/or refinance nonprofit facilities owned and to be owned and operated by The Kline Galland Center, a Washington nonprofit corporation and an organization described under section 501(c)(3). Proceeds of the Obligations may be used to refinance bonds previously issued by the Commission to finance and refinance the construction and equipping of the Project and related expenses, and to pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$1,400,000. The public hearing was held March 26, 2026. (5 min.)

- D. **Resolution No. 26-64, Tax Credit Program Allocation, Lewis Spruce and Sixth, OID # 25-03**
Lisa Vatske: A request to increase the 9% Low Income Housing Tax Credits (LIHTC) by \$302,039 from \$1,378,777 to \$1,680,816 for Lewis Spruce and Sixth using 2026 LIHTC Allocation, to be owned by Lewis Spruce and 6th Avenue LLLP, a Washington limited liability limited partnership. The project is located at 316 N Lewis Ave, 914 E Spruce St., and 415 N 6th Ave., in Yakima WA 98902. (5 min.)

- E. **Action needed to transfer \$5,000,000 from the PRI Program Reserves to HomeSight**
Lisa Vatske: Consider and act on an investment in HomeSight for program activities. (10 min.)

- VII. **Informational Report on Department of Commerce Activities (10 min.)**
- VIII. **Executive Director’s Report (10 min.)**
- IX. **Commissioner Reports (5 min.)**
- X. **Chair: Consent Agenda (5 min.)**
 - A. **Homeownership & Homebuyer Education Programs Monthly Activities Report**
 - B. **Multifamily Housing and Community Facilities Monthly Activities Report**
 - C. **Asset Management and Compliance Monthly Activities Report**
 - D. **Financial Statements as of March 31, 2026**
 - E. **Quarterly Program Status Reports from the period ending March 31, 2026:**
 - 1. **Homeownership Division**
 - 2. **Multifamily and Community Facilities Division**
 - 3. **Asset Management and Compliance Division**
 - 4. **Administration / Executive Division**
 - 5. **IT Division**
 - 6. **Finance Division**

XI. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)

A. Miscellaneous Correspondence and Articles of Interest

B. HFC Events Calendar

XII. Chair: Public Comment

XIII. Executive Session (if necessary)

XIV. Adjourn

Nicole Bascomb-Green, Chair

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

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

March 26, 2026

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 1:00 p.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Suite 2700, Seattle, Washington 98104 and via Zoom. Those Commissioners present were Commissioners Aaron McGrath Ann Melone, Bill Rumpf, and Pedro Espinoza; and via Zoom, Chair Bascomb-Green, Albert Tripp, Diana Perez, Lowel Krueger, Dr. Michone Preston, State Treasurer Mike Pellicciotti, and Tedd Kelleher (joined the meeting at 2:13 p.m.).

Approval of the Minutes

The February 26, 2026 Commission meeting minutes were approved as distributed.

Executive Session

Chair Bascomb-Green stated that an Executive Session was needed. The purpose of the Executive Session is to discuss a U.S. Department of Housing & Urban Development (HUD) investigation.

The Executive Session started at 1:02 p.m. and ended at 2:08 p.m. The Chair reconvened the business meeting at 2:10 p.m.

**Public Hearing:
Harbor Pines, OID
#25-25A**

The Chair opened a public hearing for Harbor Pines, OID #25-25A, at 2:10 p.m.

Mr. Dan Schilling, Senior Finance Associate, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue

obligations to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Olympia, Washington, to be owned by Harbor Pines Apartments, LLC, a Washington limited liability company. Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 272-unit multifamily housing facility located at 3909 - 9th Avenue Southwest, Olympia, Washington 98502, and to pay all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed \$47,850,000.

Mr. Schilling introduced Mr. Dalton Arndt, Owner's Representative, from DevCo, Inc., and Ms. Monique Patterson, Executive Director & Co-Founder of Next Chapter.

Mr. Arndt stated Harbor Pines is a proposed 272-unit, multifamily affordable housing development situated on 9.6 acres in Olympia. The project will feature 15 residential buildings and one community building, consisting of approximately 270,272 square feet of developed area. The project will utilize income averaging with a property average of 60% local area median income (AMI). He stated further that the project's unit mix is comprised of the following: 88 1-bedroom units, 92 2-bedroom units, 52 3-bedroom units, 24 4-bedroom units, and 16 5-bedroom units. He added that the 5-bedroom units are townhouse style, with two floors plus a garage.

Mr. Arndt commented that Harbor Pines marks DevCo's and Next Chapter's second partnership, with the first being Kendrick Landing, that is located in Lakewood. That project just received its first temporary Certificate of Occupancy (TCO). He added that Next Chapter will be moving into their dedicated offices at that location shortly.

Mr. Arndt mentioned that the purpose of this second partnership, is to help Next Chapter move into Thurston County. Next Chapter will also have a dedicated office at Harbor Pines and will have access to amenities within the community building to conduct its work and hold meetings with clients.

Mr. Schilling then asked Ms. Patterson to describe Next Chapter's mission and purpose.

Ms. Patterson stated that Next Chapter was established in 2018, with the purpose of helping single mothers with children. The program is based on self-sufficiency, to help people overcome some of their barriers to housing. Post-pandemic, Next Chapter is helping its clients maintain their housing through eviction prevention services and training. Next Chapter also offers its clients trainings on how to properly pay bills and how to be a parent. In addition, it provides mental health services by bringing in clinical psychologists to work with their clients.

Ms. Patterson concluded by stating that Next Chapter's success rate is very high, with only 3% of the 600 or more families they have served to date returning to homelessness.

Mr. McGrath asked Mr. Arndt what the source of the \$18.7 million soft loan was. Mr. Arndt replied that DevCo is working on trying to engage the Evergreen Housing Impact Fund to help with the sponsor loan. The amount requested is around \$8 to \$10 million, with the remaining gap being covered by DevCo.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:19 p.m.

**Public Hearing:
Wesley Homes Des
Moines Phase V,
OID #26-42A**

The Chair opened a public hearing for Wesley Homes Des Moines Phase V, OID #26-42A, at 2:19 p.m.

Mr. Schilling stated that this is a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance costs for the construction, expansion and equipping of nonprofit housing facilities to be owned and operated by Wesley Homes Des Moines, LLC, a Washington limited liability company, the sole member of which is Wesley Homes, a Washington

nonprofit corporation and an organization described under section 501(c)(3) of the IRS Tax Code. Proceeds of the Obligations are expected to be used to: (i) finance costs for the demolition of a vacant facility and the construction, expansion and equipping of nonprofit housing facilities in Des Moines, Washington, (ii) fund a debt service reserve fund, (iii) pay capitalized interest and certain working capital expenditures relating to the Project, and (iv) pay all or a portion of the costs of issuing the Obligations. The project location is at 1122 South 216th Street in Des Moines, Washington 98198. The estimated maximum obligation amount is not expected to exceed \$100,000,000.

Mr. Schilling then introduced Mr. Jim Yamamoto, Vice President of Finance, Wesley Homes.

Mr. Yamamoto stated that Wesley Homes has been a senior living provider since 1945 and has worked with the Commission since 2016, financing a total of nine projects for about a half a billion dollars. He stated further that Wesley is requesting \$86 million in tax-exempt bonds to build 106 units of independent living on their existing Des Moines campus. Wesley Homes has an existing skilled nursing facility that will soon be demolished and, in its place, will build 106 new units of independent living.

Mr. Yamamoto stated that Wesley Homes expect to start the demolition and new construction in April, 2026, with completion in November of 2027. Hamlin Capital Management will be providing the project financing and has financed all of their projects except for one location in Auburn, totaling about \$400 million.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:23 p.m.

**Public Hearing:
The Summit @
First Hill, dba
Mary Schwartz
Summit, OID #26-
43A**

The Chair opened a public hearing for The Summit at First Hill, dba Mary Schwartz Summit, OID #26-43A, at 2:23 p.m.

Mr. Schilling stated that this is a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance and/or refinance nonprofit facilities owned and to be owned and operated by The Kline Galland Center, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the IRS Tax Code. Proceeds of the Obligations may be used to refinance bonds previously issued by the Commission for the construction and equipping of the Project and related expenses, and to pay all or a portion of the costs of issuing the Obligations. The Project is located at 1200 University Street, Seattle, Washington 98101. The estimated maximum obligation amount is not expected to exceed \$1,400,000.

Mr. Schilling then introduced from Kline Galland Center, Mr. Jeff Cohen, Chief Executive Officer.

Mr. Cohen stated that he has been the CEO of Kline Galland for about 20 years. Kline Galland, a senior healthcare and housing organization that has been serving the seniors of the Puget Sound since 1914, was originally founded to serve Jewish seniors in the Puget Sound, then afterwards has expanded its mission to serve both the Jewish community and all seniors in the Greater Puget Sound area. He added that their services include the Kline Galland Home, which is the largest skilled nursing facility in the state and also contains 65 rehabilitation beds. Mr. Cohen added that Kline Galland also provides memory care and long-term care and also has a hospice agency that serves over 150 people out in the community, as well as a home health and home care agency, which serves over 300 people daily in their homes or at another retirement community.

Mr. Cohen stated that Kline Galland serves thousands of patients annually. The Mary Schwartz Summit has 126 units and houses over 150 seniors in independent living, assisted living, and memory care units.

Mr. Cohen stated the Mary Schwartz Summit building was originally financed with tax-exempt debt issued by the Commission in 1999 and opened in 2001. The Commission approved refinancing the original debt in 2011 and in 2017. He added that Kline Galland is excited to refinance this project, as it will help its

cash flow significantly. They expect that new federal legislation will reduce Medicaid and Medicare payments to senior healthcare agencies, which will significantly impact senior care providers across the state and country.

He concluded by stating that this also enables Kline Galland to free up other monies for capital improvements and to provide services to seniors and residents. It also provides relief in terms of bank covenants and collateral. He thanked the Commission, on behalf of Kline Galland, for its support over many years.

Ms. Melone asked if the \$1.4 million dollar amount requested was correct. Mr. Schilling replied that it is correct. Kline Galland expects to refinance \$1.2 million of debt and will wrap some of the costs of issuing the bonds in its refinancing.

Mr. McGrath commended the work Kline Galland does. He then asked whether Kline Galland would pull equity out of the project and free up cash. Mr. Cohen replied that it is a cash flow issue. The new financing will reduce debt service significantly and will enable Kline Galland to use that money to offset the federal cuts that are occurring.

There were no comments or written testimony from members of the public, and the public hearing was closed at 2:29 p.m.

**Action Item:
Election of new
Board Treasurer &
Audit Committee
Member**

Chair Bascomb-Green stated that with the departure of former Board Treasurer and board member Ms. Alishia Topper, along with Audit Committee member and board member Mr. Ken Larsen, the Commission's board now needs to elect a new Board Treasurer and appoint an additional Audit Committee member.

She reminded board members that the Board Treasurer automatically serves as Chair of the Audit Committee. Ms. Ann Melone and Mr. Aaron McGrath have both volunteered to serve on the Audit Committee, and Ms. Melone has also volunteered for the Board Treasurer position. The Vice Chair, Mr. Lowel Krueger, is currently a member of the Commission's Audit Committee.

Ms. Perez moved to elect Ms. Ann Melone as the Commission's new Board Treasurer and Audit Committee Chair and also confirmed the appointment of Mr. Aaron McGrath as a new member of the Commission's Audit Committee. Mr. Krueger seconded. The motion was approved by a vote of 10 to 0, with Ms. Melone abstaining from the vote.

Ms. Melone then stated for the record that the Global Ethics Office of her current employer, U.S. Bank, needs to review and approve her appointment(s) before she can officially accept both the Board Treasurer and the Audit Committee Chair position.

**Action Item:
Resolution No. 26-
45, Bertschi School,
OID #26-38A**

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance and refinance the acquisition, construction, rehabilitation, improvement and equipping of a nonprofit facility owned and to be owned and operated by The Bertschi School, Washington nonprofit corporation and an organization described under section 501(c)(3) of the IRS Tax Code. Proceeds of the Obligations may be used to (i) finance the construction and equipping of an approximately 15,919 square foot nonprofit school facility which will replace an existing school building in Seattle, Washington, and the improvement of outdoor play areas, the campus entrance and other school facilities on the Seattle campus, (ii) refund existing tax-exempt obligations of the Commission used to finance the acquisition, rehabilitation, construction and equipping of existing facilities and real property, (iii) refinance taxable debt used in the acquisition, rehabilitation, construction and/or equipping of existing facilities and/or real property, and (iv) pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$33,000,000. The public hearing was held February 26, 2026.

Ms. Vatske concluded that a lender commitment letter was issued by Columbia Bank for an amount not to exceed \$30,000,000.

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

**Action Item:
Resolution No. 26-
46, Addison Grove,
OID #26-39A**

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a resolution approving the issuance of one or more series of tax exempt and taxable revenue obligations to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Puyallup, Washington, to be owned by Pseudotsuga Apartments LLC, a to-be-formed Washington limited liability company affiliated with Great Expectations SPC, a Washington social purpose corporation. Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 102-unit multifamily housing facility, and to pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$19,000,000. The public hearing was held February 26, 2026.

Ms. Vatske then stated that the resolution includes a waiver of the Commission's annual fee to 10%, similar to the Commission's nonprofit fee structure. She added that it is a recycled volume cap bond project, and is one of the very first Ballmer Fund & Washington Family (WAFAM) Housing Fund deals.

Mr. McGrath stated that as he disclosed during last month's public hearing for this project, he has a small investment in a different project from this developer and, thus would abstain from this vote.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded.
The resolution was approved by a vote of 10 to 0, with Mr. McGrath abstaining from the vote.

**Action Item:
Action needed to
extend existing
Ruby Portfolio PRI
loan**

Ms. Vatske stated that this was a request for the Commission's board authorizing the extension of the Ruby Portfolio Program-Related Investments (PRI) Loan.

Ms. Vatske gave some background for this request. The Commission provided a \$1.5 million subordinate PRI loan to the BOH Portfolio Preservation Associates, LLLP, for the purchase of four distressed properties in October, 2015.

These properties are known as the Ruby Portfolio. Two properties located in Burlington and Skagit County, and two in Oak Harbor and Island County were owned by an individual who, at the time, mismanaged the projects and resulting in health and safety issues and severe disrepair.

She stated further that through many years of compliance monitoring negotiations and work with the City of Burlington, as well as with legal counsel, the Commission was able to broker a transfer and sale of the properties to one of the Commission's experienced developers. As part of that process, the Commission provided bonds, low-income housing tax credits, and a much-needed gap loan from the Commission's Critical Community Response Fund to close that deal. She added that at the time, the Commission approved a PRI loan term that matched the tax credit investment period of 18 years, which was a waiver from the then-current PRI policy of ten-year loans.

Ms. Vatske added that subsequently, program guidelines have been changed to allow terms of up to 15 years. The loan was structured as a 1% deferred cash flow loan with interest payments due annually. The borrower has made some payments from cash flow on the principal and has been making interest payments.

The borrower is looking to refinance the first mortgage and has asked for a re-subordination and an additional extension in the maturity date to correspond with the new first mortgage loan. And, although Ms. Vatske was hoping that the Commission would get its loan paid off, the borrower has provided documentation of some of the capital needs, the operating cash flow, and reserve requirements which would necessitate an additional deferral to be able to make those capital improvements. Ms. Vatske concluded that staff is asking for board

approval of the extension of the maturity of this PRI loan by 36 months. The borrower would be required to pay all accrued interest so the loan is current.

Mr. McGrath asked Ms. Vatske the nature of the capital improvements, and the approximate dollar amounts. Ms. Vatske replied that it was approximately \$500,000 of capital improvements, but the borrower only has about \$250,000 in their reserves. She added that these are smaller, more rural projects and that the real public benefit originally when the Commission invested the \$1.5 million was the transfer of the ownership of these properties, along with a Citibank subordinate loan.

Ms. Vatske added further that by refinancing some of the other subordinate debt, it makes this more cash flow feasible. The understanding is that ten years from now, the Commission will be fully paid off on this particular PRI loan.

Mr. Rumpf commented that it is great that the Commission is going forward with this refinancing of the PRI loan, given the challenges of locating affordable housing projects in rural areas, and especially in Oak Harbor and Burlington. Ms. Vatske added that an additional purpose was also to preserve these affordable housing units.

Mr. Rumpf then moved to approve the extension of the Ruby Portfolio PRI loan as requested by staff. Mr. Krueger seconded. The motion was approved unanimously.

**Action Item:
Action needed to
transfer \$5 million
from the Program
Reserves to
HomeSight**

This action item was pulled from the agenda.

**Action Item:
Action needed to
determine
WAFAM will
further the public
purpose of the
Commission**

Ms. Vatske stated that this was an action item needed to satisfy the requirements of the donor-advised fund that administers the Ballmer Giving LLC funds in order to permit funding draws for the Washington Family Fund loans.

Ms. Vatske then gave some background. The Commission is approaching the first two loan closings for WAFAM transactions. The Commission is required to sign a grant agreement with the Goldman Sachs Donor-Advised Philanthropy Fund (DAF) for Wealth Management, which allows the DAF to disburse funds for WAFAM purposes.

Ms. Vatske stated that one of the representations required of the Commission when drawing funds is that its governing body has made an independent determination that WAFAM, and the project loans made pursuant to the memorandum of understanding with Ballmer Giving LLC would further the public purposes for which the Commission were created.

She stated further that staff is asking Commissioners to make a determination that the loans the Commission administers for the WAFAM program are consistent with the Commission's public purpose, so that the Commission is able to sign the grant agreements for these first two, and future WAFAM loans.

Ms. Vatske reminded Commissioners that the WAFAM program provides financing for multifamily housing supporting families with children at or below 60% of AMI. The funding decisions and underwriting are done by Ballmer Giving LLC and its contract underwriter, and not the Commission, as was described in the memo included in the board meeting packet, many months ago.

She concluded that the Commission is not making any financial or underwriting decisions, but specifically, staff is asking that the Commission's Board determine that the WAFAM and the project loans selected and underwritten by the Ballmer Giving LLC and its consultants, pursuant to a MOU between the Commission and The Ballmer Group, are in furtherance of the Commission's public purposes for which it was created.

Mr. McGrath asked what would happen if the Ballmer Group, at a future date, changed the parameters of the WAFAM program. Ms. Vatske replied that the parameters are in the MOU, and any changes would need Board approval.

Ms. Melone asked Ms. Vatske if MHCF Division staff will be reviewing these projects to make sure they comply with the MOU. Ms. Vatske replied that they are doing so, and that the Commission is also overseeing the property management. She added that the MOU was board-approved approximately a year ago, and those materials were included in this month's board meeting packet.

Ms. Perez asked for clarification on the Commission's role. Ms. Vatske replied that the Commission is administering the loans and doing the compliance monitoring. The actual underwriting of the loans is being done by a third party.

Mr. Tripp then made a motion to affirm that the Washington Family Housing Fund (WAFAM) program and loans will further the public purpose of the Commission. Mr. Rumpf seconded. The motion was approved unanimously.

**Informational
Report on
Department of
Commerce
Activities**

Mr. Tedd Kelleher, WSHFC Commissioner Designee, and current Interim Assistant Director of Housing at the Department of Commerce, gave a brief report on Department of Commerce activities.

Mr. Kelleher stated that Commerce is launching a round of hiring to fill Commerce's Assistant Director of Housing position that he and his colleague, Kennly Asato are sharing right now. An announcement for the Housing Division Assistant Director, will be sent out in a matter of weeks, possibly before the next Commission board meeting.

Mr. Kelleher gave a brief follow-up to the Legislative session, it was a tough Legislative session in terms of the budget, with some indications that the next biennium budget cycle will be even tougher.

Mr. Kelleher stated that maintaining current programs for this budget year is considered a win. The Housing Division did very well in that regard.

He added that Commerce will be taking some administrative reductions but that is expected to not meaningfully hamper Commerce's ability to carry out its mission. On the capital budget side, in addition to the \$605 million that Commerce received for the current biennium in the last Legislative session, an additional \$64 million this year was allocated to the Housing Trust Fund.

Last, Mr. Kelleher mentioned that a task force is meeting following the Governor's Executive Order to study the creation of a new state housing agency. The next task force meeting will be held in April and it will be meeting every month through November, when it must produce a report and a set of recommendations. Mr. Kelleher and Steve Walker are both on the task force. He noted that only the Legislature can create a new state agency.

Chair Bascomb-Green then asked the Vice Chair, Mr. Krueger, to preside over the remainder of the business meeting at 2:55 p.m.

Executive Director's Report

Mr. Walker mentioned a few of the following items from the Executive Director's Report, which was included in the board meeting packet as follows:

Multifamily Housing and Community Facilities (MHCF) Division:

Personnel Updates:

MHCF Division is pleased to share that Raymond ("Ray") Han has joined the MHCF Division as their Preservation Specialist, with his first day this past Monday!

Ray brings experience as a Development Manager and Director of Real Estate Finance in his career. For his new role, he will focus on preservation and rehabilitation efforts through the Bond/Tax Credit Program. His work will assist the Commission evaluating and restructuring existing projects in our portfolio, as

well as supporting acquisitions and rehabilitations that maintain long term affordability across the state.

Mr. Walker then added that for the past couple of years Ms. Vatske has been dealing with operational challenges in the Commission's portfolio. She is working on what the Commission's role is in helping to support its assets, its projects, and its partners operating those projects through difficult times.

Mr. Walker added further that the City of Seattle is providing millions of dollars to address these operational challenges, which is very helpful. The Commission wishes to continue to be a good partner to both the projects and the organizations. The Commission is currently looking at potentially waiving some outstanding fees to help stabilize projects.

Mr. McGrath asked Ms. Vatske if the Commission has considered asking lenders to make changes, such as forgiving or reducing loan amounts. Ms. Vatske replied that in many cases the investors and lenders have already come to the table to help stabilize the projects, motivated both by their mission, but also to protect the credit.

Homeownership Division:

Covenant Homeownership:

As of March 23, 2026, there are 1,278 confirmed closed loans and an additional 96 loans in the pipeline with CHA reservations in 25 counties.

Other Updates:

The Commission received Fannie Mae Seller-Servicer Approval!

The Commission's first Freddie Mac pool under its own seller servicer number settled on March 12th!

Mr. Walker then added that Ms. Lisa DeBrock, Director, Homeownership Division, along with the National Fair Housing Alliance, who helped the Commission with the Covenant Homeownership Program study, gave a great presentation to the Seattle City Council yesterday, which was well received.

Executive Director’s Update:

Governor’s Department of Housing Task Force:

Although the task force did not meet in March, staff have been actively supporting several workstreams. This includes preparing a summary of the WSHFC’s role and its long-standing relationship with the Department of Commerce, developing an interested-party survey tool, and mapping all state affordable housing development resources. The mapping effort covers capital, operating, and supportive service funding sources, identifies the administering agencies, statutory authority, and type of capital (grant, loan, etc.).

Staff are also cataloging all related boards and committees, reporting and data-collection requirements, and authorities related to land use, infrastructure, and growth management. Thanks goes to Jackie Moynahan and Lisa Vatske from the MHCF Division for their support in these efforts.

The task force next meets on April 8, 2026.

Consent Agenda

The consent agenda was approved as distributed.

Public Comment

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

Adjournment

The meeting was adjourned by the Vice Chair at 3:04 p.m.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance and reissuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Obligations") to finance and refinance an existing nonprofit housing facility owned and to be owned and operated by Heron's Key, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Obligations may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, April 23, 2026. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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

Webinar/Meeting ID: 849 4143 3854

Passcode: 461238

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

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

Project:	Heron's Key
Project Address:	4340 Borgen Blvd Gig Harbor, WA 98332
Total Estimated Project Cost:	\$175,927,330
Estimated Maximum Obligation Amount:	\$200,000,000

Proceeds of the Obligations may be used for (i) the expansion, construction and equipping of an existing nonprofit housing facility, (ii) the reissuance of an existing tax-exempt obligation of the Commission, proceeds of which refinanced the acquisition, construction and equipping of the Borrower's initial facilities, (iii) the payment of capitalized interest and working capital expenditures, and (iv) the payment of all or a portion of the costs of issuing the Obligations.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Obligations may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, April 22, 2026. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and

environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

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

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

Nonprofit Housing Program

Project Name	Heron's Key
Developer	Emerald Communities
Description	Heron's Key is a nonprofit Life Plan Community located on an 18-acre campus in Gig Harbor, serving older adults seeking independent living with access to assisted living, memory care, skilled nursing, and rehabilitation. The community offers onsite therapy/rehab services and resident-focused amenities. Heron's Key is planning a Phase II expansion adding 50 independent living units, including new residences and expanded wellness, dining, and community spaces.
Location	4340 Borgen Blvd Gig Harbor, WA 98332
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	The expansion and construction nonprofit housing facility.
Total Estimated Project Cost	\$175,927,330
Estimated Tax-Exempt Obligation Amount (Not to exceed Amount (Not to exceed)	\$200,000,000
Obligation Structure	Public Sale
Lender	Ziegler
Action	Public Hearing for OID # 26-40A
Anticipated Closing Date	July 2026

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Obligations") to finance a portion of the costs for the acquisition and rehabilitation of a multifamily housing facility in Pasco, Washington, to be owned by Silvercreek by Vintage, LP, a Washington limited partnership. The Obligations may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, April 23, 2026. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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

Webinar/Meeting ID: 849 4143 3854
Passcode: 461238

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

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

Project:	Silver Creek By Vintage
Project Address:	9315 Chapel Hill Blvd Pasco, WA 99301
Total Estimated Project Cost:	\$78,734,806
Estimated Maximum Obligation Amount:	\$36,675,000

Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of a 242-unit multifamily housing facility in Pasco, WA, and to pay all or a portion of the costs of issuing the Obligations. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Obligations may be mailed or faxed to the attention of Bianca Pyko, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, March 25, 2026. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use,

zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

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

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

Multifamily Housing Program

Project Name	Silver Creek By Vintage		
Developer	Vintage Housing Development, Inc.		
Description	<p>Silver Creek by Vintage is the acquisition and rehabilitation of a multifamily development located in Pasco, Washington. The development consists of 10 buildings and will provide units at 50% and 60% of AMI. The development will set aside 20% of units for large households and 10% for individuals with disabilities.</p> <p>The development is being co-developed by Veterans Village, which is a Washington State nonprofit organization. The co-developers have begun resident and community engagement and will provide an array of social services to residents. Tenant engagement activities along with the capital needs assessment helped determine the scope of work for the project.</p>		
Location	9315 Chapel Hill Blvd Pasco, WA 99301		
Project Type	Acquisition/Rehabilitation		
Units	One Bedroom	48	
	Two Bedroom	74	
	Three Bedroom	66	
	Four Bedroom	54	
	Total	242	
Housing Tax Credits	Yes		
Income Set-Aside	70% at 60% AMI 30% at 50% AMI		
Regulatory Agreement Term	Minimum 40 years		
Evaluation Plan Scoring	Cost Efficient Development		10
	Additional Low-Income Housing Commitments		6
	Commitments for Priority Populations		2
	Systemic Barrier		6
	CBO Ownership		4

CBO Inclusion	5
Community Engagement Process	2
Application of Community Engagement	3
Donation in Support of Local Nonprofit Programs	2
Energy Efficiency, Healthy Living, & Renewable Energy – Rehab	9
Rehab of Major Systems	20
Total Points	69

Estimated Tax-Exempt Obligation Amount (Not to exceed Amount) \$36,675,000

Obligation Structure Private Placement

Lender Citi Community Capital

Development Budget

Acquisition Costs	\$46,100,000
Construction	\$15,546,000
Soft Costs	\$9,838,696
Financing Costs	\$4,874,769
Capitalized Reserves	\$880,901
Other Development Costs	\$1,494,440
Total Development Costs	\$78,734,806

Permanent Sources

Permanent Loan	\$33,340,000
Seller Carry Back Note	\$9,750,000
Net Operating Income	\$3,935,793
Deferred Developer Fee	\$8,120,901
Tax Credit Equity at \$0.83 per credit x 10 years	\$23,588,112
Total Permanent Sources	\$78,734,806

Total Development Cost Limit

Project's Total Development Cost Limit	\$111,063,964
Total Development Cost (minus land and reserves)	\$75,853,905

Waiver Not Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,600	\$911 - \$1,109
Two Bedroom	\$1,800	\$1,093 - \$1,331
Three Bedroom	\$2,050	\$1,263 - \$1,537
Four Bedroom	\$2,300	\$1,404 - \$1,710

Action

Public Hearing for OID # 25-26A

Anticipated Closing Date

June 2026



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Opening doors to a better life

Bond/Tax Credit Program: Proposed Preservation Pilot Policies

April 23, 2026

Multifamily Housing and Community Facilities Division

Lisa Vatske, Director

Jason Hennigan, Bond Program Manager

Jackie Moynahan, Senior Policy Advisor

Ben Brown, Sustainable Energy Analyst



Background Policy History on Preservation

- Historically a production program, prioritizing New Construction
- Both New Construction and Rehab of Existing Buildings (Preservation) have been eligible activities
- In 2021 established a set of Values with Outcomes and Methodology as well as target goals
- Preservation target goal of 15%-25% of available resources since 2022 allocation round
- Policies narrow eligibility and scoring criteria for Preservation



Existing Methodology & Definition of Preservation is Narrow

Preservation projects **must**:

- have one or more Federally Assisted Building(s), **or**
- be currently beyond year fifteen of the Extended Use Agreement and the financing will be preserving the housing units under a new Extended Use Agreement, **or**
- if originally in the Commission's portfolio, the final regulatory agreement (bond or tax credit) expired in the past 12 months.

Projects that acquire and rehabilitate buildings that do not have regulatory covenants or agreements do not qualify under this definition of Preservation and would be considered new production and would **compete in the new construction category** even though they need to adhere to the rehabilitation requirements.



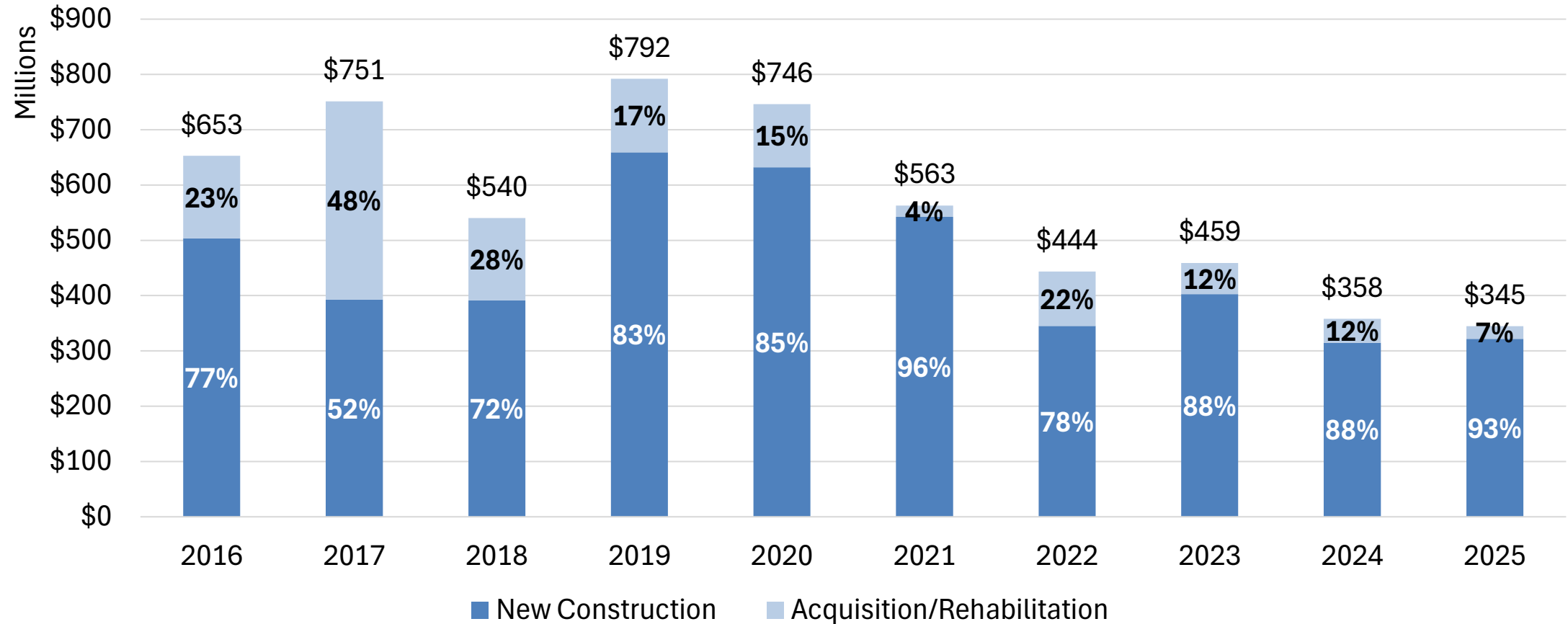
1) New Construction

2) Existing Multifamily Housing:

- Resyndication – projects in the Commission’s portfolio (preservation)
- Projects not in the Commission’s portfolio (acquisition/rehab)



Tax Exempt Bond Allocation Over the Past 10 Years



Why Now?



We have an aging portfolio that will need reinvestment on some level and there are preservation opportunities with existing housing stock.

Increasing volume of projects with regulatory agreements that expire in the next 10 years.

Growing demand for preservation resources!

**Opportunity With
Expanded
Resources!**

Bond 25% Test and
Increased 9% Credits

What is the Demand?



Fall 2025 Preservation Request for Information (RFI)

RFI Purpose: To collect high level information to inform how we may allocate resources to meet the needs identified; pipeline, resource needs, challenges

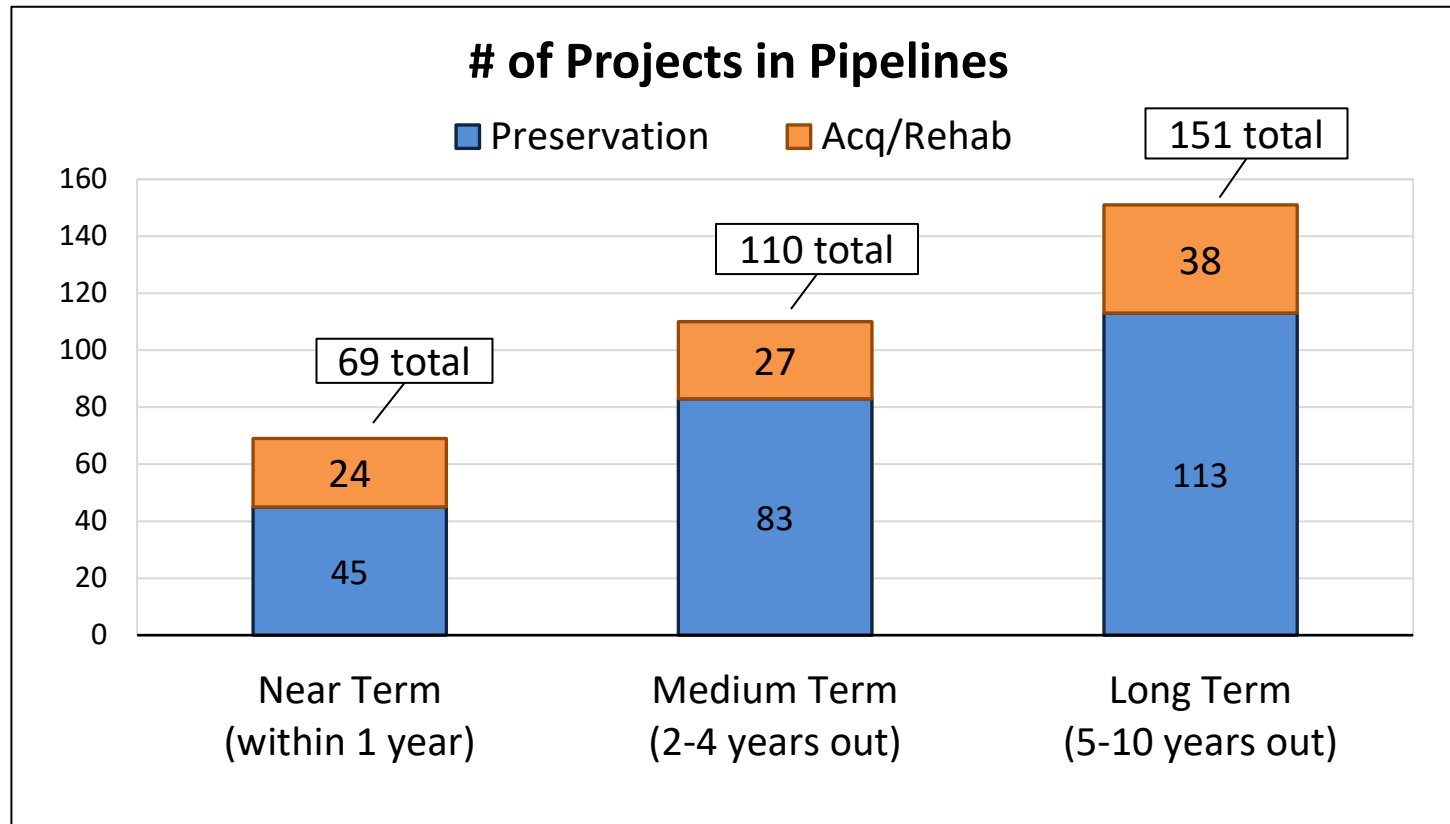
Received: 39 unique responses: for-profits, non-profits (including PSH providers) and housing authorities

RFI Responses - Challenges:

Most important problems to address:

1. Addressing Capital Needs
2. Improving Energy Efficiency/Sustainability

The RFI asked respondents to estimate the number of potential Preservation and Acq/Rehab projects in their development pipelines.

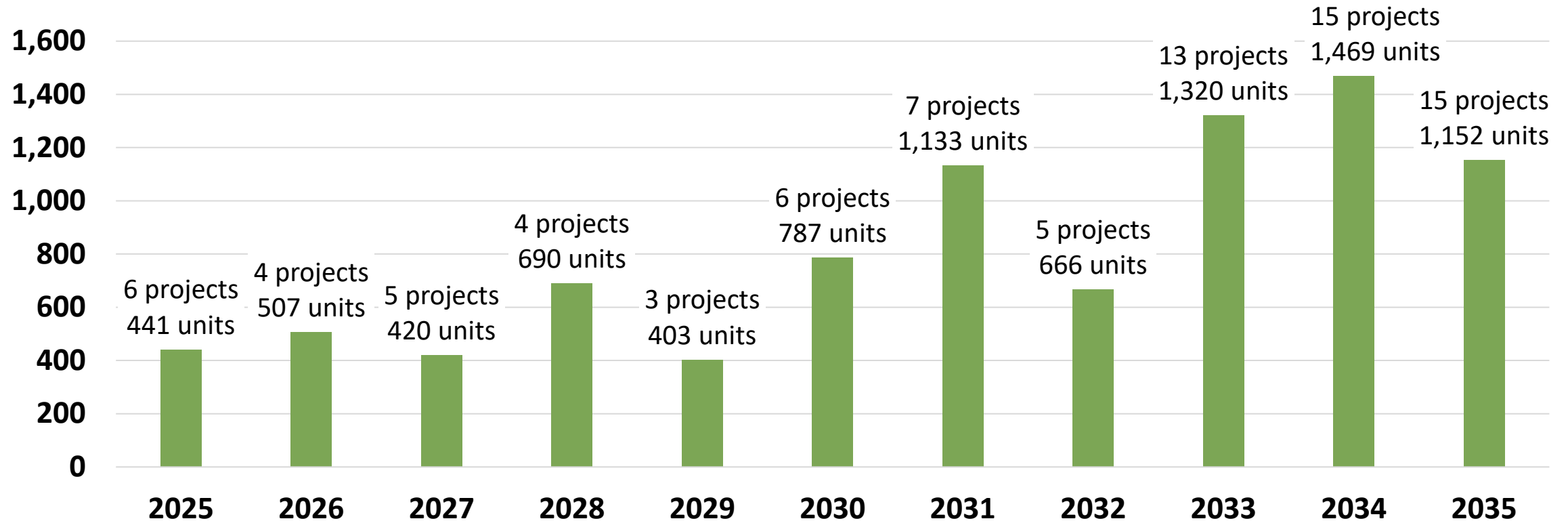


- About 70 potential projects in near-term pipelines (within 1 year)
- Total pipeline of up to 330 potential projects across the next 10 years
- Preservation projects **estimated** \$262 million in near-term funding needs; \$278 million in the medium-term.

10-Year Look: Expiring LIHTC Projects



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Preservation Strategy & Pilot



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Background Work and Engagement

- RFI Results and Portfolio Review
- Research and discussions with other State HFAs
- Engagement interested partners
- Tested Options
- Cross-divisional effort: MHCF & AMC Divisions

Proposal:

- Create separate tracks for New Construction and Preservation projects to apply for financing
- Launch Bond/4% Program Preservation Pilot Spring 2026

Centering Our Values

High-Quality and
Affordable Housing
for Residents in the
Long Term

Foster Healthy and
Sustainable Homes



Preservation: Commission projects aka re-syndications

Acquisition/Rehabs:

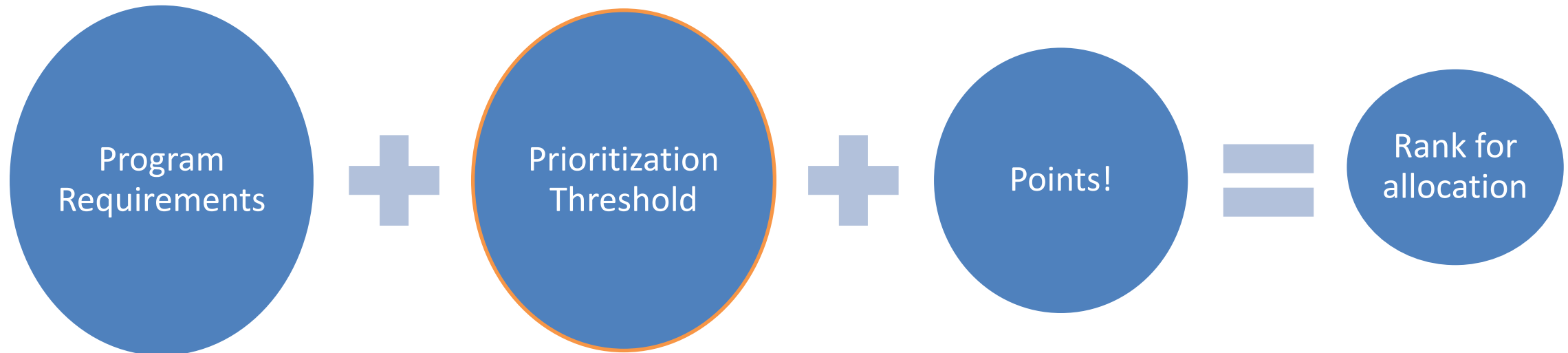
- Non-commission projects with existing regulatory agreements or subsidy contracts
- Naturally Occurring Affordable Housing (NOAH's), properties with no restrictions

Balancing the risks/opportunity across both types of projects

General Concept: up to \$250M offered



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What is Staying the Same?



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Program Limits and Requirements
(Sections 2, 3, 5-10 of 2026 Bond Policies)

Several Allocation Criteria – Points
Cost Efficiency, Energy Efficiency, Property Type, and
others.

Readiness is still a core component!

What is Evolving?



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Overview

Centering impact on residents

Integrating sustainability

Using a Risk/Opportunity lens to prioritize projects

Prioritization in lieu of point minimum as threshold

Risk/Opportunity Matrix = Prioritization Threshold

Purpose and Intent

We acknowledge that each project has a unique set of circumstances and there is currently not enough financing available to preserve every property.

Therefore, we must be **strategic** in our focus and prioritization of investments.

Process

The Commission will first evaluate projects using a **Risk/Opportunity Matrix**. We have identified criteria within four Risk/Opportunity Categories to determine a project's prioritization for review.

Once prioritized, projects will be scored within their designated priority level to determine competitiveness for a Bond allocation.



Risks

- Conversion to market due to expiring affordability restrictions
- Loss due to financial instability and/or physical deterioration
- Expiration of critical subsidy contracts (Federal Assistance; Section 8 USDA/RD)

Factors

- Displacement risk of existing and future residents
- Historical and projected financial position
- Capital Needs Assessment/Scope of Rehab, including sustainability

Categories for Prioritization: Overview



Risk/Opportunity Category	High Priority	Medium Priority	Low Priority
A. Expiring Regulatory Agreements with Affordability Restrictions <i>Expands existing policy program requirements and definition for preservation.</i>			
B. Expiring Critical Subsidies <i>Expands existing policy program requirements and definition for preservation</i>			
C. Critical for Community/Population Served <i>Shifts and builds on existing policies for affordability and population served.</i>			
D. Physical Needs <i>Shifts and builds on existing policies for rehabilitation, sustainability and major systems.</i>			

A. Expiring Regulatory Agreement with Affordability Restrictions



Risk/Opportunity Category	High	Medium	Low
<p>Expiring Regulatory Agreement with Affordability Restrictions:</p> <p>Determined by expiration date of existing regulatory agreements. For LIHTC properties the expiration date of the extended use agreement will be used. For Federally financed projects, prepayment option timelines will be considered to determine expiration risk.</p>	<p>Affordability restrictions expire within 0-5 years and the regulatory agreement covers a majority (50% or more) of the units in the property</p>	<p>Affordability restrictions expire within 5-7 years and the regulatory agreement covers a majority (50% or more) of the units in the property</p>	<p>Affordability restrictions expire 7+ years and/or the regulatory agreement covers a minority (less than 50%) of the units in the property</p>

B. Expiring Critical Subsidies



Risk/Opportunity Category	High	Medium	Low
<p>Expiring Critical Subsidies:</p> <p>Determined by expiration date of existing <u>federal</u> rent subsidy contracts or agreements. Note: Pro-active renewals of existing contracts to facilitate reinvestment such as a recent extension of a Section 8 HAP contract, will be considered in conjunction with the original expiration dates.</p>	<p>Within 3 years and supports majority (50% or more) of residents who are extremely or very low income</p>	<p>Within 3-5 years and support majority (50% or more) of residents who are extremely or very low income</p>	<p>Within 7 years and/or supports a minority (less than 50%) of residents within the property who are low income</p>

C. Critical for Community/Population Served



Risk/Opportunity Category	High	Medium	Low
<p>Critical for Community/Population Served:</p> <p>Determined by application responses regarding existing residents served and any proposed changes, market study findings as well as other available data sources regarding resident income/paid rent as it relates to market rents and quality/availability of housing supply.</p> <p><u>Preference to maintain existing set asides below 60% AMI.</u></p>	<p>Limited to no affordable housing options of similar quality and cultural relevance are available for existing residents; will result in a significant loss of supply for the community due to high displacement pressure</p>	<p>Limited affordable housing options of similar quality and cultural relevance are available for existing residents; may result in loss of supply for the community due to medium displacement pressure</p>	<p>Other affordable housing options of similar quality and cultural relevance are available for existing residents; not expected to result in loss of supply for the community due to low displacement pressure</p>

D. Physical Needs



Risk/Opportunity Category	High	Medium	Low
<p>Physical Needs:</p> <p>Determined by the applicants proposed scope of work and budget including major systems rehab, the Capital Needs Assessment (CNA).</p> <p><u>Note:</u> In-Unit Cooling is a rehab requirement!</p> <p><u>Major systems:</u></p> <ul style="list-style-type: none"> • Electrical • Elevators • Envelope • Heating, Ventilation, and Air Conditioning (HVAC) • Plumbing • Seismic 	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p><i>AND one of:</i></p> <p>B. Rehab addresses the long-term physical needs of at least 4 major systems.</p> <p><i>OR</i></p> <p>C. Rehab addresses the long-term physical needs of at least 3 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p>	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p><i>AND one of:</i></p> <p>B. Rehab addresses the long-term physical needs of at least 3 major systems.</p> <p><i>OR</i></p> <p>C. Rehab addresses the long-term physical needs of at least 2 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p>	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p><i>AND</i></p> <p>B. Rehab addresses the long-term physical needs of at least 2 major systems.</p>



Shifts to Prioritization Matrix

4.2 Additional Low-
Income Housing
Commitment

4.3 Housing
Commitments for Priority
Populations

4.11 Rehabilitation of
Major Systems

Moved to Program Requirement & Points Adjusted

4.5.3 Potential Tenant
Engagement – must plan
engagement and show
how feedback will be
incorporated

4.5.3 Tenant Engagement
– maintain points for
using CBO for
engagement

Removed

4.9.3 Rehab Electric
Vehicle Charging Station
Option

Note: Outreach showed
that Rehab EV Charging
Stations were not being
utilized

Timeline & Next Steps



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- Public Hearing at the April 23rd Board Meeting
- Seek Board Approval May 18th
- Following approval, publish approved policies and application materials around June 1st.
- Application deadline will be at least 30 days from when the policies and application materials are posted

Timeline subject to change.





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Questions?
Thank you!



Memorandum

To: WSHFC Commissioners

From: Lisa Vatske, Jackie Moynahan, Jason Hennigan, Kate DeCramer, Ben Brown

CC: Steve Walker

Date: April 23, 2026

Re: Bond/Tax Credit Program: Proposed Preservation Pilot Policies

Background

The Bond/Tax Credit Program has historically been a production program with an overall focus on creating more affordable housing by financing new construction projects. The program has also allowed for the preservation of existing properties as affordable by using tax-exempt bonds with 4% LIHTCs as a new financing package generally referred to as “new production” acquisition/rehab projects and/or to re-invest in properties that were originally financed under the Bond/Tax Credit Program referred to as “preservation or resyndication” projects. Additionally, the allocation process has evolved from one that was based on a first come first serve environment with a requirement to achieve a minimum score, when the amount of bonds available generally matched the projects queuing up for financing. As demand has increased and exceeded available resources the criteria have been adjusted and since 2017 the program has been competitive.

After the MHCF Staff re-evaluated the entire process, a specific set of values-based outcomes were created and approved by the Board in October 2021 to guide policies for prioritizing limited resources that acknowledges the tradeoffs to achieve these priorities. Each stated value defines the Outcomes, Tradeoffs and Methodology used and identifies targets where applicable. Two of those values speak specifically to existing properties and preservation efforts, which are noted below.

1. Value 4: Ensuring Affordable Housing Projects Serve Their Purpose For as Long as Possible
2. Value 6: Foster Healthy and Sustainable Homes

Our target goal for Preservation investment has been 15%-25% of the bond allocation, however our policies have also clearly stated that while our goal is to meet the minimum target, we will

WASHINGTON STATE HOUSING FINANCE COMMISSION

WSHFC Commissioners

Bond/Tax Credit Program: Proposed Preservation Pilot Policies

Page 2

prioritize New Production. We have generally met this minimum goal; however the pool of projects has been small due to our narrow eligibility criteria, which limits preservation projects.

Why focus now?

The state's affordable housing portfolio is aging. Specifically for the Commission's LIHTC portfolio, over the next 10 years we will see an increase in properties coming to the natural end of their regulatory agreement, where affordability restrictions will burn off. Without intervention, over 8,000 LIHTC restricted units may become unaffordable, risking displacement of existing residents.

The 2025 Federal Tax Bill, H.R. 1 brought about two changes that increase resources. It permanently increased the 9% Housing Tax Credit by 12% and lowered the Bond/4% LIHTC test from 50% to 25%. It is particularly the shift for the Bond/Tax Credit Program to a 25% test that has created the opportunity to stretch our resources further, fueling our focus on preservation. Additionally, changes in the market and the operational strain on sponsor developers has impacted the new construction pipeline as investors are tightening their risk parameters and adjusting to the changes from the tax bill.

We formed a cross-divisional workgroup of MHCF and AMC staff in 2025 that has met monthly to focus on both portfolio operational issues and preservation efforts. It is through the work group incorporating and sharing learnings from the efforts and engagement noted below and working through iterations and testing that a preservation framework was developed.

To gauge demand for a Preservation focus, we conducted a Request for Information in the fall of 2025 and received 39 unique responses from owners – non-profits, for-profits and housing authorities. Respondents confirmed a steady pipeline of properties that will need funding and that the most important issues to address are physical needs and improving energy efficiency and sustainability. While not all respondents could estimate the funding or financing needed, the collective identified over \$500M needed over the next several years, which we believe is a conservative estimate of the overall resources needed.

Over the last year, as we have engaged with sponsor developers, whether in one-on-one conversations, small work groups or in a larger statewide convening, we have heard a consistent theme that there needs to be a predictable pathway to preserve the existing housing stock. Several sponsors noted the complexity of getting existing properties ready and pipelining them for reinvestment, without a clear path it is hard to prioritize those needs over a new construction project. To meet the need raised by our partners, we need to adapt and shift our policies and processes out from under a new construction focused umbrella and create a separate and predictable path that focuses our preservation lens.

In alignment with our values our outcome remains the same that: *Low-income tenants remain in their housing and do not suffer displacement when the regulatory covenants expire. Their housing affordability is maintained, and their units are improved, which improves the quality of their lives. That our investments deliver long-term value for Washington by protecting residents' health,*

preserving affordable housing, reducing strain on public systems, and strengthening community resilience.

What needs to adjust is our thinking about tradeoffs and methodology. Instead of new production suffering to allow for preservation, we can balance the two activities and look deeper at the methodology that outlines eligibility and how we evaluate projects for an allocation of resources.

Bond/Tax Credit Program Preservation Pilot Overview:

The Preservation Pilot creates a separate application track using a set of revised policies documented in a Preservation Policy Addendum to allocate approximately \$250M in tax-exempt bonds. The pilot will test a few shifts in our program threshold requirements and evaluation criteria that intentionally uses a lens that centers residents and the building's physical needs to ensure the properties are healthy, sustainable and affordable for the long term.

The chart that follows outlines the proposed policy changes for the Bond/Tax Credit Program Preservation Pilot and includes a Risk/Opportunity Prioritization Matrix in Table A. The proposed changes were shared at an interested parties meeting on April 3rd and refinements based on sponsor questions and feedback received to date.

Highlights of the Substantial Changes:

Program Requirements Shifts

Eligible projects will be expanded to include both Preservation projects with existing Commission LIHTC regulatory agreements, also referred to as resyndications and Acquisition/Rehab projects such as Naturally Occurring Affordable Housing (NOAHs) or a property with a regulatory agreement from another funder and not in the Commission's portfolio.

Tenant Engagement with existing residents moves from being an option under our scoring criteria to a program requirement. All applicants will need to plan on engaging with residents and demonstrate how the results of that engagement will be incorporated into the project's scope.

Prioritization using a Risk/Opportunity Matrix

Existing properties come with a variety of risks and opportunities that need to be evaluated. To assess a project's risk of being lost to the market or out of the housing system, displacing residents, we propose using a Risk/Opportunity Prioritization Matrix in lieu of a minimum point threshold where all projects must first receive a priority designation of High, Medium or Low.

The matrix as further described in Table A aims to more intentionally evaluate for the common risks which also present opportunity for investment by using four assessment categories: 1) expiring regulatory agreements, 2) expiring critical subsidies, 3) physical needs and 4) critical community/population served. It is expected that not every project will have a ranking in all of the categories, but we do expect that projects will have more than one. All projects must first receive a prioritization before being scored.

Allocation Criteria (Points) Changes

Three existing Allocation Criterion shift to the Risk/Opportunity Prioritization Matrix for assessment to further align with our values as described above. This includes, Additional Low Income Housing Commitment, Housing Commitments for Priority Populations and Major Systems.

The Potential Tenant Engagement criterion will be renamed Tenant Engagement and adjusted to both remove the components that move to program requirements and restate points for using a Community Based Organization (CBO) for engagement with residents. We want to maintain our commitment to elevating the experience of organizations that are By and For Community.

Additionally, the option to select points for adding Electric Vehicle Charging Stations to existing properties will be removed. This recommendation is based on outreach to owners who selected this option in the past that revealed that when EV stations were installed, residents do not use them. Therefore, we do not want to incentivize an option that does not benefit the residents.

This pilot will inform a permanent track for preserving existing buildings as affordable housing and elevate preservation as a key component of our affordable housing ecosystem. By intentionally laying the pathway, we expect more opportunities to surface to keep projects with expiring restrictions affordable and bring additional housing stock into the Commission's portfolio. We can support the need for both new construction and preservation to achieve our state housing goals.



Bond/Tax Credit Program Proposed Policy Amendments: Preservation Pilot Policy Addendum 4/23/26

Changes for inclusion in an Addendum specific to the Preservation Pilot are noted as redlines.

Note: The Bond/Tax Credit Program Policies approved 9/25/2025 remain in effect. Any approved policy changes to be posted for the Preservation Pilot will be as a Policy Addendum, which will be additive and should be followed along with the Bond/Tax Credit Program Policies.

Existing Policy	Proposed Changes	Rationale
<p><u>Section 1.2 Bond Policy Values and Outcomes</u></p> <p>Our goal is to at least meet the minimums of our targets in Preservation, and public investment and not exceed the amount in balance of state, but we will prioritize New Production. We will not allocate to more acquisition/rehab projects simply to increase the dispersion of potential projects outside of King and Snohomish counties.</p> <p>Targets may be considered over a rolling multi-year period, where some targets may be over or under in any given allocation round, but target prioritization will adjust accordingly over a three-year period to achieve these stated goals.</p>	<p><u>New Addendum Section for 2026 Preservation Pilot Language:</u></p> <p>There is an opportunity and need to elevate investments to preserve existing affordable housing properties both properties within the Commission’s portfolio with an existing regulatory agreement and properties regulated by other public funder partners or naturally occurring affordable housing.</p> <p>The needs of existing properties are different from new construction. These are operating properties with existing residents and each property will have a distinct set of factors and risks to be evaluated. This pilot tests creating a separate track for preservation projects (both acquisition rehab and portfolio preservation) to apply for a bond allocation, centering the residents and the buildings that serve them.</p>	<p><i>Policy and Process Change.</i></p> <p>Elevates the importance of preserving existing housing stock, alongside new construction.</p>

<p><u>Section 1.2 Bond Policy Values and Outcomes - Value 4: Affordable Housing Projects Serve Their Purpose for as Long as Possible</u></p> <p>Outcome: Low-income tenants remain in their housing and do not suffer displacement when the regulatory covenants expire. Their housing affordability is maintained, and their units are improved, which improves the quality of their lives.</p> <p>Trade-off: Balancing the needs of the existing portfolio of affordable housing with new production could result in a decrease in new production. Although we want to prioritize the creation of new units, financing the acquisition and rehabilitation of existing projects has also been a key purpose for the Multifamily Bond/Tax Credit Program over the years. We want to maintain a limited but predictable amount of bond financing for rehabilitation projects to ensure that developers have resources available and can address health and safety issues and energy efficiency of the current affordable housing portfolio. We also want to ensure that any equity being pulled out of projects as part of a refinancing is being reinvested into the housing to ensure long-term sustainability and livability of the units. We additionally prioritize the preservation of units with long-term rental assistance.</p> <p>Methodology: A project is defined as “Preservation” if 80% or more of the housing units that exist at the time of application are to be renovated as part of the project. In a situation where the project proposal involves both rehabilitation and new construction, the rehabilitated units must make up more than 50% of the total housing units in the project to be eligible for this definition.</p>	<p><u>Addendum Updated Language:</u></p> <p><i>Section 1.2 Bond Policy Values and Outcomes - Value 4: Affordable Housing Projects Serve Their Purpose for as Long as Possible</i></p> <p>Outcome: Low-income tenants remain in their housing and do not suffer displacement when the regulatory covenants expire. Their housing affordability is maintained, and their units are improved, which improves the quality of their lives.</p> <p>Trade-off: Balancing the needs of the existing portfolio of affordable housing with new production could result in a decrease in new production. Although we want to prioritize the creation of new units, financing the acquisition and rehabilitation of existing projects has also been continues to be a key purpose for the Multifamily Bond/Tax Credit Program over the years. We want to maintain a limited but create a predictable amount of bond financing path for rehabilitation projects to ensure that developers have resources available and can address health and safety issues and energy efficiency of the current affordable housing portfolio. We also want to ensure that any equity being pulled out of projects as part of a refinancing is being reinvested into the housing to ensure long-term sustainability and livability of the units. We additionally prioritize the preservation of units with long-term rental assistance.</p> <p>Methodology: A project is defined as “Preservation” if 80% or more of the housing units that exist at the time of application are to be renovated as part of the project. In a situation where the project proposal involves both rehabilitation and new construction, the rehabilitated units must make up more than</p>	<p><i>Policy and Process Change</i></p> <p>Elevates the importance of preserving existing housing stock, alongside new construction.</p> <p>Acknowledges the unique challenges of preserving existing properties, focuses the residents and the physical condition of the building that serve them.</p>
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<p>Further, Preservation projects must:</p> <ul style="list-style-type: none"> • have one or more Federally Assisted Building(s), or • be currently beyond year fifteen of the Extended Use Agreement and the financing will be preserving the housing units under a new Extended Use Agreement, or • if originally in the Commission’s portfolio, the final regulatory agreement (bond or tax credit) expired in the past 12 months. <p>Projects that acquire and rehabilitate buildings that do not have regulatory covenants or agreements do not qualify under this definition of Preservation and would be considered new production and would compete in the new construction category even though they need to adhere to the rehabilitation requirements.</p> <p>We are targeting 15-25% of the resources for these projects.</p>	<p>50% of the total housing units in the project to be eligible for this definition.</p> <p>Further, Preservation projects are inclusive of the two following project types:</p> <p>Preservation projects with existing LIHTC regulatory agreements with the Commission are also referred to as re-syndications.</p> <p>Acquisition/Rehab projects of a property that is Naturally Occurring Affordable Housing (NOAHs) or a property that may have a regulatory agreement that is not in the Commission’s portfolio.</p> <p>All applications will be first evaluated for prioritization using a Risk/Opportunity Matrix. Each project will receive a prioritization designation of High, Medium, or Low based on a set of criteria described in further detail in Table A.</p> <ul style="list-style-type: none"> • Expiring Regulatory Agreements with Affordability Restrictions • Expiring Critical Subsidies • Physical Needs • Critical for Community/Population Served <p>We are offering approximately \$250M in bond allocation resources for this 2026 Preservation Pilot. This amount is subject to change, at the Commission’s discretion.</p> <p>Preservation projects must:</p> <ul style="list-style-type: none"> • have one or more Federally Assisted Building(s), or • be currently beyond year fifteen of the Extended Use Agreement and the financing will be preserving the housing units under a new Extended Use Agreement, or 	
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	<ul style="list-style-type: none"> if originally in the Commission’s portfolio, the final regulatory agreement (bond or tax credit) expired in the past 12 months: <p>Projects that acquire and rehabilitate buildings that do not have regulatory covenants or agreements do not qualify under this definition of Preservation and would be considered new production and would compete in the new construction category even though they need to adhere to the rehabilitation requirements:</p> <p>We are targeting 15-25% of the resources for these projects:</p>	
<p><u>Value 6: Foster Healthy and Sustainable Homes in a Changing Climate</u></p> <p>Federal and state policies of redlining and disinvestment in communities of color have long contributed to unequal access to healthy, safe housing and thus to unequal health outcomes among communities of color. Additionally, climate change brings more frequent waves of extreme heat and wildfire smoke that exacerbate health issues among vulnerable people in Washington, including those with cardiovascular, respiratory, and mental health conditions. How affordable housing is designed and built can mitigate some of these health impacts of climate change. Furthermore, the built environment is Washington’s second-largest carbon polluter behind transportation. Building emissions come from burning fossil fuels including gas and oil for furnaces, water heaters, and appliances. While climate change brings unequal health outcomes, state agencies have a window of opportunity to reduce those unequal outcomes and slow climate change’s speed. WSHFC envisions affordable housing in which residents live in a healthy environment with a comfortable temperature range, safe from the harmful effects of smoke. As we plan for</p>	<p><u>Revised Language</u></p> <p>Value 6: Foster Healthy and Sustainable Homes in a Changing Climate</p> <p>Many low-income residents in Washington face increasing exposure to extreme heat, wildfire smoke, and unhealthy indoor living conditions. These challenges are compounded by longstanding patterns of unequal investment that have left some communities with inefficient housing and at higher risk of worse health outcomes.</p> <p>Advancing healthier and more resilient housing is central to the Commission's mission to expand access to safe, affordable homes and ensure responsible use of public resources. The Commission aspires to incentivize cost-effective construction and rehabilitation practices that improve indoor comfort and strengthen building performance.</p> <p>These investments deliver long-term value for Washington by protecting residents’ health, preserving affordable housing,</p>	<p><i>Language updates centered on the tenants, health and safety and building improvements.</i></p>

<p>future building design criteria, we incentivize housing that is healthier for residents, as well as energy efficient to minimize carbon emissions.</p>	<p>reducing strain on public systems, and strengthening community resilience.</p>	
<p>4.5.3 Potential Tenant Engagement The Commission awards points for meaningfully engaging potential tenants in the development of the project.</p> <p>4.5.3.1 Potential Tenant Engagement Process</p> <ul style="list-style-type: none"> • Sponsor provides budgeted engagement resources to partner CBO who represents potential tenants, and conducts the Potential Tenant engagement process - 2 points <p>Or</p> <ul style="list-style-type: none"> • Sponsor conducts a Potential Tenant engagement process using one of the toolkits provided by the Commission 1 point Or • Sponsor provides documentation of a Potential Tenant engagement process that meets or exceeds the standards of the approved toolkits, with pre-approval of the process - 1 point <p>4.5.3.2 Application of Potential Tenant Engagement The Commission awards points for projects that can demonstrate that:</p> <ul style="list-style-type: none"> • Results of Potential Tenant input are implemented in the project development - 2 points • A service provider partnership results from Potential Tenant input -1 point 	<p>Revised Language-Two Changes:</p> <p>1) New Program Requirement Section 3.35 Preservation/Acquisition/Rehab Projects Tenant Engagement:</p> <p>All Applicants are required to plan to conduct meaningful engagement with residents in the property. Sponsors may conduct engagement in the following ways, all of which must be responsive to the Existing Tenant Engagement Guidelines:</p> <ul style="list-style-type: none"> • Sponsor provides budgeted engagement resources to partner CBO who represents potential tenants, and conducts the Tenant engagement process • Sponsor conducts a Tenant engagement process using one of the toolkits provided by the Commission • Sponsor provides documentation of a Tenant engagement process that meets or exceeds the standards of the approved toolkits <p>Additionally, all applicants must demonstrate that the results of tenant input will be implemented in the project rehabilitation.</p> <p>2) 4.5.3 Tenant Engagement: The Commission will award 2 points for sponsors that budget for and partner with a CBO to conduct the Tenant engagement process.</p>	<p><i>Policy Change</i></p> <p>Aligns focus on existing residents by shifting optional point criteria to a program requirement.</p>

<p><u>4. Bond Cap and Tax Credit Allocation Criteria</u></p> <p><u>Minimum Score</u> Projects outside King County must select a minimum of 25 points below to apply for the Bond/Tax Credit Program (4 of which must be in Section 4.5 Projects that are By and For the Community). Projects located in King County must select a minimum of 30 points (5 of which must be in Section 4.5 Projects that are By and For the Community).</p> <p>For scattered site or portfolio applications each property must meet the minimum for where the majority of the units are located. The portfolio score will be the average score of the properties, weighted by the number of low-income housing units in each project. The MHCDF Director makes the final decision regarding points when they are in dispute.</p>	<p><u>New Language: Addendum Section for 2026 Preservation Pilot</u></p> <p>For the Preservation Pilot, the Minimum Score Criteria will not apply. Instead, projects will be first evaluated using the Risk/Opportunity Prioritization Matrix (see Table A) which identifies criteria within each Risk/Opportunity Category to determine a Project’s prioritization for review and a financing allocation – High, Medium, or Low.</p> <p>Not all of the Risk/Opportunity Categories may apply to every project and projects are expected to have a prioritization in one or more of the Risk/Opportunity categories.</p> <p><u>In place of a minimum point score, projects must at least meet the Low Priority criteria in at least one of the Risk/Opportunity Categories, to be considered for an allocation.</u></p>	<p><i>Policy and Program Process Change</i></p> <p>Shifts some scoring criteria to a prioritization process as threshold.</p>
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<p>4.2 Additional Low-Income Housing Commitment Points are awarded to projects based on the Applicant’s commitment to provide selected percentages of the housing units for occupancy by households at or below selected area median income levels. Units are both rent and income restricted at the selected income levels.</p> <ul style="list-style-type: none"> • For Resyndication projects maintaining existing set-asides below 60% AMI 6 points <p>For projects in King and Snohomish Counties points will be awarded based on the following:</p> <ul style="list-style-type: none"> • 100% of the housing units at 60% AMI 0 points • 70% of the housing units at 60% AMI, 30% at 50% AMI 2 points • 50% of the housing units at 60% AMI, 50% at 50% AMI 4 points • 30% of the housing units at 60% AMI, 70% at 50% AMI 6 point <p>AND</p> <p>4.3 Housing Commitments for Priority Populations In addition to the minimum set aside for priority populations threshold requirement in Section 3.31 Set Asides for Priority Populations, points are be awarded based on the Applicant’s commitment in the Application to provide housing units for Large Households or Seniors. Applicants may not select both options.</p> <ul style="list-style-type: none"> • A total of 20% of the total housing units set aside for Large Households 2 points • 100% of housing units set aside for Seniors 2 points <p>Applicants should review Chapter 3 of the Tax Credit Compliance Procedures Manual and Appendix P for further information on Housing Commitments for Priority Populations (also referred to as “Special Needs Housing Commitments”).</p>	<p><u>New Language:</u></p> <p>Both criteria (point categories) shift to the Risk/Opportunity Priority Matrix to be evaluated under the Critical for Community/Population Served category.</p> <p>Determined by application responses regarding existing residents served and any proposed changes, market study findings as well as other available data sources regarding resident income/paid rent as it relates to market rents and quality/availability of housing supply.</p> <p><u>High Priority:</u> Limited to no affordable housing options of similar quality and cultural relevance are available for existing residents; will result in a significant loss of supply for the community due to high displacement pressure.</p> <p><u>Medium Priority:</u> Limited affordable housing options of similar quality and cultural relevance are available for existing residents; may result in loss of supply for the community due to medium displacement pressure.</p> <p><u>Low Priority:</u> Other affordable housing options of similar quality and cultural relevance are available for existing residents; not expected to result in loss of supply for the community due to low displacement pressure.</p>	<p><i>Policy and Process Change</i></p> <p>Further aligns with Value 4: Affordable Housing Projects Serve Their Purpose for as Long as Possible by centering the existing residents served to ensure the property continues to serve them and displacement is mitigated.</p>
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<p><u>4.11 Rehabilitation of Major Systems</u></p> <p>For Preservation projects only – the Commission awards ten points to projects for each major system installed or replaced, for up to 30 points. Eligible major systems are:</p> <ul style="list-style-type: none"> • Plumbing • Electrical • Heating, ventilation, and air conditioning • Elevators • Seismic upgrades • Envelope <p>If applying for these points, applicants must submit a professional, independent, third-party Capital Needs Assessment (CNA). The CNA describes a project’s physical capital needs over the next 20 years based on the observed current physical conditions of the project. CNA must identify deferred maintenance; physical needs; the age, useful life and remaining useful life of key components; building material deficiencies and material building code violations that affect the property use; structural or mechanical integrity, and future physical and financial needs. The CNA must be the basis from which the scope of work for the project has been developed. MHCF staff may use the CNA along with HUD housing guidelines to determine if the scope of rehabilitation work meets the standards replacing a major system. In addition, all rehab projects must comply with Section 3.19 Rehabilitation Requirements to implement the ductless or ducted heat pump options.</p> <p>The Commission recognizes that existing affordable housing projects may need immediate system repair and replacement for the health and safety of the residents. The Sponsor may begin work on rehabilitation of the building up to 12 months</p>	<p><u>Updated Language:</u></p> <p>Criteria (point category) shifts to Risk/Opportunity Prioritization Matrix to be evaluated under the Physical Needs category:</p> <p>Determined by the applicants proposed scope of work and budget including major systems rehab, the Capital Needs Assessment (CNA).</p> <p>Applicants must submit a professional, independent, third-party Capital Needs Assessment (CNA). The CNA describes a project’s physical capital needs over the next 20 years based on the observed current physical conditions of the project. CNA must identify deferred maintenance; physical needs; the age, useful life and remaining useful life of key components; building material deficiencies and material building code violations that affect the property use; structural or mechanical integrity, and future physical and financial needs. The CNA must be the basis from which the scope of work for the project has been developed. MHCF staff may use the CNA along with HUD housing guidelines to determine if the scope of rehabilitation work meets the standards replacing a major system. In addition, all rehab projects must comply with Section 3.19 Rehabilitation Requirements to implement the ductless or ducted heat pump options.</p> <p>The Commission recognizes that existing affordable housing projects may need immediate system repair and replacement for the health and safety of the residents. The Sponsor may begin work on rehabilitation of the building up to 12 months before application to qualify for points. The Commission recommends the request of an Official Intent Declaration (see Section 9.1.2) if</p>	<p><i>Policy and Process Change</i></p> <p>Further aligns with Value 4: Affordable Housing Projects Serve Their Purpose for as Long as Possible and Value 6 to Foster Healthy and Sustainable Homes and centers addressing the properties immediate and long-term needs and incorporates sustainability.</p>
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<p>before application to qualify for points. The Commission recommends the request of an Official Intent Declaration (see Section 9.1.2) if the Sponsor plans to begin rehabilitation in advance of application</p>	<p>the Sponsor plans to begin rehabilitation in advance of application</p> <p>Requires all immediate/critical needs get addressed. Prioritization based on number of major systems rehabbed, with additional priority given for properties that are electrifying existing gas-powered major systems.</p> <p>Eligible major systems:</p> <ul style="list-style-type: none"> • Heating, ventilation, and air conditioning (HVAC) • Electrical • Plumbing • Envelope • Elevators • Seismic upgrades <p><u>High Priority:</u> A. Rehab addresses all immediate physical needs identified in the CNA. AND one of:</p> <p>B. Rehab addresses the long-term physical needs of at least 4 major systems. OR</p> <p>C. Rehab addresses the long-term physical needs of at least 3 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p> <p><u>Medium Priority:</u> A. Rehab addresses all immediate physical needs identified in the CNA. AND one of:</p> <p>B. Rehab addresses the long-term physical needs of at least 3 major systems. OR</p>	
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	<p>C. Rehab addresses the long-term physical needs of at least 2 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p> <p><u>Low Priority:</u> A. Rehab addresses all immediate physical needs identified in the CNA. AND</p> <p>B. Rehab addresses the long-term physical needs of at least 2 major systems.</p>	
<p><u>4.9.3 Rehab Electric Vehicle Charging Station Option</u></p> <p>The Commission will award one point to projects that install electric vehicle charging stations in no less than 5% of residential parking spaces, with a minimum requirement of 1 in non-accessible parking and 1 in accessible stalls. The 5% requirement applies to both accessible and non-accessible parking stalls, calculated independent of the other</p>	<p><u>Section 4.9.3 is removed in its entirety.</u></p>	<p><i>Policy Change</i></p> <p>Staff outreach to owners demonstrated that when installed in Rehab properties the EV Charging Stations were not being utilized by residents. Owners are still welcome to install the stations, however it is not something we will be incentivizing.</p>

Table A: Risk/Opportunity Prioritization Matrix

Risk/Opportunity Category	High Priority	Med Priority	Low Priority
<p>Expiring Regulatory Agreement with Affordability Restrictions:</p> <p>Determined by expiration date of existing regulatory agreements. For LIHTC properties the expiration date of the extended use agreement will be used. For Federally financed projects, prepayment option timelines will be considered to determine expiration risk.</p>	<p>Affordability restrictions expire within 0-5 years and the regulatory agreement covers a majority (50% or more) of the units in the property</p>	<p>Affordability restrictions expire within 5-7 years and the regulatory agreement covers a majority (50% or more) of the units in the property</p>	<p>Affordability restrictions expire 7+ years and/or the regulatory agreement covers a minority (less than 50%) of the units in the property</p>
<p>Expiring Critical Subsidies:</p> <p>Determined by expiration date of existing subsidy contracts or agreements. Note: Pro-active renewals of existing contracts to facilitate reinvestment such as a recent extension of a Section 8 HAP contract, will be considered in conjunction with the original expiration dates.</p>	<p>Within 3 years and supports majority (50% or more) of residents who are extremely or very low income at or below 50% AMI</p>	<p>Within 5 years and support majority (50% or more) of residents who are extremely or very low income at or below 50% AMI</p>	<p>Within 7 years and/or supports a minority (less than 50%) of residents within the property who are low income at or below 50% AMI</p>
<p>Critical for Community/Population Served:</p> <p>Determined by application responses regarding existing residents served and any proposed changes, market study findings as well as other available data sources regarding resident income/paid rent as it relates to market rents and quality/availability of housing supply.</p>	<p>Limited to no affordable housing options of similar quality and cultural relevance are available for existing residents; will result in a significant loss of supply for the community due to high displacement pressure</p>	<p>Limited affordable housing options of similar quality and cultural relevance are available for existing residents; may result in loss of supply for the community due to medium displacement pressure</p>	<p>Other affordable housing options of similar quality and cultural relevance are available for existing residents; not expected to result in loss of supply for the community due to low displacement pressure</p>

Risk/Opportunity Category	High Priority	Med Priority	Low Priority
<p>Physical Needs: Determined by the applicants proposed scope of work and budget including major systems rehab, the Capital Needs Assessment (CNA). <u>Note: in unit cooling is a rehab requirement (see Policy 3.19).</u></p> <p>Requires all immediate/critical needs get addressed. Prioritization based on number of major systems rehabbed, with additional priority given for properties that are electrifying existing gas-powered major systems.</p> <p>Eligible major systems: -HVAC -Electrical -Plumbing -Envelope -Elevators -Seismic</p>	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p style="text-align: center;"><i>AND one of:</i></p> <p>B. Rehab addresses the long-term physical needs of at least 4 major systems.</p> <p style="text-align: center;"><i>OR</i></p> <p>C. Rehab addresses the long-term physical needs of at least 3 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p>	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p style="text-align: center;"><i>AND one of:</i></p> <p>B. Rehab addresses the long-term physical needs of at least 3 major systems.</p> <p style="text-align: center;"><i>OR</i></p> <p>C. Rehab addresses the long-term physical needs of at least 2 major systems and at least 1 of those systems is converted to electricity from another fuel source.</p>	<p>A. Rehab addresses all immediate physical needs identified in the CNA.</p> <p style="text-align: center;"><i>AND</i></p> <p>B. Rehab addresses the long-term physical needs of at least 2 major systems.</p>

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 26-60

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of nonrecourse nonprofit revenue bonds in multiple series and in an aggregate principal amount of not to exceed \$100,000,000 to finance the demolition of existing facilities and the construction, expansion and equipping of senior housing facilities owned by Wesley Homes Des Moines, LLC, a Washington limited liability company, the sole member of which is Wesley Homes, a Washington nonprofit corporation; approving the sale of the bonds to Odeon Capital Group LLC; approving the form of a supplemental bond trust indenture, mortgage loan origination and financing agreement, regulatory agreement, deed of trust, bond purchase agreement and tax certificates; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or his designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON APRIL 23, 2026

PREPARED BY:

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

Table of Contents

		Page
Section 1.	Definitions.....	3
Section 2.	Financing Program.....	3
Section 3.	Authorization of the Bonds.....	3
Section 4.	Approval of Documents.....	4
Section 5.	Sale of the Bonds	4
Section 6.	Executive Director	5
Section 7.	Effective Date	5

RESOLUTION NO. 26-60

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of nonrecourse nonprofit revenue bonds in multiple series and in an aggregate principal amount of not to exceed \$100,000,000 to finance the demolition of existing facilities and the construction, expansion and equipping of senior housing facilities owned by Wesley Homes Des Moines, LLC, a Washington limited liability company, the sole member of which is Wesley Homes, a Washington nonprofit corporation; approving the sale of the bonds to Odeon Capital Group LLC; approving the form of a supplemental bond trust indenture, mortgage loan origination and financing agreement, regulatory agreement, deed of trust, bond purchase agreement and tax certificates; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or his designee, and Executive Director of the Commission to execute such documents and other related documents.

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

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

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

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

WHEREAS, Wesley Homes Des Moines, LLC, a Washington limited liability company (the “Borrower”) the sole member of which is Wesley Homes, a Washington nonprofit corporation and an organization described under Section 501(c)(3) of the Code, has requested that the Commission issue bonds to provide part of the funds to finance the demolition of certain existing senior housing facilities and the new construction, expansion and equipping of a 106-unit independent living facility on the campus of the Borrower located in Des Moines, Washington (the “Facilities”), pay capitalized interest during construction of the Facilities, fund working capital expenditures, if necessary, establish a debt service reserve fund and pay costs of issuing the Bonds (together, the “Project”); and

WHEREAS, it is desirable for the Commission to assist the Borrower through the issuance of its Washington State Housing Finance Commission Nonprofit Housing Revenue Bonds (Wesley Homes at Des Moines Projects), Series 2026, with such additional series and subseries designations as may be authorized by the Executive Director, in the aggregate principal amount of not to exceed \$100,000,000 (the “Bonds”); and

WHEREAS, the Bonds are expected to be unrated and will be sold with terms consistent with and in furtherance of the Commission’s policy for unrated bonds; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 26-42A, the Commission held a public hearing with respect to the Project on March 26, 2026, and by the closing on the Bonds the Governor will have approved the Project and the Bonds; and

WHEREAS, the Commission has received a preliminary offer to purchase all of the Bonds from Odeon Capital Group LLC (the “Purchaser”), which intends to sell all or a majority of the Bonds to clients of Hamlin Capital Management, LLC.

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

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Commission: the Master Bond Trust Indenture (the “Master Indenture”) between the Commission and U.S. Bank National Association (the “Trustee”); the Sixth Supplemental Bond Trust Indenture between the Commission and Trustee (the “Sixth Supplement,” and, together with the Master Indenture, the “Indenture”); the Mortgage Loan Origination and Financing Agreement among the Commission, the Borrower, a mortgage lender and the Trustee (the “Loan Agreement”); the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”); the Amendment No. 3 to the Deed of Trust, Assignment of Leases and Fixture Filing (together with the Deed of Trust, Assignment of Leases and Fixture Filing, as previously amended, the “Deed of Trust”); the Regulatory Agreement between the Commission and the Borrower (the “Regulatory Agreement”); and the form of Bond Purchase Agreement among the Commission, the Borrower and the Purchaser (the “Bond Purchase Agreement”).

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

Section 3. Authorization of the Bonds. The Commission hereby authorizes the issuance and sale of the Bonds as draw-down bonds, in multiple series and subseries, at fixed and

adjustable rates, in an original aggregate principal amount not to exceed \$100,000,000 pursuant to and in accordance with the provisions of the Act and the Code and Section 5 of this resolution. The Commission further authorizes the adjustment of the names of the Bonds, as is necessary to facilitate the sale of the Bonds and the accomplishment of the Project.

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

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

Section 5. Sale of the Bonds. The Commission hereby authorizes and approves the sale of the Bonds to Odeon Capital Group LLC, an underwriter listed on its roster of approved

underwriting firms as described in RCW 43.180.100, in accordance with the terms and conditions set forth in the Bond Purchase Agreement. The Commission hereby delegates to the Executive Director the authority to execute the Bond Purchase Agreement on behalf of the Commission in substantially the form filed with the Commission, subject to the following limitations: (a) the aggregate principal amount of the Bonds does not exceed \$100,000,000; (b) the interest rate on the Bonds does not exceed 7.05%; (c) the Bond Purchase Agreement is executed prior to September 30, 2026; and (d) the final terms of the Bond Purchase Agreement are otherwise in furtherance of the Act and the Plan.

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

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

ADOPTED at a special meeting duly noticed and called this 23rd day of April, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Nonprofit Housing Program

Project Name	Wesley Homes Des Moines Phase V
Developer	Wesley Homes
Description	<p>This is the fifth phase of the Wesley Homes Des Moines' campus. This bond issue will construct 106 new independent living units on the existing site. The site currently has a vacated skilled nursing facility which will be taken down to build the new units.</p> <p>Proceeds of the bond issue are expected to be used to finance costs for the demolition of a vacant facility and the construction, expansion and equipping of the independent living facility, fund a debt service reserve fund, pay capitalized interest and certain working capital expenditures relating to the Project, and pay all or a portion of the costs of issuing the bonds</p>
Location	1122 South 216th Street Des Moines, WA 98198
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	New construction of a nonprofit housing facility.
Estimated Tax-Exempt Obligation Amount (Not to exceed)	\$100,000,000
Total Estimated Project Cost	\$90,199,652
Obligation Structure	Public Sale
Lender	Hamlin Capital Management
Action	Approval of Resolution No. 26-60
Anticipated Closing Date	April 2026

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 26-61

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt and taxable nonrecourse nonprofit revenue bonds in the aggregate principal amount of not to exceed \$1,400,000 to refinance the construction and equipping of nonprofit housing facilities owned and operated by The Kline Galland Center, a Washington nonprofit corporation; approving the sale of the bond to JPMorgan Chase Bank, National Association pursuant to its purchase offer; approving the form of a financing agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON APRIL 23, 2026

PREPARED BY:

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

Table of Contents

		Page
Section 1.	Definitions.....	2
Section 2.	Financing Program.....	3
Section 3.	Authorization of the Bond; Refunding	3
Section 4.	Approval of Documents	3
Section 5.	Sale of the Bond.....	4
Section 6.	Executive Director	4
Section 7.	Effective Date	4
Exhibit A	Purchase Offer	

RESOLUTION NO. 26-61

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt and taxable nonrecourse nonprofit revenue bonds in the aggregate principal amount of not to exceed \$1,400,000 to refinance the construction and equipping of nonprofit housing facilities owned and operated by The Kline Galland Center, a Washington nonprofit corporation; approving the sale of the bond to JPMorgan Chase Bank, National Association pursuant to its purchase offer; approving the form of a financing agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

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

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

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

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

WHEREAS, JPMorgan Chase Bank, National Association, a national banking association (the "Lender") has offered to originate a loan in the principal amount of not to exceed

\$1,400,000 (the “Loan”) to The Kline Galland Center, a Washington nonprofit corporation (the “Borrower”), to refund the Commission’s outstanding Nonprofit Housing Refunding Revenue Bond (The Kline Galland Center Project), Series 2011 (the “2011 Bond”), proceeds of which were applied to refinance the costs of constructing and equipping a nonprofit facility located in Seattle, Washington, and to pay all or a portion of the costs of issuing the Bond (as defined herein) (together, the “Project”), and to sell the Loan to the Commission; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing for the Project through: (1) the issuance of its Washington State Housing Finance Commission Nonprofit Housing Revenue Refunding Bond (Streamlined Tax-Exempt Placement Program: The Kline Galland Center Project), Series 2026 in the principal amount of not to exceed \$1,400,000 (the “Bond”); and (2) its acquisition of the Loan with proceeds of the Bond; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 26-43A, the Commission held a public hearing on March 26, 2026, and the Governor has, or by the closing on the Bond will have, approved the Project and the Bond; and

WHEREAS, the Commission has received an offer to purchase the Bond (the “Purchase Offer”) from the Lender; and

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

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Executive Director of the Commission: the Financing Agreement among the Commission, U.S.

Bank Trust Company, National Association, as the fiscal agent, the Borrower and the Lender (the “Financing Agreement”) and the Non-Arbitrage Certificate executed by the Commission of even date with the Bond (the “Tax Certificate”).

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

Section 3. Authorization of the Bond; Refunding. The Commission hereby authorizes the issuance and sale of the Bond in an aggregate principal amount of not to exceed \$1,400,000, in such series and subseries as shall be necessary, pursuant to and in accordance with the provisions of the Act and the Code.

The Commission hereby authorizes the refunding of its 2011 Bond with proceeds of the Bond and other funds available to the Borrower.

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

The Financing Agreement and the Tax Certificate are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary’s designee, to execute on its behalf such documents, the documents contemplated

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

Section 5. Sale of the Bond. The Commission hereby authorizes and approves the sale of the Bond to the Lender, in accordance with the Purchase Offer attached hereto as Exhibit A.

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

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

[Signature page follows]

ADOPTED at a special meeting duly noticed and called this 23rd day of April, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Purchase Offer

April 21, 2026

The Commissioners

c/o Steve Walker, Executive Director
Washington State Housing Finance Commission

1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Nonprofit Refunding Revenue Bond
(Streamlined Tax-Exempt Placement Program: The Kline Galland Center Project), Series
2026 (the "*Bond*"), in a principal amount not to exceed \$1,400,000

Dear Honorable Commissioners:


JPMorgan Chase Bank, N.A. (the "*Lender*") is pleased to offer to purchase the above-referenced Bond, at a price of par.

The Bond will be dated the date of closing, anticipated to be on or before April 30, 2026. Principal on the Bond will accrue interest at a fixed rate per annum, subject to adjustment from time to time pursuant to the final loan documents, to be set shortly before closing. The Bonds are to be repaid based on an up to 15-year stated amortization, and to mature on or before December 1, 2040, subject to mandatory prepayment as set forth in the financing documents.

Our offer is subject to (i) delivery of a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to the Lender, and (ii) satisfaction of all other conditions set forth in the documents related to the issuance and purchase of the Bond, each acceptable to the Lender.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By: 
Name: Maggie Baldus
Title: Authorized Officer

Nonprofit Housing Program

Project Name	The Summit at First Hill, dba Mary Schwartz Summit
Developer	The Kline Galland Center
Description	<p>The Summit at First Hill is located in the First Hill neighborhood of downtown Seattle and is a continuing care retirement community for Seattle’s seniors. It provides both independent and assisted living residential units, allowing residents to chose the level of support that best aligns with their individual preferences and needs. The Summit provides an extensive calendar of events and activities, and it offers many amenities, including a dining room, a fitness gym, local transportation, 24-hour concierge desk, and a salon.</p>
Location	1200 University Seattle, WA 98101
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Refinance of existing debt.
Estimated Tax-Exempt Obligation Amount (Not to exceed)	\$1,400,000
Total Estimated Project Cost	\$1,200,000
Obligation Structure	Private Placement
Permanent Lender	JPMorgan Chase Bank, N.A.
Action	Approval of Resolution No. 26-61
Anticipated Closing Date	April 2026



Memorandum

To: WSHFC Commissioners

From: Jacob Richardson and Lisa Vatske

CC: Steve Walker

Date: April 14, 2026

Re: Additional credit request for Lewis Spruce and Sixth 9% project

The Lewis Spruce and Sixth project is a 2025 9% Tax Credit project to be located in Yakima. The project sponsor is Yakima Housing Authority (YHA). The project was allocated \$1,378,777 in tax credits. A Public Hearing was held on 9/25/2025 and the Commission approved the allocation of tax credits at that time.

Unfortunately, the project has experienced cost increases and now has a financial gap in the final development budget. The gap was created by a combination of increasing construction costs, a softening market for tax credit investments, and additional requirements associated with soil remediation.

The proposed additional credit will allow Lewis, Spruce and Sixth to be completed and serve very low-income and chronically homeless individuals and families in Yakima. Prior to requesting this increase in their tax credit allocation, YHA pursued several additional sources of funding to help bridge this gap but without success. The project does have an investor onboard and is scheduled to close on financing in May 2026. The Sponsor is requesting an additional \$302,039 in annual credits which brings the total credit request for the project to \$1,680,816. To accommodate this request, we are waiving our per unit credit limit policy. The current amount of 9% credit that we are forward committing, with this request included, is 12% which is still below the policy limit of 20%.

Multifamily Housing and Community Facilities (MHCF) Division staff recommend approval of this additional credit request. Thank you for your consideration.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
RESOLUTION NO. 26-64**

**A RESOLUTION of the Washington State Housing Finance Commission
authorizing the Executive Director to make reservations and/or
allocations of 2026 federal low-income housing tax credits.**

WHEREAS, Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), authorizes tax credits for the construction, acquisition or rehabilitation of residential rental projects meeting the requirements of the Code, including the set-aside of rental units for low-income tenants; and

WHEREAS, the Code authorizes the housing credit agency of a state to allocate the limited amount of federal low-income housing tax credits (the "Credit") available for projects within the state among such projects; and

WHEREAS, by Executive Order No. 94-05, the Governor of the State of Washington has designated the Washington State Housing Finance Commission (the "Commission") as the housing credit agency of Washington for the purposes of allocating Credit and has authorized the Commission to allocate such Credit in accordance with the terms and conditions of such Executive Order; and

WHEREAS, in order to provide decent, safe and affordable housing, the Commission is authorized pursuant to RCW 43.180.050(d) to participate fully in federal programs and to take such actions as are necessary and consistent with RCW 43.180.010 et seq. to secure to itself and the people of the State of Washington the benefits of those programs; and

WHEREAS, the Commission has approved a Qualified Allocation Plan (the "Allocation Plan") for the allocation of Credit, the Allocation Plan has been approved by the Governor in accordance with WAC 262-01-120; the Commission has approved rules (WAC 262-01-130) for the administration of the tax credit program (the "Rules"); and the Commission has issued policy statements advising the public about the Commission's current opinions, approaches, and likely courses of action in implementing the tax credit program (the "Policies"); and

WHEREAS, the Commission has received applications from developers of residential projects for consideration in the Commission's 2026 allocation program (the "Program"); and

WHEREAS, staff has reviewed the application(s) for the project(s) listed below in accordance with the Allocation Plan, the Rules and the Policies and has presented a recommendation to the Commission for the allocation of Credit to selected projects; and

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

Section 1. The Commission authorizes the Executive Director to reserve and/or allocate 2026 Credit in the anticipated amount, to the project or projects listed below, subject to the conditions set forth below. The Commission authorizes the Executive Director to take such actions as are necessary to make such reservations and/or allocations in accordance with the Code, the Allocation Plan, the Rules, and the Policies, including the criteria contained in Chapter Five of the

Policies (Project Ranking Policies”) and project feasibility and viability and other requirements as described in Chapters Two through Seven of the Policies.

Project(s):

TC #	Project Name	City	County	Additional credit requested	Annual Tax Credit Amount
25-03	Lewis, Spruce & Sixth	Yakima	Yakima	\$302,039	\$1,680,816

Section 2. All actions previously taken by the Commission or its staff or agents in furtherance of the Program are hereby ratified and confirmed.

ADOPTED by the Washington State Housing Finance Commission at a special meeting duly noticed and called this 23rd day of April 2026.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

9% Competitive Housing Tax Credit Program

Project Name	Lewis, Spruce & Sixth
Sponsor	The Housing Authority of the City of Yakima
Description	<p>Lewis, Spruce & Sixth is a 50-unit scattered-site infill development in Yakima sponsored by the Yakima Housing Authority (YHA). The project will transform three vacant parcels into new housing that integrates with existing YHA properties and surrounding neighborhoods. The Lewis site will add 29 apartments across two walk-up buildings next to a city park; the Spruce site will add 18 apartments in three small buildings adjacent to an existing YHA community; and the Sixth site will add three apartments on a former blighted lot donated by the City of Yakima. In total, the development will provide 12 studios, 20 one-bedrooms, and 18 two-bedrooms designed to blend into the surrounding community.</p> <p>Lewis, Spruce, & Sixth will serve a mix of populations, with 25% of units reserved for households experiencing homelessness and the remaining apartments available to general low-income families and seniors, with units affordable to households at 30%, 40%, and 60% of Area Median Income. Thirteen supportive housing units will be paired with project-based vouchers, and YHA will provide ongoing support through its Resident Services Coordinator. Yakima Neighborhood Health Services will coordinate referrals through the local coordinated entry system and provide case management for homeless residents.</p> <p>The three scattered sites are located in historically underserved Yakima neighborhoods where poverty rates exceed 40% and Latino households make up roughly 75% of the population. By repurposing long-vacant and donated parcels, the project will reduce blight and respond directly to housing needs identified through YHA's waitlist. YHA's bilingual staff and culturally competent service approach will ensure equitable access for residents, including households with limited English proficiency.</p>

Location	316 N. Lewis Ave., Yakima, WA 98902; 914 E. Spruce St., Yakima, WA 98901; 415 N. Sixth Ave., Yakima, WA 98902	
Credit Pool	Non-Metro	
Project Type	New Construction without Federal Subsidies	
Low-Income Housing Units	Studio	12
	One Bedroom	20
	Two Bedroom	18
	Total	50
Income Set-Asides	50% of units at 30% AMI 10% of units at 40% AMI 40% of units at 60% AMI	
Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	25
	Leveraging	10
	Public Funding	2
	Project-Based Rental Assistance (PBRA)	3
	Developer Fees	10
	Location Efficient Project	2
	Located near a Job Center	1
	Nonprofit Sponsor	5
	Donation in Support of Local Housing Needs	5
	Energy Consumption Model	2
	Cost Containment Incentive	8
	Total Points	177
Additional Credit Request	\$302,039	
New Total Credit Amount	\$1,680,816	
Development Budget		
	Acquisition Costs	\$247,923
	Construction	\$13,873,146
	Soft Costs	\$2,681,565
	Financing Costs	\$1,190,066
	Capitalized Reserves	\$222,392
	Other Development Costs	\$573,514
Total Development Costs	\$18,788,606	

Permanent Sources

State Housing Trust Fund	\$3,600,000
Connecting Housing to Infrastructure Program (CHIP)	\$658,462
Deferred Developer Fee	\$672,185
Sponsor Loan	\$117,289
Tax Credit Equity at \$0.818 per credit x 10 years	\$13,740,670
Total Sources	\$18,788,606

Total Development Cost Limit

Project's Total Development Cost Limit	\$18,995,224
TDC less Land, Offsite Infrastructure, and Reserves	\$17,667,244
Waiver	Not required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Studio	\$850	\$405 - \$563
One Bedroom	\$1,110	\$426 - \$932
Two Bedroom	\$1,390	\$502 - \$1,110



Memorandum

To: WSHFC Commissioners
From: Lisa Vatske and Dan Rothman
CC: Steve Walker, Executive Director
Date: April 13, 2026
Re: Transfer Request for \$5 Million Investment in HomeSight from the PRI Program fund reserve

Recommendation

Staff recommend approval of a \$5 million transfer from the PRI Program fund reserve to invest in HomeSight, a local nonprofit community development financial institution (CDFI) and community development corporation (CDC). HomeSight has operated since 1990 and focuses on affordable homeownership, small business development, and community advocacy.

HomeSight takes an integrated approach to building thriving communities across Washington, particularly in areas with limited access to opportunity. The Commission has a long history of investing in CDFIs across the state, including Impact Capital, Community Frameworks, the Office of Rural and Farmworker Housing, and the Washington Community Reinvestment Association (WCRA). The Commission has especially longstanding partnerships with Impact Capital and WCRA, providing over \$22M and \$5.2M respectively in PRI investment funding over 26 years.

Impact

Consistent with the Commission's other CDFI investments, HomeSight offers lending programs and products that directly complement the Commission's work. These include predevelopment lending for affordable homeownership projects, community development lending, homebuyer education, down-payment assistance, and mortgage lending.

The Commission has determined that providing investment funds to HomeSight advances its mission to provide equitable access to capital through strong partnerships and



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

innovative financing to create and sustain affordable rental housing, homeownership, and community spaces across Washington State

Terms

- Maturity: 10 years (5-year initial term and 5-year extension, at option of the Commission)
- Interest rate: 1.00%
- Interest payments: Due annually
- Principal payments: Due at maturity
- Prepayment: at any time without penalty
- Roll previous investment of \$1 million into new investment to sync with current maturity dates.

Recommendation: Staff recommend approval of this request. Thank you for your consideration.



Opening doors to a better life

MEMO

DATE: April 21, 2026
TO: Board Commissioners
FROM: Steve Walker
RE: Executive Director's Report

This memo summarizes the activities of each division, along with highlights of my own activities from March 24 – April 20, 2026. Should you have any questions, please contact Tera to arrange a call with me or a division director.

Multifamily & Community Facilities

- External Engagement- lots of activity this month.

Staff held an interested party and Preservation Pilot Launch presentation meeting on April 3rd, with over 100 people attending. The slides and zoom recording can be found here: [WSHFC | 4% Housing Credit with Bonds](#).

There was a productive Q & A discussion, which has been developed into an FAQ- which also can be found here: [WSHFC 2026 Preservation Pilot FAQ - 4/2026](#). A similar presentation will be provided to the Board at the April meeting.

External engagement also is continuing regarding policy considerations for the 9% program, with a presentation and discussion held at the Seattle/King County Housing Development Consortium Tax Credit Affinity Group meeting in late March. Upcoming meetings are being scheduled by geographic pool, in late April 28-30, Tues, Wed, Thurs.

- Several MHCF and AMC staff attended the grand opening of St. Luke's Affordable Housing, which is the result of an extensive and lengthy community-driven development process on property owned by St. Luke's Episcopal Church in Ballard. We heard from a lot of speakers, the most inspirational of whom was a resident who has recently moved in with his wife and young child, who said that because of this community, they finally have "breathing room."
- Lisa participated on a panel for a LISC sponsored forum held in Tacoma with community college representatives across the state. The forum focused on how community colleges are approaching housing issues and best practices for innovating around housing issues for folks attending community colleges.

Homeownership

Covenant Homeownership

- As of April 20, 2026, we have 1357 confirmed closed loans and an additional 177 loans in the pipeline with CHA reservations in 28 counties.
- As of April 20, 2026, the Commission implemented the oversubscription (pre-reservation process) policy as passed by Commissioners as the rate of reservation now exceeds the amount of monthly funds received from document recording fees.

Other Updates

- The Homeownership division launched our new reservation portal with HOTB software on April 20th and trained over 950 lenders on the new system!!
- In March, we had \$252 million in new reservations assisting 646 households.

Finance

- Staff, including Steve and Lisa Vatske, met with members of Moody's analytics team to answer questions about the Commission's approach to strategic planning as well as detailed questions on the performance and purpose of PRI. Additional reports and documentation were provided to Moody's at their request, which we are hopeful will be satisfactory for them to feel comfortable moving forward with a public rating. We expect the credit committee to meet within the next two weeks and a rating to be provided shortly thereafter.
- We are currently recruiting for a General Operations Assistant Manager to provide some much-needed capacity for our general operations staff. The position was posted March 30th, and we have received a good response. Staff are currently reviewing resumes and hope to have the position filled by the end of next month.
- We are deeply sorry to say goodbye to our longtime friend and Lead Bond Analyst, Angel Galgana. Angel is retiring at the end of the month after 20 years with the Commission. She will be splitting her time between Washington and the Philippines and looks forward to spending more time with her grandchildren. We wish Angel all the best on her next chapter!

AMC

Compliance Monitoring

- Portfolio Analysts are on track with the review of 2025 Tax Credit Annual Reports, with 77% of required 2025 Bond Annual Reports reviewed.
- 2026 Inspections are underway, with additional properties continuing to be scheduled, and the overall process remains on track.
- HUD Income & Rent Limits: HUD typically releases annual Income and Rent Limits on April 1; however, the FY 2026 limits have been delayed by one month and are now expected to be released in May due to delays in required data.

Community Engagement and Education

- AHMA Convention: Portfolio Analysts Chrystal White, Erik Giesen, Carmen Chhor, and Brett Picket presented "HOTMA Hot Topics" at the 2026 Affordable Housing Management Association (AHMA) Annual Convention on April 15. AMC also hosted a Commission-sponsored booth at the convention, representing WSHFC. The booth was also used to encourage attendees to give feedback on our two active surveys for Rent Frequency and the Talitha Forms Feedback.
- Grand Opening: Three AMC staff members – Wubet Biratu, Division Director; Lanakay Lipp, Senior Portfolio Analyst; and Renee Dillard, Community Outreach Specialist – attended the grand opening of St. Luke's Apartments on April 9, 2026. Staff connected with partners and community stakeholders and represented the Commission in recognizing the project's milestones and impact.

Business Objectives

- Asset Management Initiatives: In late March and early April, project leads for the Good Standing Policy update and inclusion of the asset management procedures in the tax credit procedures manual outlining the process of risk assessment review. The presentation was delivered to all AMC and MHCF staff. The working documents were shared to outline the project's purpose and timeline, generating strong engagement and constructive feedback. This feedback is currently being incorporated, and work is progressing as planned, with document revisions underway. Kudos to Allie Delano and Jackie Moynahan.
-

Executive Director's Update

- On April 8, I participated in the second meeting of the Governor's State Housing Department Taskforce. Most of the agenda focused on an in-depth discussion of the new department's mission and vision.

From here, the taskforce will break into two subcommittees:

- *Organization and Mapping* — examining the current landscape and recommending which existing programs should move into the new agency.
- *Budget, Operations, and Legal* — identifying what is required to establish the new agency from financial, operational, and legal perspectives.

I will be serving on the Organization and Mapping subcommittee. The work of both groups will be facilitated by the Ruckelshaus Center.

- I attended and spoke at the launch of the University of Washington's Housing Futures Center, a new interdisciplinary initiative dedicated to strengthening decision-making across Washington's housing ecosystem. The Center integrates applied research, education, and cross-sector collaboration to support leaders shaping housing policy, finance, development, and community outcomes.

The launch event introduced the Center's initial research agenda, highlighted opportunities for partnership, and brought together stakeholders committed to advancing housing attainability, stability, and shared prosperity statewide. The Commission is—and will continue to be—a strong supporter of this effort.

I participated in the following additional meetings and events:

- HDC Annual Luncheon
- EIHF Advisory Group Meeting
- Department of Housing Task Force Meeting
- CSG Symposium: Unlearning for Housing Finance Innovation
- Met with Representative Pollet
- BHI Network Policy Group Meeting
- Met with Kim Herman, former ED, who is graciously donating native baskets to the Commission as part of our Land acknowledgement installation.
- WA Starter Home Plan Meeting

Washington State Housing Finance Commission
Homeownership Programs
Fiscal Year Loan Production
July 1, 2025 - March 31, 2026

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

Percentage of Goal reached YTD - 81.9%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	369	\$ 146,916,335	40.6%
Conventional FHLMC	286	\$ 115,279,632	32.2%
Government	2321	\$ 948,812,718	35.7%
Energy Spark	1	\$ 408,000	0.0%
Covenant Homeownership	768	\$ 292,185,917	100.0%
Total	3745	\$ 1,503,602,602	49.2%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	196	\$ 49,199,564	44.9%
Conventional FHLMC	21	\$ 5,031,163	14.3%
Government	135	\$ 37,425,439	36.3%
Total	352	\$ 91,656,166	39.7%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	2881	\$ 46,217,682	36.3%
Home Adv Needs Based 1%	3	\$ 29,779	33.3%
Opportunity	333	\$ 4,853,510	38.4%
HomeChoice	6	\$ 89,600	50.0%
Bellingham	6	\$ 415,000	0.0%
East King County	5	\$ 140,148	80.0%
Pierce County	0	\$ -	0.0%
Seattle	0	\$ -	0.0%
Tacoma	0	\$ -	0.0%
University of WA	1	\$ 90,000	0.0%
Veterans	1	\$ 8,200	0.0%
Clark County DPA	3	\$ 180,000	0.0%
Social Justice DPA (Non-Commission)	17	\$ 170,000	100.0%
Covenant (Non-Commission)	789	\$ 86,844,497	100.0%
Total	4045	\$ 139,038,416	48.6%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for April 2026

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Grant Amount/ Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; ATH; NJP; Parkview; RRCA; SNAP; ULMS	\$3,066,449 FY2026/27	\$113,500	\$2,952,949	6/30/2027
Foreclosure Fairness Act Pre-Purchase Housing Counseling. Service Area: Statewide	Department of Commerce	WHRC; AFS; Parkview; RRCA; SNAP; ULMS	\$750,000 FY2026/27	\$0.00	\$750,000	6/30/2027

AFS – American Financial Solutions ATH – All Things Home ECDLR – El Centro de la Raza KCLT – Kulshan Community Land Trust NJP – Northwest Justice Project OPAL – Opal Community Land Trust	OIC – Opportunities Industrialization Center Parkview – Parkview Services RRCA – Rural Resources Community Action SNAP – Spokane Neighborhood Action Partners WHRC – Washington Homeownership Resource Center
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HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2025 - March 31, 2026

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2026

Percentage of goal reached YTD: 76%

	Classes	Participants
Virtual:	88	515
In-Person:	68	272
Online Classes:	5,330	5,330
Total:	5,486	6,117

Classes not yet reporting participation: 1,085

Data lags 3 months due to data collection process

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

Classes:	56,859
Participants	263,078

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2026

Percentage of goal reached YTD: 90%

Month	Classes	Attendees
July	1	44
August	1	32
September	1	41
October	1	53
November	1	33
December	1	32
January	1	47
February	1	64
March	1	54
April		
May		
June		
Total:	9	400

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2026 Allocation List

King County Pool (November 2025 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
26-14	Application	DESC Morrison Preservation	Downtown Emergency Service Center	Seattle	King	192	\$14,072	\$2,673,681	190	95	0	95	0	0	0	0	0	143		
26-15	Application	Little Saigon Landmark Project	Seattle Chinatown International District Preservation Development Authority	Seattle	King	167	\$35,000	\$2,450,000	70	35	0	35	0	0	14	0	0	0		
									King County Credit Allocated:	\$5,123,681	260	130	0	130	0	0	14	0	0	143
									King County Credit Available:	\$9,134,515										
									King County Balance:	\$4,010,834										

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

26-17	Application	Whittier Housing	Plymouth Housing	Seattle	King		\$30,957	\$2,786,130	90	45	0	45	0	0	0	0	0	68	
									King County Unranked Balance:	\$2,786,130	90	45	0	45	0	0	0	0	68

Metro Pool (November 2025 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
26-04	Application	Claudia's Place	Housing Initiatives LLC (a wholly owned subsidiary of Council for the Homeless)	Vancouver	Clark	166	\$30,925	\$1,855,500	60	30	0	30	0	0	0	60	0	12		
26-02	Application	200th Street - Senior Housing	Housing Authority Of Snohomish County	Lynnwood	Snohomish	165	\$36,960	\$2,217,600	60	30	15	0	15	0	0	120	0	0		
26-03	Application	Chalice Place	Spokane Housing Authority	Spokane	Spokane	162	\$30,957	\$2,631,345	85	0	43	42	0	0	0	85	17	0		
26-08	Application	Old Town Senior Housing	Mercy Housing Northwest	Bellingham	Whatcom	159	\$36,486	\$2,700,000	74	37	0	23	14	0	0	74	15	0		
									Total Metro Credit Allocated:	\$9,404,445	279	97	58	95	29	0	0	339	32	12
									Metro Credit Available:	\$6,896,022										
									Metro Balance:	(\$2,508,423)										

Metro Pool Unranked (Noncompetitive or Awaiting Other Funding Commitments)

26-05	Application	Lincoln Family Housing	Low Income Housing Institute	Tacoma	Pierce		\$31,544	\$2,271,192	72	18	36	0	18	0	0	0	0	18	
26-10	Application	Smith Ave TOD	Everett Station District Alliance	Everett	Snohomish		\$30,957	\$1,795,506	58	15	29	0	14	0	0	0	0	15	
									Metro Unranked Balance:	\$4,066,698	130	33	65	0	32	0	0	0	33

Non-Metro New Production (November 2025 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations						
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless		
26-07	Application	Makah LIHTC Project #3	Makah Tribe	Neah Bay	Clallam	181	\$31,581	\$884,266	28	7	14	0	7	0	0	0	0	7		
26-06	Application	HACPF Heritage Blvd Apartments	Housing Authority of the City of Pasco and Franklin County	Pasco	Franklin	172	\$30,957	\$1,485,936	48	24	0	24	0	0	0	0	0	12		
26-01	Application	Alderwood Apartments	Trillium Housing Services	Yakima	Yakima	172	\$26,308	\$2,157,276	82	9	41	32	0	62	0	0	0	0		
26-13	Application	The Landing at Goldfinch Grove LLLP	Housing Opportunities of SW Washington	Longview	Cowlitz	170	\$31,245	\$2,312,130	74	19	37	0	18	0	0	0	0	19		
26-11	Application	Sunnyside Housing Phase 1	Catholic Charities Housing Services	Sunnyside	Yakima	170	\$32,132	\$1,670,864	52	6	16	30	0	39	0	0	0	0		
25-03	Additional Credit Request	Lewis, Spruce, & Sixth	The Housing Authority of the City of Yakima	Yakima	Yakima		\$6,041	\$302,039	50	25	5	0	20	0	0	0	0	13		
									Non-Metro New Production and Preservation Credit Allocated:	\$10,298,447	284	90	113	86	45	101	0	0	0	38
									Non-Metro Credit Available:	\$6,152,546										
									Non-Metro Balance:	(\$4,145,901)										

Non-Metro Preservation and Recapitalization Pool

26-12	Application	Sunstone Haven	Walla Walla Housing Authority	Walla Walla	Walla Walla	172	\$30,957	\$1,485,936	48	12	24	0	12	0	0	0	0	12	
									Non-Metro Preservation/Rehab Credit Allocated:	\$1,485,936	48	12	24	0	12	0	0	0	12

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

26-09	Application	St. Ignatius Haven	Catholic Housing Services of Eastern Washington	Walla Walla	Walla Walla		\$27,640	\$1,409,640	51	0	21	16	14	0	0	102	0	0	
26-16	Application	Vince's Village II	BAYSIDE HOUSING AND SERVICES	Port Townsend	Jefferson		\$35,726	\$1,214,672	34	0	17	17	0	0	0	7	7	7	
									Non-Metro Unranked Balance:	\$2,624,312	85	0	38	33	14	0	102	7	7

Statewide Allocation Round Totals:

Total Project Applications:	17	Total Credit Requested:	\$34,303,713	1,176	407	298	389	132	101	14	441	39	313
Total Projects Above Line:	12	Total Credit Available for 2026:	\$22,183,082										
Application Success Percentage:	71%	FWD Commitment of 2027 LIHTC:	\$2,643,491										
		Total LIHTC Allocation for 2026:	\$24,826,573	871	329	195	311	86	101	14	339	32	205

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

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: March 2026

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

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

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

Within the 12-month period, staff will:

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

Tax Credit Reports *

Calendar Year 2026	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	2	106										108	1,105	10%

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	4	13	23	31	7	19	23	11	17	6	7	161	175	92%

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

Bond Reports **

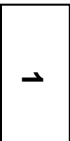
Calendar Year 2026	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	11	16	23										50	65	77%

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	7	37	23	3	1	0	0	0	0	0	0	0	71	70	101%

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

Notes: * Tax credit reporting bridges two fiscal program years. Currently, we're prioritizing the audits of federal compliance period projects being inspected in 2026.

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



ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: March 2026

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2026.*

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

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

Project Inspections

Calendar Year 2026	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	0	5	50										55	384	14%

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	1	1	64	52	47	39	46	44	39	15	1	0	349	349	100%

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

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshop is scheduled for:
May 11-12, 2026 – Spokane (in-person)



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

April 21, 2026

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the "Commission") General Operating Fund as of March 31, 2026, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

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

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

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Mackenzie Hafer
Mackenzie Hafer
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

March 31, 2026

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

Statement of Net Position	3
Statement of Activities and Changes in Net Position	4

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
March 31, 2026
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 11,573,324	\$ 10,698,296	\$ 875,028	(1) 8%
Money Market Accounts	30,652,517	38,497,909	(7,845,392)	(1) -20%
Investment Securities	44,701,435	78,954,101	(34,252,666)	(1) -43%
Interest Receivable	1,037,761	899,180	138,581	(2) 15%
Fees Receivables	21,540,517	16,597,133	4,943,384	(3) 30%
Prepaid Expenses & Other Receivable	7,221,288	3,982,057	3,239,231	(4) 81%
Furniture and Fixtures (net of depreciation)	601,483	586,806	14,677	3%
Intangible Lease Asset (net of amortization)*	2,915,919	3,203,911	(287,992)	-9%
Net Pension Asset*	1,340,892	1,894,532	(553,640)	-29%
<i>Total Assets</i>	<u>121,585,136</u>	<u>155,313,925</u>	<u>(33,728,789)</u>	<u>-22%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	4,563,506	4,490,914	72,592	2%
<i>Total Assets and Deferred Outflows</i>	<u>\$ 126,148,642</u>	<u>\$ 159,804,839</u>	<u>\$ (33,656,197)</u>	<u>-21%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 1,937,461	\$ 5,576,390	\$ (3,638,929)	(5) -65%
Unearned Fee Income	50,534,009	80,095,796	(29,561,787)	(6) -37%
Accrued Payroll Payable	2,341,188	2,141,101	200,087	9%
Lease Liability*	2,988,533	3,203,910	(215,377)	-7%
Net Pension Liability *	3,299,341	3,454,593	(155,252)	-4%
<i>Total Liabilities</i>	<u>61,100,532</u>	<u>94,471,790</u>	<u>(33,371,258)</u>	<u>-35%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	3,483,111	4,935,541	(1,452,430)	-29%
NET POSITION				
Invested in Capital Assets	601,483	586,806	14,677	3%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	60,765,364	59,688,074	1,077,290	2%
<i>Total Net Position</i>	<u>61,564,999</u>	<u>60,397,508</u>	<u>1,167,491</u>	<u>2%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 126,148,642</u>	<u>\$ 159,804,839</u>	<u>\$ (33,656,197)</u>	<u>-21%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) Higher market yield from 2.69% to 3.26% primarily contributed to the increase in interest receivable.
- (3) The overall increase in fees receivable is primarily due to a slower collection of Commission fees on outstanding bonds, along with smaller increases due to slower receipt of compliance and grant fees.
- (4) The increase in prepaids and other receivable balances is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (5) The decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds.
- (6) The decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, plus reduced Covenant Homeownership grant funds.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: March 31, 2026
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 3,201,896	\$ 38,469,365	\$ 32,948,280	\$ 5,521,085	(1) 17%
Interest Earned & Realized Gain	1,320,804	9,836,134	11,622,692	(1,786,558)	(2) -15%
Other	8,408	434,343	202,314	232,029	(3) 115%
<i>Total Unadjusted Revenues</i>	<u>4,531,108</u>	<u>48,739,842</u>	<u>44,773,287</u>	<u>3,966,555</u>	<u>9%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,238,576	10,979,441	9,839,848	1,139,593	(4) 12%
Travel & Conferences	8,135	161,747	236,967	(75,220)	(5) -32%
Professional Fees	350,436	2,358,740	1,877,406	481,334	(6) 26%
Office Expense	251,394	2,465,416	2,360,985	104,431	4%
<i>Total Expenses</i>	<u>1,848,541</u>	<u>15,965,344</u>	<u>14,315,207</u>	<u>1,650,137</u>	<u>12%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(1,078,538)	(529,599)	1,820,395	(2,349,994)	-129%
Grant Revenue	56,650	7,484,273	45,372,179	(37,887,906)	-84%
<i>Expenses:</i>					
Grant Pass-Through	56,650	7,484,273	45,372,179	(37,887,906)	-84%
<i>Total Adjustments</i>	<u>(1,078,538)</u>	<u>(529,599)</u>	<u>1,820,395</u>	<u>(2,349,994)</u>	<u>-129%</u>
Excess of Revenues over Expenses	<u>1,604,029</u>	<u>32,244,899</u>	<u>32,278,475</u>	<u>(33,576)</u>	<u>0%</u>
<i>Net Position</i>					
Total net position, beginning of period	59,960,970	29,320,100	28,119,033	1,201,067	4%
Current Increase (Decrease) - to Net position	<u>1,604,029</u>	<u>32,244,899</u>	<u>32,278,475</u>	<u>(33,576)</u>	<u>0%</u>
Total net position, end of year	<u>\$ 61,564,999</u>	<u>\$ 61,564,999</u>	<u>\$ 60,397,508</u>	<u>\$ 1,167,491</u>	<u>2%</u>

- (1) The increase in fee income is due to greater revenue from the Homeownership division's Home Advantage program and Multifamily Housing and Community Facilities division's revenue related to bond issuances and collection of tax credit fees, along with a smaller offset from a decrease in income related to the Citi Securitization program.
 - (2) The decrease in interest income is primarily due to the decrease in rates. For example, the LGIP rate has decreased from 4.4% in the prior period to a rate of 3.71% in the current period.
 - (3) The overall increase in other revenues reflects a recognition of Covenant Program admin fees, with a smaller offset from a reallocation of HAF admin revenue that was recognized in prior periods.
 - (4) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2025, staff annual step increases during the year, plus a 5% increase in staffing hours.
 - (5) The decrease in travel and conference expense is primarily due to lower in-state travel fees. The closer location of the Housing Washington conference resulted in lower hotel, meals, and transportation expenses.
 - (6) Professional fees increase is primarily due to an increase in consultant expenses, primarily in the Administration, IT, and Homeownership programs.
- * Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined be beneficial to the Commission Fund to resume allocation and transfers.
- ** These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: March 31, 2026
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to Actual	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	6.5%	\$ 1,530,214	\$ 23,509,317	\$ 25,039,531	\$ 23,877,961	\$ 1,161,570	4.9%
Issuance, Application, and Servicing Fees	42.3%	3,990,871	9,438,963	13,429,834	7,060,410	6,369,424	90.2%
Interest Earned & Realized Gain	-15.4%	(1,786,558)	11,622,692	9,836,134	8,940,402	895,732	10.0%
Other Income	114.7%	232,029	202,314	434,343	272,961	161,382	59.1%
Total Unadjusted Revenues	8.9%	3,966,556	44,773,287	48,739,841	40,151,734	8,588,108	21.4%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	13.4%	1,031,472	7,675,042	8,706,514	9,761,123	(1,054,609)	-10.8%
Employee Benefits - Staff	5.0%	108,122	2,164,805	2,272,927	2,455,768	(182,841)	-7.4%
Conference, Education & Training	16.0%	11,697	73,109	84,806	176,847	(92,041)	-52.0%
Travel out of state - Staff	-36.6%	(27,832)	76,022	48,190	182,445	(134,255)	-73.6%
Travel in state - Staff	-67.3%	(59,085)	87,836	28,751	114,127	(85,376)	-74.8%
Accounting Fees	18.1%	20,917	115,383	136,300	137,613	(1,313)	-1.0%
Legal Fees	1.9%	9,079	490,200	499,279	533,259	(33,980)	-6.4%
Financial Advisor Fees	-9.3%	(26,849)	287,849	261,000	315,297	(54,297)	-17.2%
Investment Management Fees	9.5%	14,386	151,763	166,149	163,503	2,646	1.6%
Office Rent/Conf. Room Rentals	6.9%	26,364	381,292	407,656	461,381	(53,725)	-11.6%
Furniture & Equipment Rental	38.4%	3,490	9,085	12,575	19,404	(6,829)	-35.2%
Advertising	18.5%	12,647	68,468	81,115	159,852	(78,737)	-49.3%
Publications/ Subscriptions/ Dues	9.8%	7,802	79,328	87,130	104,313	(17,183)	-16.5%
Deliveries	-25.8%	(292)	1,133	841	1,650	(809)	-49.0%
Insurance	6.6%	3,812	57,673	61,485	61,497	(12)	0.0%
Meeting Expense	2.7%	3,081	115,056	118,137	134,182	(16,045)	-12.0%
Equipment & Building Maintenance	-82.2%	(34,256)	41,681	7,425	43,722	(36,297)	-83.0%
Software Maint. Support & Other Info Svcs	12.2%	146,759	1,202,051	1,348,810	1,806,130	(457,320)	-25.3%
Non-capitalized Equipment/Supplies	-27.9%	(39,103)	140,070	100,967	60,122	40,845	67.9%
Postage	-4.2%	(22)	526	504	799	(295)	-36.9%
Printing	-71.3%	(5,108)	7,160	2,052	5,523	(3,471)	-62.8%
State Services	87.1%	2,410	2,768	5,178	5,229	(51)	-1.0%
Supplies	-63.4%	(32,797)	51,750	18,953	32,454	(13,501)	-41.6%
Telephone	9.4%	6,493	68,869	75,362	61,596	13,766	22.3%
Contract Services	55.7%	463,800	832,212	1,296,012	1,054,287	241,725	22.9%
Depreciation	2.4%	3,152	134,074	137,226	113,220	24,006	21.2%
Total Expenses	11.5%	1,650,139	14,315,208	15,965,344	17,965,343	(1,999,999)	-11.1%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-129.1%	(2,349,994)	1,820,395	(529,599)	-	(529,599)	NA
Grant Revenue	-83.5%	(37,887,906)	45,372,179	7,484,273	5,709,757	1,774,516	31.1%
<i>Expenses:</i>							
Grant Pass-Through	-83.5%	(37,887,906)	45,372,179	7,484,273	5,709,757	1,774,516	31.1%
	-129.1%	(2,349,994)	1,820,395	(529,599)	-	(529,599)	NA
Excess of Revenues over Expenses- adjusted	-0.1%	(33,577)	32,278,474	32,244,898	22,186,391	10,058,508	45.3%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	-0.1%	\$ (33,576)	\$ 32,278,474	\$ 32,244,898	\$ 22,186,391	\$ 10,058,508	45.3%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

March 24, 2026

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the “Commission”) General Operating Fund as of February 28, 2026, and the related statement of Activities and Changes in Net Position for the month ended, in accordance with generally accepted accounting principles.

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

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

Prepared by: *Shirleen Noonan*
Shirleen Noonan
General Operations Manager

Approved by: *Mackenzie Hafer*
Mackenzie Hafer
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

February 28, 2026

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

Statement of Net Position	3
Statement of Activities and Changes in Net Position	4

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
February 28, 2026
(See Accountant's Compilation Report)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 2,108,016	\$ 8,459,129	\$ (6,351,113)	(1) -75%
Money Market Accounts	36,140,302	51,827,593	(15,687,291)	(1) -30%
Investment Securities	46,612,259	71,504,372	(24,892,113)	(1) -35%
Interest Receivable	1,017,839	1,016,538	1,301	0%
Fees Receivables	22,338,186	19,557,133	2,781,053	(2) 14%
Prepaid Expenses & Other Receivable	7,308,967	3,913,500	3,395,467	(3) 87%
Furniture and Fixtures (net of depreciation)	616,343	503,403	112,940	(4) 22%
Intangible Lease Asset (net of amortization)*	2,915,919	3,203,911	(287,992)	-9%
Net Pension Asset*	1,340,892	1,894,532	(553,640)	-29%
<i>Total Assets</i>	<u>120,398,723</u>	<u>161,880,111</u>	<u>(41,481,388)</u>	<u>-26%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>4,563,506</u>	<u>4,490,914</u>	<u>72,592</u>	<u>2%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 124,962,229</u>	<u>\$ 166,371,025</u>	<u>\$ (41,408,796)</u>	<u>-25%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 1,878,158	\$ 5,196,116	\$ (3,317,958)	(5) -64%
Unearned Fee Income	51,026,849	90,574,208	(39,547,359)	(6) -44%
Accrued Payroll Payable	2,316,813	2,130,062	186,751	9%
Lease Liability*	2,988,533	3,203,910	(215,377)	-7%
Net Pension Liability *	3,299,341	3,454,593	(155,252)	-4%
<i>Total Liabilities</i>	<u>61,509,694</u>	<u>104,558,889</u>	<u>(43,049,195)</u>	<u>-41%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>3,483,111</u>	<u>4,935,541</u>	<u>(1,452,430)</u>	<u>-29%</u>
NET POSITION				
Invested in Capital Assets	616,343	503,403	112,940	(4) 22%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	59,154,929	56,250,564	2,904,365	5%
<i>Total Net Position</i>	<u>59,969,424</u>	<u>56,876,595</u>	<u>3,092,829</u>	<u>5%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 124,962,229</u>	<u>\$ 166,371,025</u>	<u>\$ (41,408,796)</u>	<u>-25%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The overall increase in fees receivable is primarily due to a notably slower collection of Commission fees on outstanding bonds, with a smaller offset by a decrease in receivables related to the Citibank securitization program.
- (3) The increase in prepaids and other receivable balances is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (4) The increase in net capital assets reflects the purchase of virtual server equipment and software, along with an offset from continued depreciation and amortization of existing capital assets.
- (5) The decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds.
- (6) The decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, plus reduced Covenant Homeownership grant funds.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: February 28, 2026
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,503,282	\$ 35,267,469	\$ 29,404,974	\$ 5,862,495 (1)	20%
Interest Earned & Realized Gain	878,101	8,515,330	10,399,121	(1,883,791) (2)	-18%
Other	1,192,361	434,387	183,134	251,253 (3)	137%
<i>Total Unadjusted Revenues</i>	<u>6,573,744</u>	<u>44,217,186</u>	<u>39,987,230</u>	<u>4,229,956</u>	<u>11%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,219,625	9,740,864	8,743,945	996,919 (4)	11%
Travel & Conferences	3,258	153,611	222,113	(68,502) (5)	-31%
Professional Fees	163,282	2,008,304	1,737,728	270,576 (6)	16%
Office Expense	234,210	2,214,022	2,092,645	121,377	6%
<i>Total Expenses</i>	<u>1,620,375</u>	<u>14,116,801</u>	<u>12,796,432</u>	<u>1,320,369</u>	<u>10%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	425,924	548,939	1,566,764	(1,017,825)	-65%
Grant Revenue	279,937	7,427,623	40,073,926	(32,646,303)	-81%
<i>Expenses:</i>					
Grant Pass-Through	279,937	7,427,623	40,073,926	(32,646,303)	-81%
<i>Total Adjustments</i>	<u>425,924</u>	<u>548,939</u>	<u>1,566,764</u>	<u>(1,017,825)</u>	<u>-65%</u>
Excess of Revenues over Expenses	<u>5,379,293</u>	<u>30,649,324</u>	<u>28,757,562</u>	<u>1,891,762</u>	<u>7%</u>
<i>Net Position</i>					
Total net position, beginning of period	54,590,131	29,320,100	28,119,033	1,201,067	4%
Current Increase (Decrease) - to Net position	<u>5,379,293</u>	<u>30,649,324</u>	<u>28,757,562</u>	<u>1,891,762</u>	<u>7%</u>
Total net position, end of year	<u>\$ 59,969,424</u>	<u>\$ 59,969,424</u>	<u>\$ 56,876,595</u>	<u>\$ 3,092,829</u>	<u>5%</u>

- (1) The increase in fee income is due to greater revenue from the Homeownership division's Home Advantage program and Multifamily Housing and Community Facilities division's revenue related to bond issuances and collection of tax credit fees, along with a smaller offset from a decrease in income related to the Citi Securitization program.
- (2) The decrease in interest income is primarily due to the decrease in rates. For example, the LGIP rate has decreased from 4.43% in the prior period to a rate of 3.74% in the current period.
- (3) The overall increase in other revenues reflects a recognition of Covenant Program admin fees, with a smaller offset from a reallocation of HAF admin revenue that was recognized in prior periods.
- (4) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2025, staff annual step increases during the year, plus a 4% increase in staffing hours.
- (5) The decrease in travel and conference expense is primarily due to lower in-state travel fees. The closer location of the Housing Washington conference resulted in lower hotel, meals, and transportation expenses.
- (6) Professional fees increase is primarily due to an increase in consultant expenses, primarily in the Administration, IT, and Homeownership programs.
- * Effective 1/1/2013, 25% of the Home Advantage Program revenue was transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility. Due to an ease in the revenue generated from the Home Advantage program, the 25% allocation has been suspended indefinitely, effective 7/1/23, until it is determined to be beneficial to the Commission Fund to resume allocation and transfers.
- ** These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: February 28, 2026
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Actual	%
<i>Revenues:</i>							
Program Fees	6.9%	\$ 1,432,844	\$ 20,748,329	\$ 22,181,173	\$ 21,224,854	\$ 956,319	4.5%
Issuance, Application, and Servicing Fees	51.2%	4,429,651	8,656,644	13,086,295	6,275,920	6,810,375	108.5%
Interest Earned & Realized Gain	-18.1%	(1,883,791)	10,399,121	8,515,330	7,947,024	568,306	7.2%
Other Income	137.2%	251,253	183,134	434,387	242,632	191,755	79.0%
Total Unadjusted Revenues	10.6%	4,229,957	39,987,229	44,217,184	35,690,430	8,526,755	23.9%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	13.2%	903,300	6,824,753	7,728,053	8,676,554	(948,501)	-10.9%
Employee Benefits - Staff	4.9%	93,619	1,919,192	2,012,811	2,182,905	(170,094)	-7.8%
Conference, Education & Training	17.7%	11,999	67,972	79,971	157,197	(77,226)	-49.1%
Travel out of state - Staff	-29.6%	(19,907)	67,264	47,357	162,173	(114,816)	-70.8%
Travel in state - Staff	-69.7%	(60,593)	86,877	26,284	101,447	(75,163)	-74.1%
Accounting Fees	16.1%	17,527	109,173	126,700	134,696	(7,996)	-5.9%
Legal Fees	-4.9%	(22,426)	454,228	431,802	474,008	(42,206)	-8.9%
Financial Advisor Fees	-6.3%	(16,349)	258,849	242,500	280,264	(37,764)	-13.5%
Investment Management Fees	10.2%	13,638	133,541	147,179	145,336	1,843	1.3%
Office Rent/Conf. Room Rentals	8.0%	26,640	331,282	357,922	410,117	(52,195)	-12.7%
Furniture & Equipment Rental	32.9%	2,888	8,770	11,658	17,248	(5,590)	-32.4%
Advertising	16.3%	10,802	66,200	77,002	142,091	(65,089)	-45.8%
Publications/ Subscriptions/ Dues	12.1%	8,319	69,037	77,356	92,723	(15,367)	-16.6%
Deliveries	-24.6%	(259)	1,053	794	1,467	(673)	-45.9%
Insurance	5.4%	2,770	51,056	53,826	54,664	(838)	-1.5%
Meeting Expense	4.8%	5,408	112,729	118,137	126,495	(8,358)	-6.6%
Equipment & Building Maintenance	-77.7%	(23,493)	30,218	6,725	38,864	(32,139)	-82.7%
Software Maint. Support & Other Info Svcs	11.9%	127,795	1,073,430	1,201,225	1,605,449	(404,224)	-25.2%
Non-capitalized Equipment/Supplies	-13.8%	(15,722)	113,543	97,821	53,441	44,380	83.0%
Postage	-6.7%	(32)	480	448	711	(263)	-37.0%
Printing	-70.9%	(5,009)	7,061	2,052	4,909	(2,857)	-58.2%
State Services	-5.5%	(151)	2,727	2,576	4,648	(2,072)	-44.6%
Supplies	-69.6%	(35,202)	50,548	15,346	28,848	(13,502)	-46.8%
Telephone	14.9%	8,929	59,769	68,698	54,752	13,946	25.5%
Contract Services	35.6%	278,186	781,937	1,060,123	937,144	122,979	13.1%
Depreciation	6.7%	7,694	114,742	122,436	100,640	21,796	21.7%
Total Expenses	10.3%	1,320,371	12,796,434	14,116,802	15,988,791	(1,871,989)	-11.7%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-65.0%	(1,017,825)	1,566,764	548,939	-	548,939	NA
Grant Revenue	-81.5%	(32,646,303)	40,073,926	7,427,623	5,075,340	2,352,283	46.3%
<i>Expenses:</i>							
Grant Pass-Through	-81.5%	(32,646,303)	40,073,926	7,427,623	5,075,340	2,352,283	46.3%
	-65.0%	(1,017,825)	1,566,764	548,939	-	548,939	NA
Excess of Revenues over Expenses- adjusted	6.6%	1,891,761	28,757,559	30,649,321	19,701,639	10,947,683	55.6%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	6.6%	\$ 1,891,762	\$ 28,757,559	\$ 30,649,321	\$ 19,701,639	\$ 10,947,683	55.6%



Financial Sustainability Dashboard

April 23, 2026








***Washington State Housing Finance
Commission***

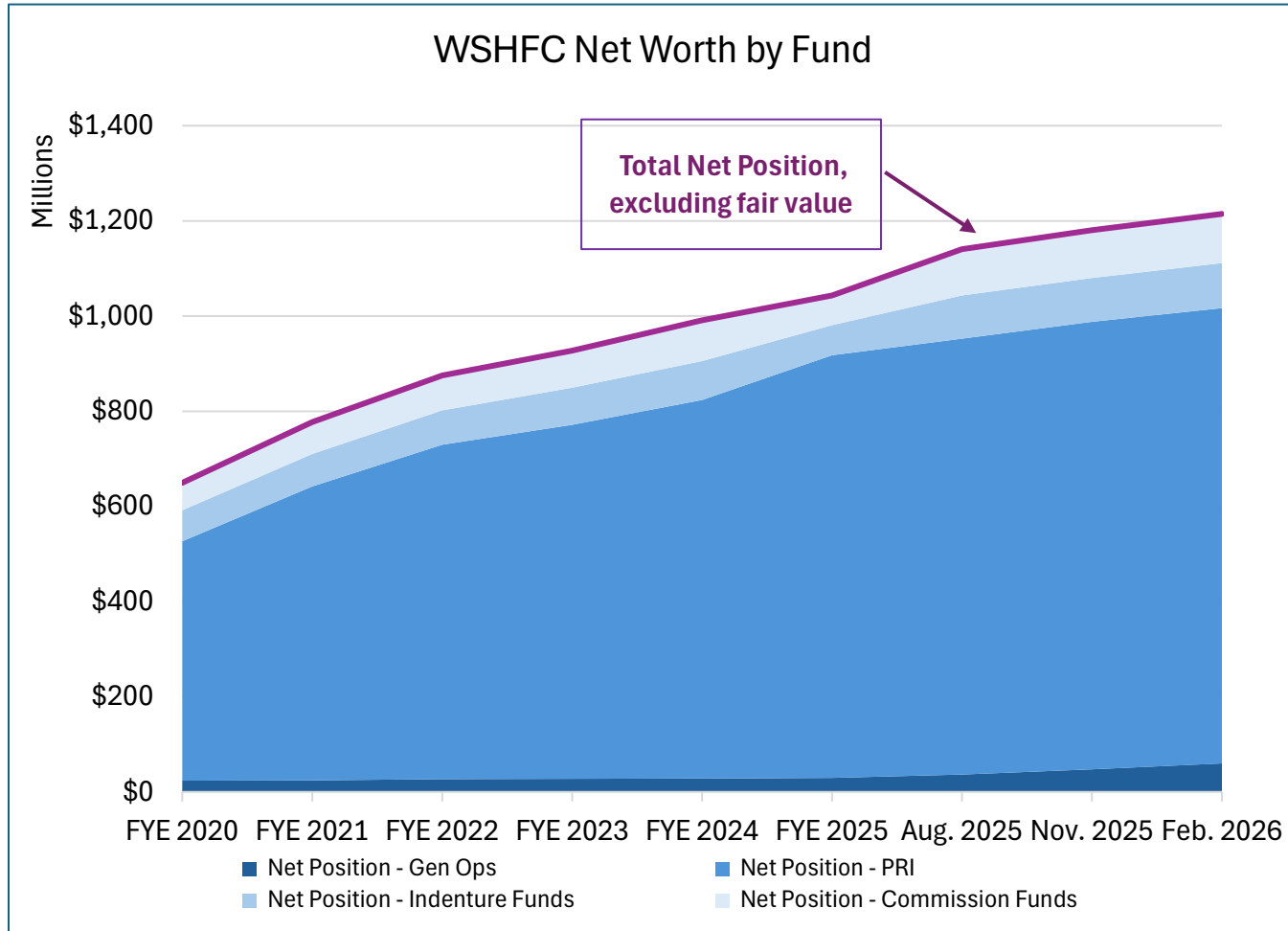


CONTENTS

Dashboard Criteria	3
Commission: Total Net Worth	5
Debt Capacity & Financial Flexibility	6
PRI: Change in Net Worth	7
PRI: Change in Available Resources	8
TBA Coverage of DPA	9
Mission Delivery: Single Family	10
Mission Delivery: Multifamily	12

Sustainability Criterion	Why It Matters	Metric	Current Status
Increase WSHFC Net Worth	Growing net worth strengthens the Commission's foundation, expands capacity to fund programs, and signals long-term financial health to partners and rating agencies.	Commission-wide net position by fund over time Growing consistently year-over-year (> +3% annual growth) Flat to modest growth (0–3% growth) Negative growth (y/y decline in net position)	
Maintain Financial Flexibility	Strong leverage and liquidity give the Commission options – to borrow, invest, and respond to changing markets without jeopardizing stability.	Asset-to-debt ratio ≥ 2.5x, Very strong leverage and debt capacity 1.5–2.5x, still strong, over 1.4x peer median, but less cushion < 1.5x, below benchmark, consider adjustments	
Increase PRI Net Worth (change over time)	Growth in PRI strengthens WSHFC's ability to support programs and preserves flexibility through economic cycles.	Annual change in PRI net worth (excluding fair value of MBS and grants) Positive annual change (building reserves) Slight decline (0% to –5%) Significant decline (< –5%)	
Increase PRI Available Resources	When PRI's available resources are consistently drawn down faster than replenished, future program capacity shrinks, and flexibility is reduced.	3-yr Average net change in PRI resources = 3-yr Avg. PRI inflows less 3-yr avg. outflows 3-year avg. is rising, and annual change is positive 3-year avg. is mixed – up/down; positive/negative 3-year avg. is falling, and annual change is negative	

Sustainability Criterion	Why It Matters	Metric	Current Status
TBA Premiums Cover DPA Lending	If TBA premiums fall short of covering DPA, reserves are depleted — reducing sustainability and increasing reliance on PRI.	Net TBA Premium vs. Home Adv. DPA Lending ●: TBA premiums alone cover DPA lending ●: TBA premiums + PRI subsidy cover DPA lending ●: TBA premium + PRI subsidy do not cover DPA lending	
Mission Delivery: Single Family: Offer Borrowers The Lowest Supportable Mortgage Rates	Lower first mortgage rates make WSHFC programs competitive with conventional lenders and directly support the mission by lowering monthly costs for borrowers making homeownership more accessible and default rates lower.	●: WSHFC borrower rate equal or below benchmarks (FHA for House Key / Freddie for HA) ●: WSHFC rate no more than 10bps / 25bps higher than respective benchmarks ●: Higher than benchmark (WSHFC less competitive)	HK:  HA: 
Mission Delivery: Single Family Homebuyers Served	Serving homebuyers directly reflects the Commission’s impact and mission to help Washingtonians achieve homeownership.	●: ≥ 5,000 homebuyers per year ●: 3,000–4,999 homebuyers ●: < 3,000 homebuyers	
Mission Delivery: Multifamily Impact	Consistent multifamily and non-profit bond issuance reflects the Commission’s ability to support and expand affordable rental housing.	●: ≥ \$325M MF bonds / ≥ \$125M nonprofit lending (benchmarks met) ●: 75–99% of benchmarks ●: < 75% of benchmarks	MF:  NP: 
Mission Delivery: Multifamily Units Financed	Affordable multifamily unit production is central to the Commission’s mission and to statewide housing priorities..	●: ≥ 2,500 units ●: 1,500 – 2,499 units ●: < 1,500 units	



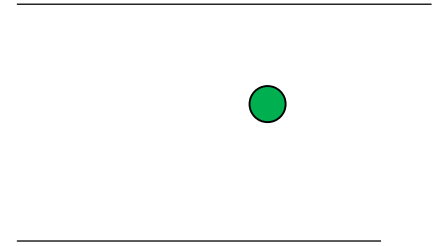
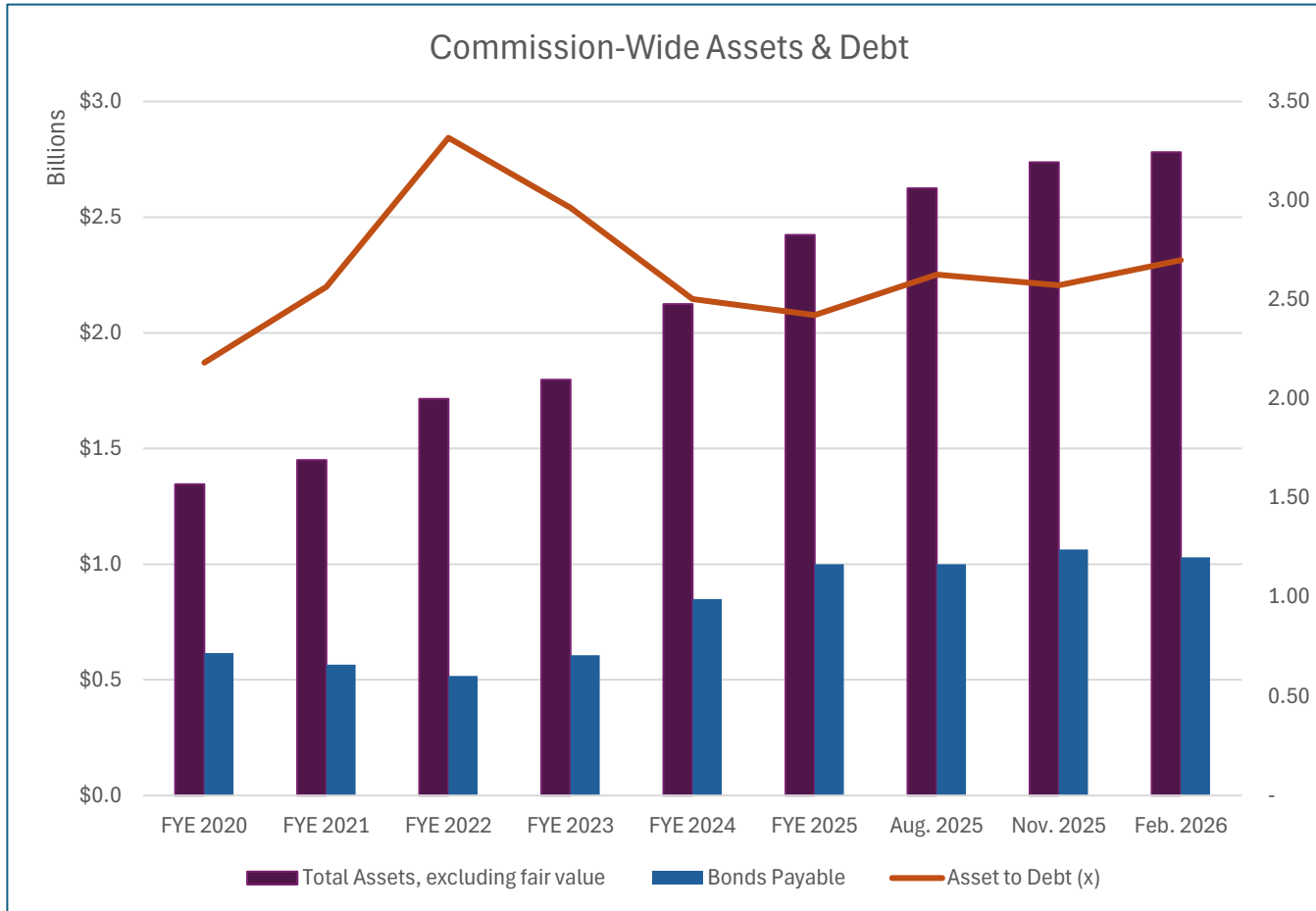
Metric Benchmark:
 Net worth is increasing, not decreasing. ●

Board Takeaway:
 Net worth is growing, which strengthens WSHFC’s foundation.

The board should monitor to ensure growth continues so future program capacity is not eroded.

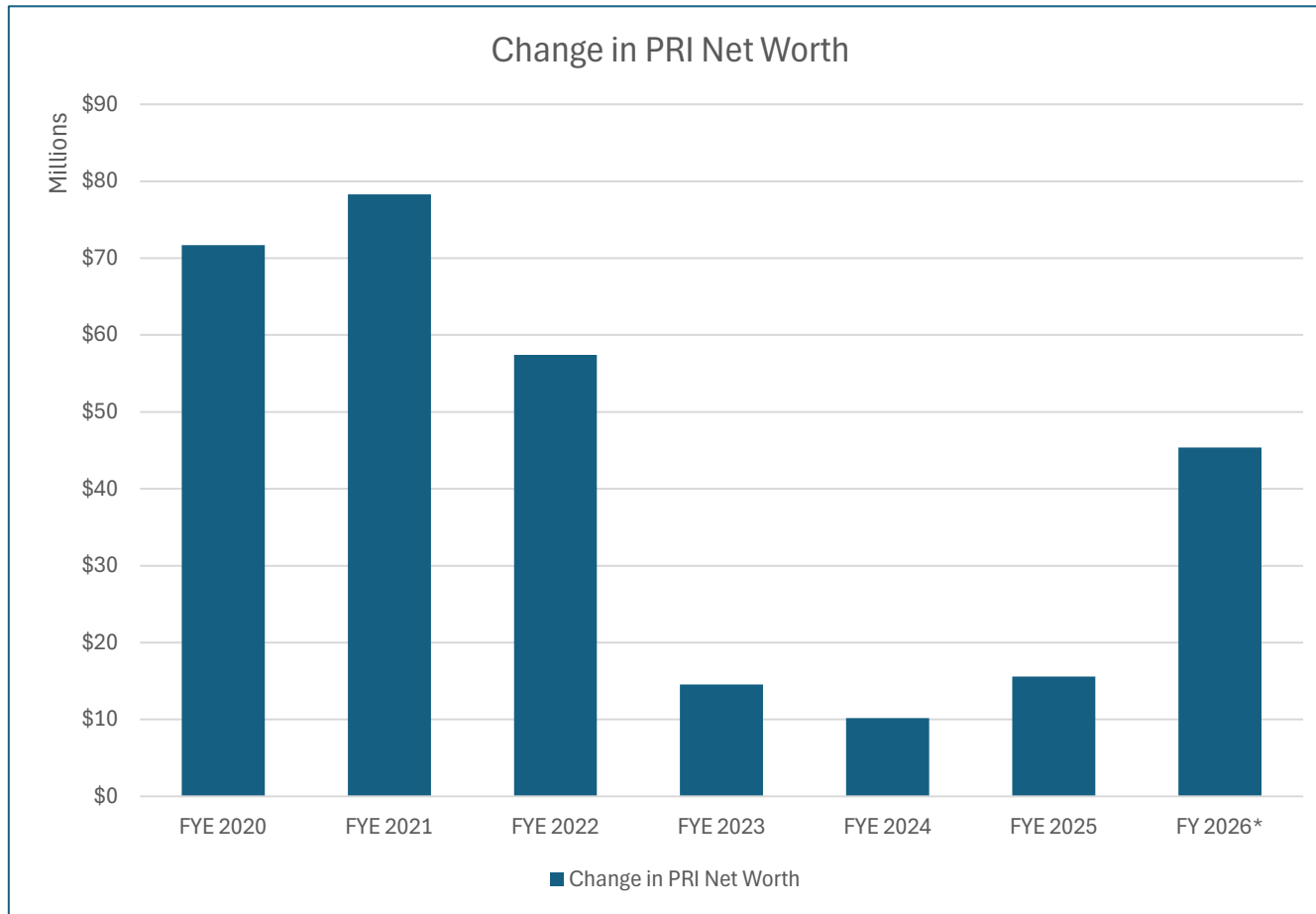
Note: excludes fair value of MBS and grants

Debt Capacity & Financial Flexibility



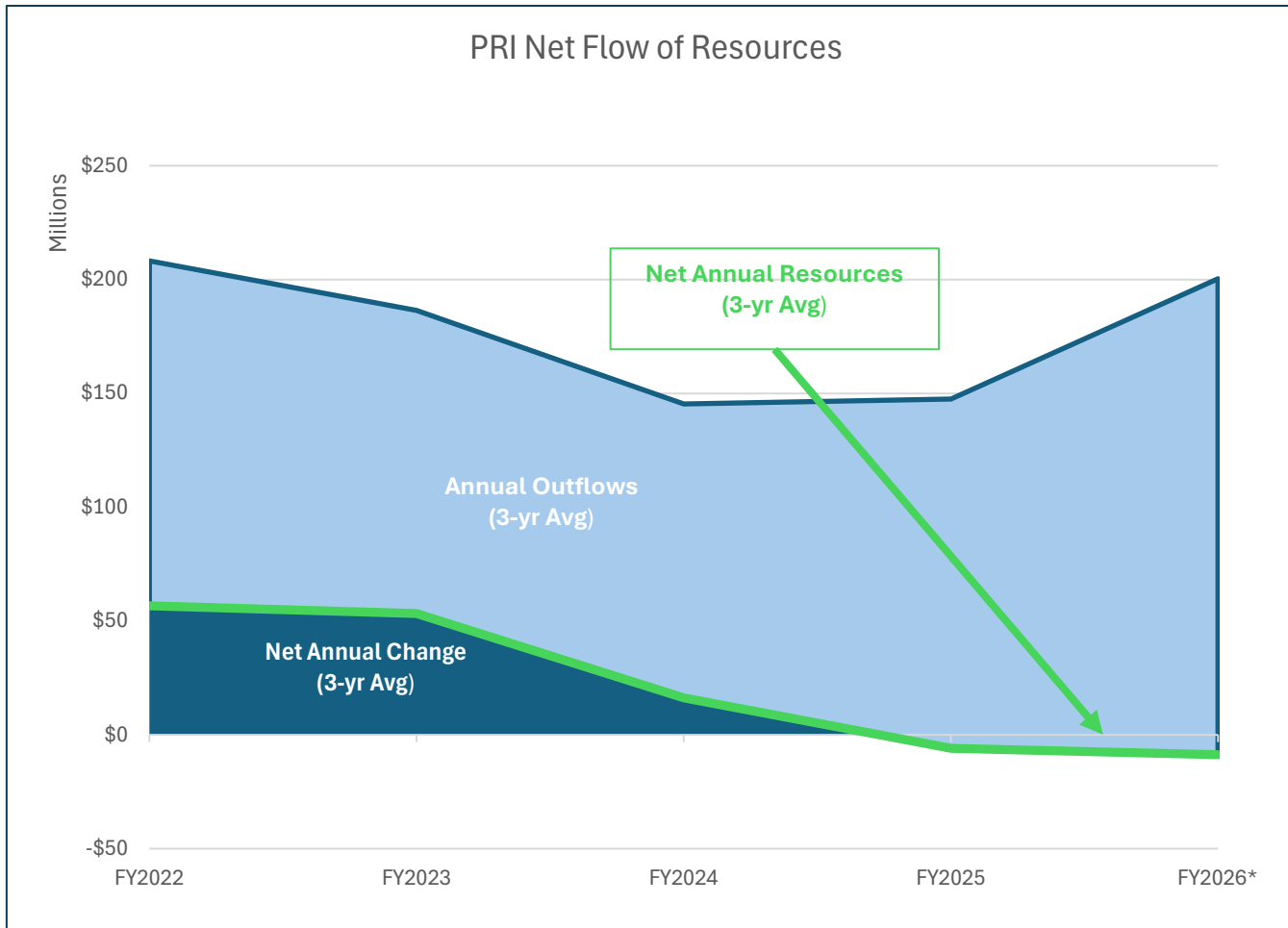
Note: excludes fair value of MBS and grants
 FY2026 data: preliminary results

PRI: Change in Net Worth



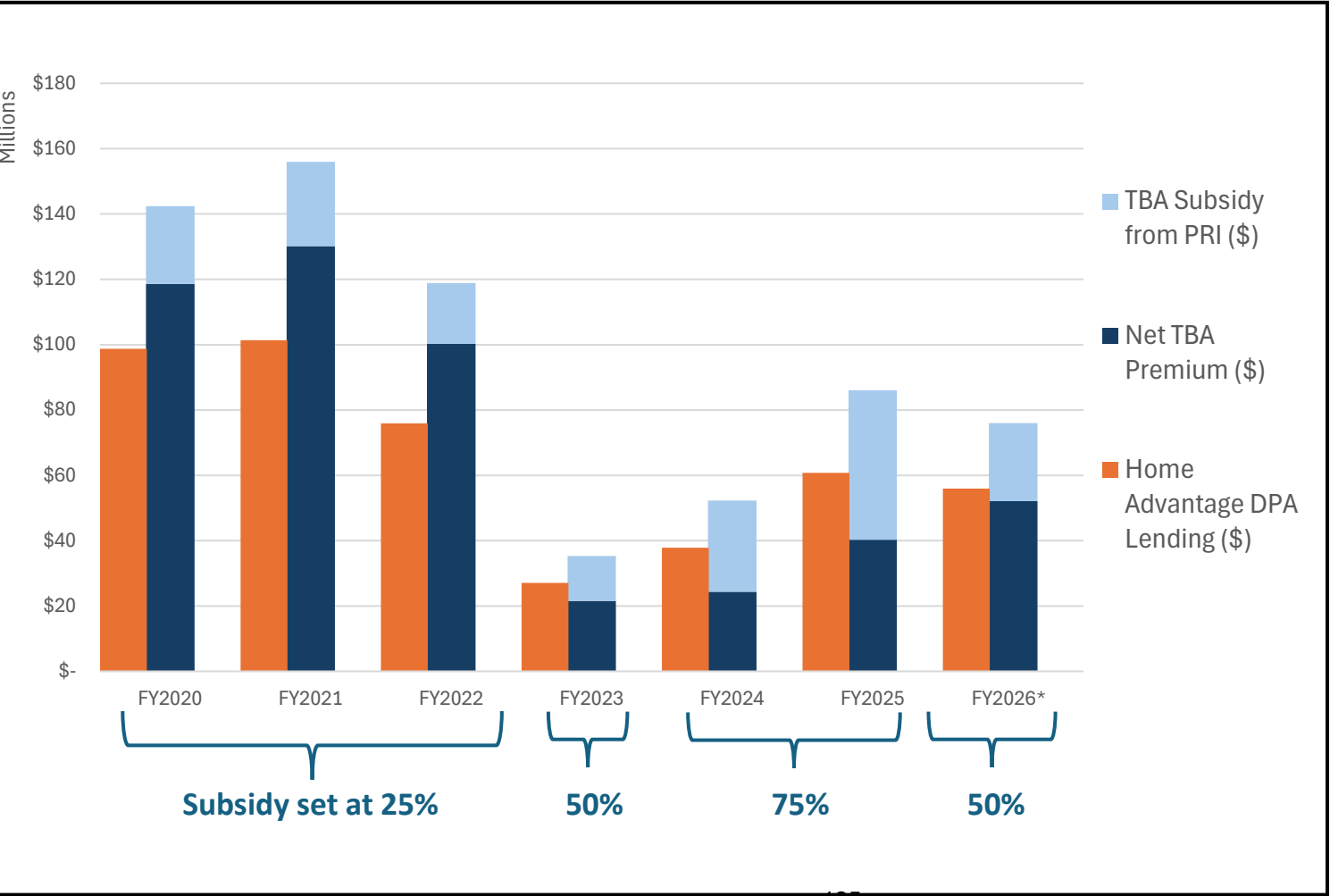
*Note: excludes fair value of MBS and grants
FY26: 8-month annualized, based on preliminary results*

PRI: Change in Available Resources



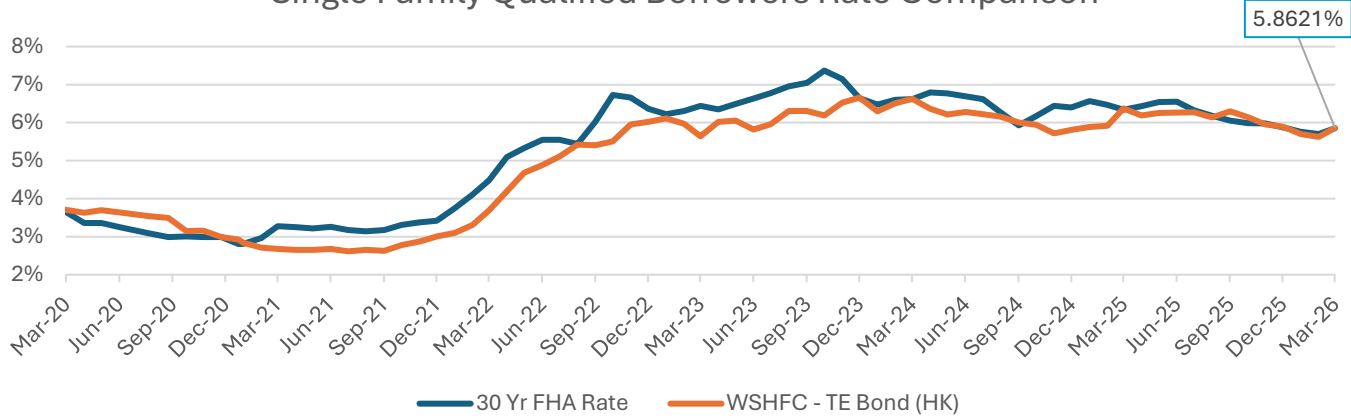
FY26: 8-month annualized, based on preliminary results, estimated

Ability to Fund DPA



*FY26, 8-months annualized, based on preliminary data

Single Family Qualified Borrowers Rate Comparison

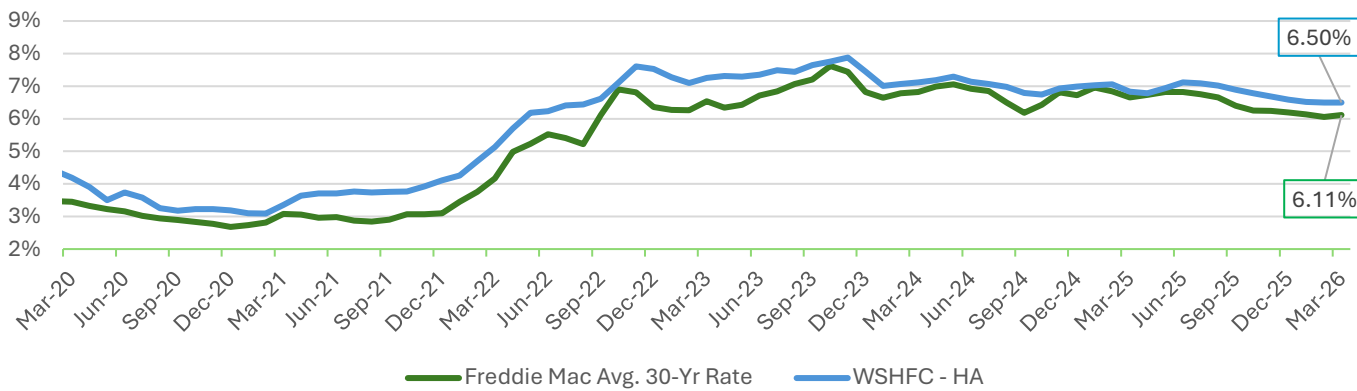


Metric Benchmarks:

WSHFC qualified borrower (**House Key**) rate is **equal** to the FHA rate. ●

WSHFC non-qualified borrower (**Home Advantage**) rate is no more than 25bps higher than the Freddie average rate. ●

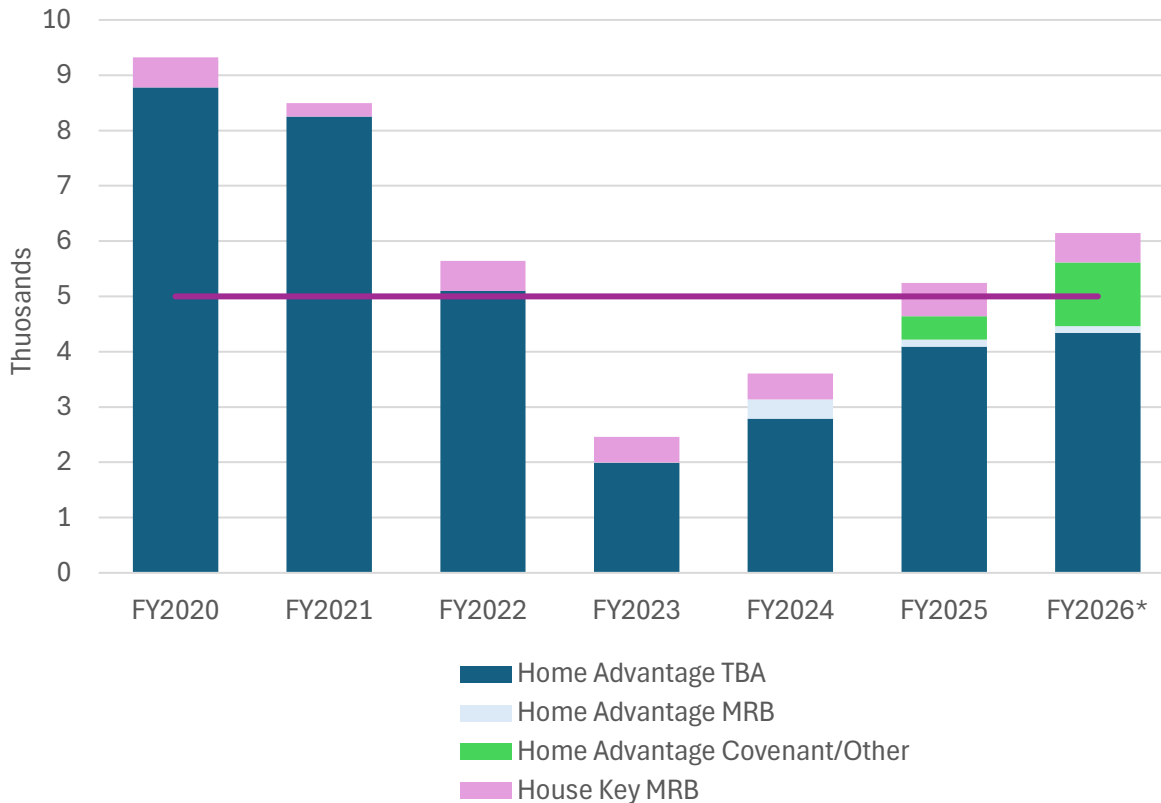
Single Family Non-Qualified Borrowers Rate Comparison



Board Takeaway:

The lower the rate WSHFC offers, the more affordable homes become for borrowers.

Total First Mortgages to Homeowners



Metric Benchmark:

Serve at least 5,000 homebuyers per fiscal year. ●

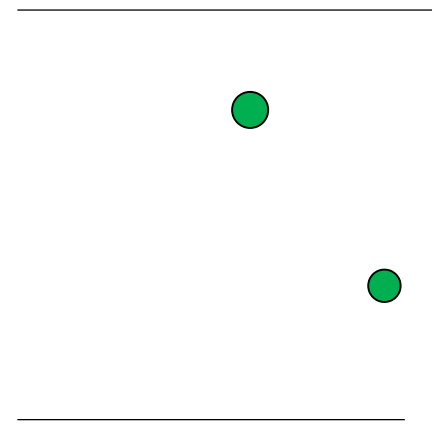
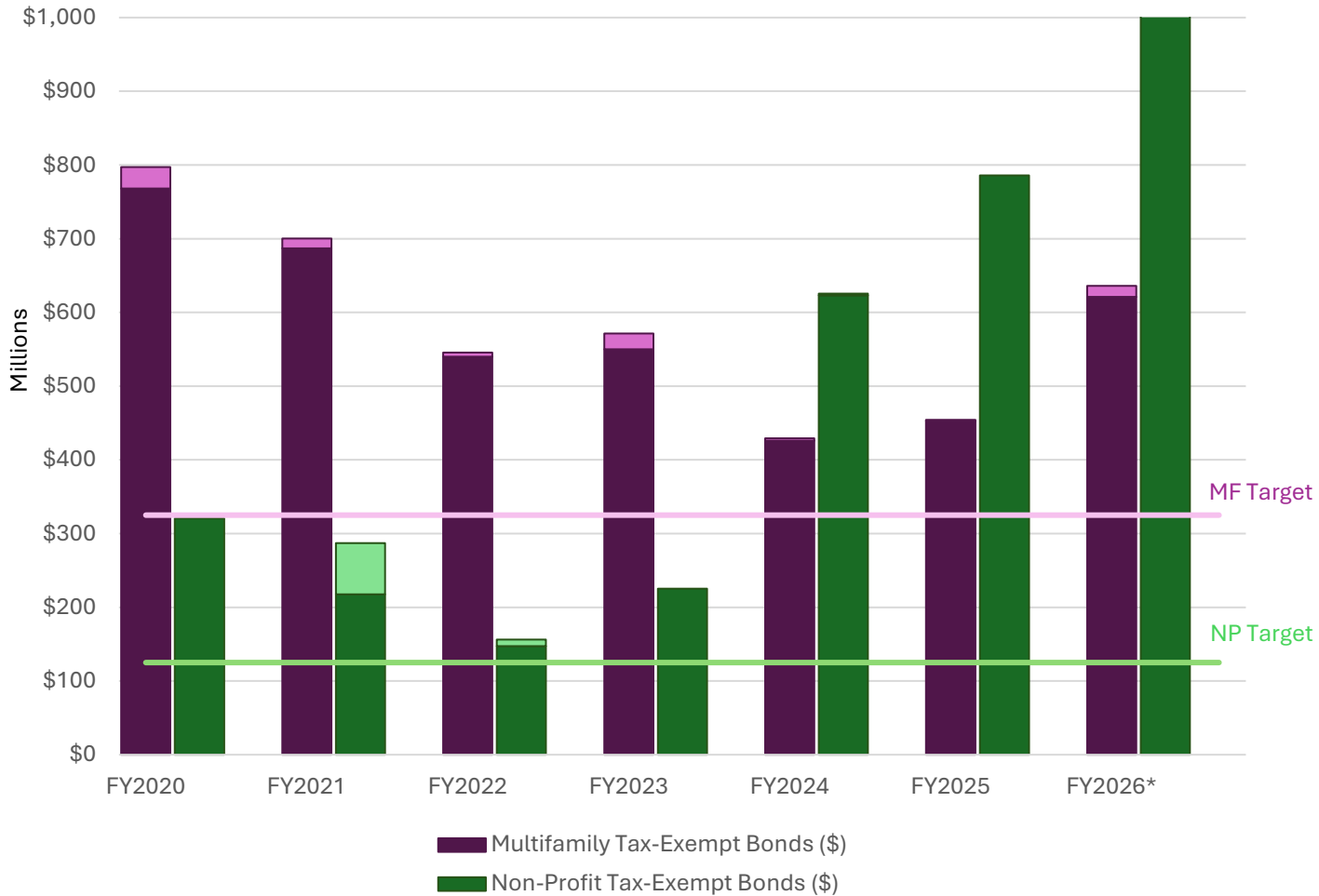
Why This Matters:

Serving homebuyers directly reflects the Commission’s impact and mission.

Trends show whether WSHFC is reaching the households it exists to help.

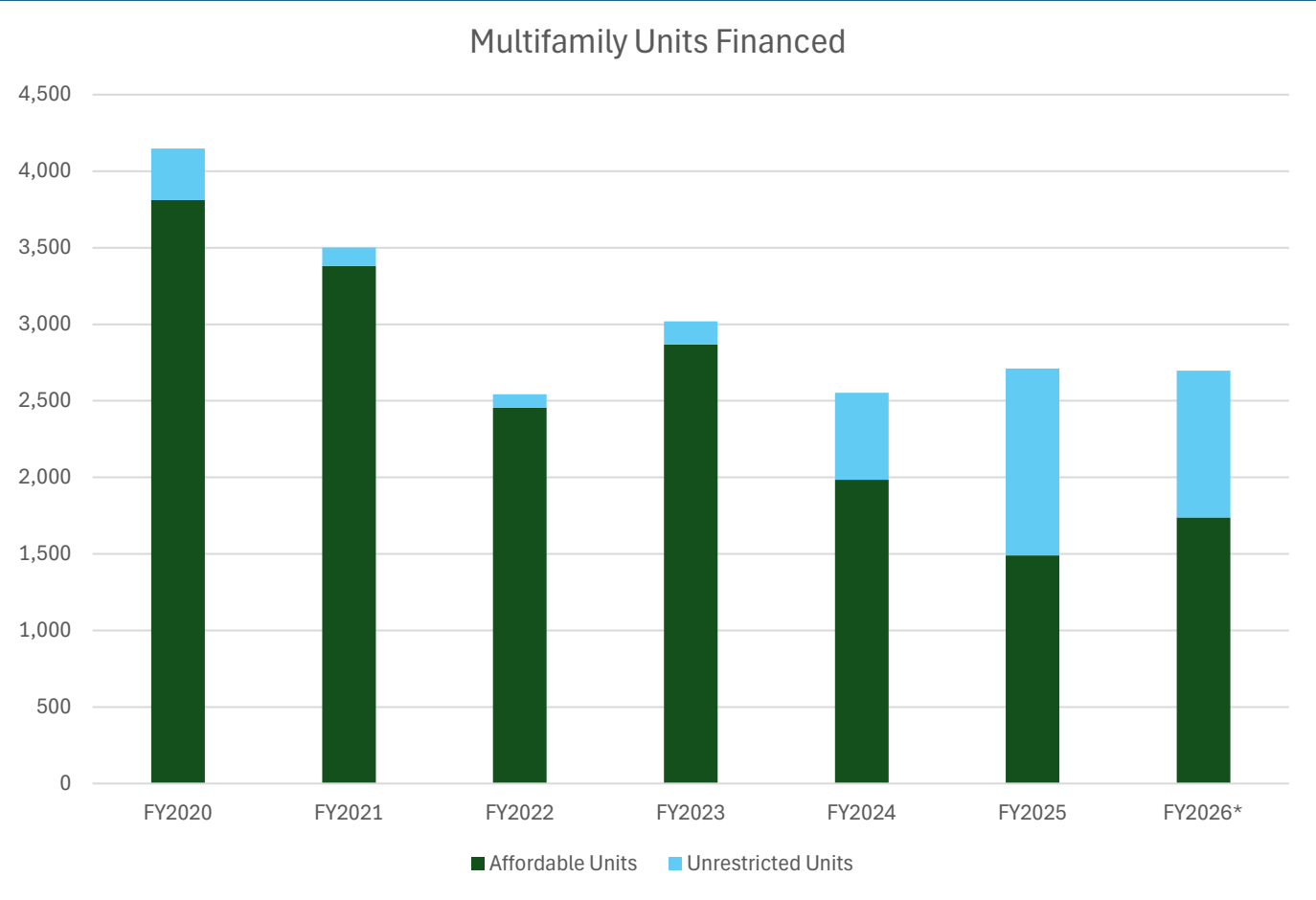
*FY26, 8-months annualized, based on preliminary data

Mission Delivery: Multifamily



Mission Delivery: Multifamily

Affordable Units Financed



*FY26, 8-months annualized, based on preliminary data

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**Homeownership Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- **Improve Funding and Financing Strategies:** Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- **Promote Agency Financial Health and Sustainability:** Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

1. Expand access to affordable financing options to low- to moderate-income borrowers and historically underserved communities.

Associated Metrics: 4,300 low and moderate-income households purchase an affordable home using Home Advantage/House Key by June 30, 2026. Implement special purpose credit programs changes, if needed.

Third Quarter: Please see the quarterly report for number of Home Advantage, House Key and Covenant loans purchased.

2. Become an approved seller-servicer to maintain flexible underwriting guidelines and challenge biased traditional financing requirements.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter:

- Continue to meet weekly with our seller servicer consultant.
- Homeownership staff continues to perform post-closing and servicing Quality Control audits to meet investor guidelines.
- Received Fannie Mae seller servicer approval.
- Delivered our first Freddie Mac loans.

Engagement Perspective

- **Drive Employee Engagement:** Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.

- Promote Community Engagement: Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.

1. Strengthen partnerships with lenders, real estate professionals, nonprofits, and community-based organizations from historically underserved communities to reach potential homebuyers.

Associated Metrics:

- Conduct 10 lender Home Advantage trainings by June 30, 2026
- Conduct 4 Advanced DPA trainings by June 30, 2026.
- Engage in 20 outreach activities with non-profits, lenders, real estate professionals and/or government entities.

Third Quarter:

- Homeownership staff conducted 3 lender Home Advantage trainings, 3 Advanced DPA trainings, and 3 Back office trainings.
- Dietrich Schmitz presented our programs at Urban League event in Des Moines on January 17, 2026.
- Commission staff attended the annual BHI Summit event in Federal Way event on February 10, 2026.
- Dietrich Schmitz presented our programs to lenders and real estate professionals at a Brunch and Learn on February 22, 2026 at the Evergreen State College in Tacoma.
- Carla Vanderpool and Heidi McMahon presented our programs to lender and real estate professionals at LoanDepot on February 26, 2026 in Puyallup.
- Lisa DeBrock along with a representative from the National Fair Housing Alliance presented our programs to members of the City of Seattle City Council on March 25, 2026.
- Dietrich Schmitz presented our programs at the Urban League event in Kent on March 28, 2026.

2. Sponsor statewide homebuyer education classes, ensuring accessibility to underserved communities.

Associated Metrics: Ten percent (10%) of the Homebuyer Education class instructor's participants teach a class within twelve (12) months of taking the training.

Third Quarter:

- 5,485 Homebuyer education classes sponsored including on-line classes with 6,116 attendees.
- 71 (17.71%) of the 401 instructor participants held a Commission sponsored HBE class within 12 months of attending training.

Internal Processes Perspective

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

1. Enhance the loan reservation system to streamline processes and improve user experience.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: HOTB and Homeownership Staff continues to work on program setup within the system including data transmission and transfer of current and legacy reservation data.

2. Develop and implement equitable distribution processes for homeownership and counseling grants.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: During the third quarter of Fiscal Year 2026, Grant staff reviewed responses from the Request for Qualifications released and included all applicants in the award. Non-profit counseling partners receiving awards represent an expansive network of professionals across the state, ensuring homeowners in need of assistance will receive high quality services consistent with the program's commitment to equity and excellence.

Learning, Growth and Inclusion Perspective

- Cultivate Workforce Development and Culture: Invest in our workforce's growth through training, mentorship, and career advancement opportunities, while fostering a culture of continuous improvement, innovation, and inclusiveness.

- Promote Emerging Initiatives: Identify, support, and promote innovative and emerging initiatives that align with our Mission, Vision, and Values.

1. Align homeownership and counseling assistance efforts with state and national housing priorities.

Associated metrics:

- Successfully distribute all available counseling funds through federal agencies, the Department of Commerce, and the Washington State Legislature by June 30, 2026.
- Fully expend the American Rescue Plan Act Homeownership Assistance Program in compliance with Commission, Treasury, and legislative requirements by HAF Program end date.
- Implement new legislative initiatives for counseling programs as applicable.

Third Quarter:

- In the second quarter of Fiscal Year 2026, Grant staff continued their work with the Department of Commerce supporting the implementation of the new policies and procedures under the Foreclosure Fairness Act, including hosting two technical workshops for housing counseling providers.
- Grant staff continued to work toward close out of the HAF program.

2. Increase future homebuyer access to Covenant and other homeownership programs.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter:

- Kat Komin along with Communications staff continues to work closely with BHI and Community Based Organizations to share information and marketing materials on our programs.
- Kat continues to work on engagement and social media campaigns and digital ads to increase potential homebuyer awareness.

WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
COVENANT HOMEOWNERSHIP DPA LOAN PRODUCTION
July 1, 2025 - March 31, 2026

COUNTY	COVENANT DPA PURCHASED AMOUNT TOTAL	# PURCHASED COVENANT DPA LOANS	AVERAGE PURCHASED LOAN AMOUNT	AVERAGE PURCHASE PRICE	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	NUMBER COVENANT DPA LOANS "CLOSED"	AVERAGE "CLOSED" DPA LOAN AMOUNT
Adams	\$ 82,936	1	\$ 82,936	\$ 359,900	\$ 72,457	2.0	1	\$ 82,936
Asotin								
Benton	\$ 2,321,065	25	\$ 92,843	\$ 404,692	\$ 80,779	2.2	24	\$ 92,957
Chelan	\$ 217,831	2	\$ 108,916	\$ 475,000	\$ 81,001	4.0	2	\$ 108,916
Clallam	\$ 664,287	8	\$ 83,036	\$ 373,375	\$ 80,017	3.0	7	\$ 82,858
Clark	\$ 1,185,689	11	\$ 107,790	\$ 481,029	\$ 85,961	2.3	11	\$ 107,790
Columbia								
Cowlitz								
Douglas								
Ferry								
Franklin	\$ 1,343,443	15	\$ 89,563	\$ 400,385	\$ 85,533	1.9	14	\$ 89,743
Garfield								
Grant	\$ 596,964	8	\$ 74,621	\$ 326,400	\$ 70,067	1.9	7	\$ 74,846
Grays Harbor	\$ 257,929	4	\$ 64,482	\$ 311,750	\$ 79,328	1.5	4	\$ 64,482
Island								
Jefferson								
King	\$ 27,224,926	222	\$ 122,635	\$ 537,346	\$ 107,384	1.9	195	\$ 123,753
Kitsap	\$ 1,228,257	12	\$ 102,355	\$ 450,333	\$ 96,181	2.5	9	\$ 98,477
Kittitas	\$ 102,000	1	\$ 102,000	\$ 460,000	\$ 109,763	1.0	1	\$ 102,000
Klickitat								
Lewis	\$ 451,380	5	\$ 90,276	\$ 385,300	\$ 80,739	2.6	5	\$ 90,276
Lincoln								
Mason	\$ 602,205	7	\$ 86,029	\$ 365,700	\$ 70,275	2.1	7	\$ 86,029
Okanogan	\$ 653,097	11	\$ 59,372	\$ 243,027	\$ 67,234	2.6	11	59372.45455
Pacific	\$ 99,375	1	\$ 99,375	\$ 430,000	\$ 105,214	3.0	1	\$ 99,375
Pend Oreille								
Pierce	\$ 32,009,891	279	\$ 114,731	\$ 493,293	\$ 94,804	2.4	239	\$ 114,761
San Juan								
Skagit	\$ 458,661	4	\$ 114,665	\$ 527,500	\$ 102,347	3.5	3	\$ 115,554
Skamania								
Snohomish	\$ 5,691,299	44	\$ 129,348	\$ 578,518	\$ 109,187	2.6	42	\$ 129,178
Spokane	\$ 2,788,461	35	\$ 79,670	\$ 346,560	\$ 74,461	2.8	34	\$ 79,796
Stevens	\$ 81,194	1	\$ 81,194	\$ 350,000	\$ 87,495	5.0	0	\$ -
Thurston	\$ 2,997,198	26	\$ 115,277	\$ 515,735	\$ 98,906	2.9	26	\$ 115,277
Wahkiakum								
Walla Walla	\$ 66,686	1	\$ 66,686	\$ 275,000	\$ 63,440	1.0	1	\$ 66,686
Whatcom	\$ 1,132,075	10	\$ 113,208	\$ 499,250	\$ 100,513	1.9	10	\$ 113,208
Whitman								
Yakima	\$ 4,587,648	56	\$ 81,922	\$ 356,313	\$ 70,257	3.0	49	\$ 81,504
TOTAL	\$ 86,844,497	789	\$ 110,069	\$ 479,870	\$ 94,774	2.4	703	\$ 110,049

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
DOWNPAYMENT ASSISTANCE PRODUCTION (ACTIVE/INACTIVE)
July 1, 2025 - March 31, 2026**

Active Programs - Current FY totals
Active Programs - Historical totals
Inactive Programs - Historical totals
Active/Inactive Combined totals

ACTIVE PROGRAMS						
		July 1, 2025 - March 31, 2026		Historical Totals - Active Programs		
DPA PROGRAM	Launch Date	Number of Loans	Dollars Lent	Number of Loans Total	Total Dollars Loaned	Average Loan Amount
Bellingham DPA	February 2016	6	\$ 415,000	54	\$ 2,194,887	\$ 40,646
Home Advantage DPA	July 2012	2881	\$ 46,217,682	59,773	\$ 689,488,040	\$ 11,535
Home Advantage Needs Based	July 2014	3	\$ 29,779	2,272	\$ 21,232,922	\$ 9,345
HomeChoice	June 1997	6	\$ 89,600	1,627	\$ 20,794,558	\$ 12,781
House Key Opportunity	August 2012	333	\$ 4,853,510	4,856	\$ 54,914,892	\$ 11,309
East King County (ARCH) DPA	September 2005	5	\$ 140,148	89	\$ 2,560,039	\$ 28,764
Community Land Trust DPA	September 2004	0	\$ -	124	\$ 1,550,721	\$ 12,506
Seattle DPA	June 2004	0	\$ -	424	\$ 21,715,651	\$ 51,216
Pierce County DPA	July 2015	0	\$ -	19	\$ 447,300	\$ 23,542
Tacoma DPA	June 2014	0	\$ -	68	\$ 1,332,601	\$ 19,597
Veterans DPA	December 2006	1	\$ 8,200	85	\$ 625,229	\$ 7,356
Univ of WA DPA (non-Commission funds)	May 2019	1	\$ 90,000	24	\$ 1,924,530	\$ 80,189
Clark County DPA	March 2023	3	\$ 180,000	46	\$ 2,666,505	\$ 57,968
Total		3239	\$ 52,023,919	69,461	\$ 821,447,875	

INACTIVE PROGRAMS						
DPA PROGRAM	Launch Date	Loans	Dollars	Average Loan Amount	End Date	Column1
House Key Plus	June 1999	6,301	\$ 26,735,036	\$ 4,243	June 2012	
House Key Extra	April 2000	27	\$ 165,075	\$ 6,114	July 2005	
House Key Rural	January 2001	193	\$ 1,760,117	\$ 9,120	December 2011	
House Key Schools	December 2006	195	\$ 1,477,698	\$ 7,578	March 2016	
House Key King County	September 2008	38	\$ 1,124,256	\$ 29,586	June 2010	
House Key Real Estate Owned	March 2009	893	\$ 6,448,429	\$ 7,221	July 2012	
House Key Federal Way	August 2009	11	\$ 314,213	\$ 28,565	December 2010	
New Home for You	February 2010	145	\$ 1,073,081	\$ 7,401	December 2014	
Home Advantage Rebound	January 2013	359	\$ 3,162,673	\$ 8,810	May 2014	
House Key Bremerton	July 2015	6	\$ 56,916	\$ 9,486	August 2016	
Total		8,168	\$ 42,317,494			

Active and Inactive DPA Totals 77,629 \$ 863,765,369

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOME ADVANTAGE LOAN PRODUCTION
July 1, 2025 - March 31, 2026**

COUNTY	HOME ADV LOAN AMOUNT	NUMBER OF HA LOANS	AVERAGE LOAN AMOUNT	AVERAGE PURCHASE PRICE	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	# HA DPA LOANS 0% INT RATE	HA DPA LOAN AMOUNT	AVERAGE HA DPA LOAN	# HA NEEDS BASED DPA 1% INT RATE	# HA NEEDS BASED LOAN AMOUNT	AVE NEEDS BASED DPA AMOUNT
Adams	\$ 2,924,971	10	\$ 292,497	\$ 304,560	\$ 89,985	3.2	60.0%	9	\$ 101,547	\$ 11,283			
Asotin	\$ 3,816,865	13	\$ 293,605	\$ 305,574	\$ 91,573	2.8	7.6%	13	\$ 151,013	\$ 11,616			
Benton	\$ 89,069,979	246	\$ 362,073	\$ 379,158	\$ 106,223	2.5	51.6%	217	\$ 3,101,393	\$ 14,292			
Chelan	\$ 15,793,162	38	\$ 415,610	\$ 433,977	\$ 107,235	2.7	50.0%	36	\$ 592,703	\$ 16,464			
Ciallam	\$ 14,489,014	40	\$ 362,225	\$ 386,861	\$ 105,179	2.7	27.5%	31	\$ 453,649	\$ 14,634			
Clark	\$ 67,090,782	153	\$ 438,502	\$ 457,671	\$ 121,523	2.9	28.1%	138	\$ 2,376,084	\$ 17,218			
Columbia	\$ 1,285,288	5	\$ 257,058	\$ 261,800	\$ 64,347	3.0	40.0%	5	\$ 51,198	\$ 10,240			
Cowlitz	\$ 42,793,732	118	\$ 362,659	\$ 371,290	\$ 108,795	2.7	18.6%	117	\$ 1,665,973	\$ 14,239			
Douglas	\$ 11,144,558	26	\$ 428,637	\$ 438,294	\$ 116,121	2.7	42.3%	26	\$ 419,641	\$ 16,140			
Ferry	\$ 304,500	2	\$ 152,250	\$ 165,000	\$ 72,780	2.5	0.0%	1	\$ 5,700	\$ 5,700			
Franklin	\$ 35,671,182	96	\$ 371,575	\$ 391,094	\$ 108,644	2.6	72.9%	80	\$ 1,165,425	\$ 14,568			
Garfield	\$ 241,530	1	\$ 241,530	\$ 249,000	\$ 112,576	2.0	0.0%	1	\$ 9,661	\$ 9,661			
Grant	\$ 36,389,195	110	\$ 330,811	\$ 344,534	\$ 102,949	2.8	47.3%	100	\$ 1,342,833	\$ 13,428			
Grays Harbor	\$ 29,062,516	91	\$ 319,368	\$ 328,502	\$ 101,718	2.5	23.1%	86	\$ 1,089,461	\$ 12,668	1	\$ 9,779	\$ 9,779
Island	\$ 9,077,441	19	\$ 477,760	\$ 495,660	\$ 128,194	3.0	15.8%	18	\$ 353,338	\$ 19,630			
Jefferson	\$ 1,089,893	3	\$ 363,298	\$ 370,000	\$ 97,885	1.7	33.3%	3	\$ 39,470	\$ 13,157			
King	\$ 194,901,385	425	\$ 458,591	\$ 524,620	\$ 120,870	2.2	77.8%	199	\$ 3,868,475	\$ 19,440			
Kitsap	\$ 68,449,818	157	\$ 435,986	\$ 456,458	\$ 120,630	2.6	29.3%	138	\$ 2,396,767	\$ 17,368			
Kittitas	\$ 8,622,294	23	\$ 374,882	\$ 389,772	\$ 101,070	2.3	13.1%	20	\$ 297,546	\$ 14,877			
Klickitat	\$ 1,705,536	5	\$ 341,107	\$ 347,400	\$ 101,646	2.0	0.0%	5	\$ 65,745	\$ 13,149			
Lewis	\$ 27,614,641	78	\$ 354,034	\$ 366,480	\$ 101,638	2.4	16.7%	73	\$ 1,028,218	\$ 14,085			
Lincoln	\$ 2,338,451	9	\$ 259,828	\$ 267,000	\$ 106,371	3.7	0.0%	9	\$ 93,226	\$ 10,358			
Mason	\$ 25,443,586	72	\$ 353,383	\$ 369,298	\$ 99,278	2.5	20.8%	62	\$ 908,962	\$ 14,661			
Okanogan	\$ 7,301,075	30	\$ 243,369	\$ 276,552	\$ 82,967	2.8	46.7%	17	\$ 173,344	\$ 10,197			
Pacific	\$ 3,250,751	10	\$ 325,075	\$ 339,890	\$ 122,953	3.0	40.0%	9	\$ 115,736	\$ 12,860			
Pend Oreille	\$ 2,316,030	8	\$ 289,504	\$ 294,956	\$ 90,989	3.5	0.0%	8	\$ 91,760	\$ 11,470			
Pierce	\$ 346,696,919	783	\$ 442,780	\$ 488,327	\$ 116,243	2.5	60.3%	498	\$ 9,329,678	\$ 18,734			
San Juan	\$ 1,530,779	5	\$ 306,156	\$ 326,997	\$ 91,225	2.6	20.0%	3	\$ 50,357	\$ 16,786			
Skagit	\$ 24,428,003	54	\$ 452,370	\$ 472,317	\$ 120,140	2.8	50.0%	51	\$ 891,378	\$ 17,478			
Skamania	\$ 1,889,149	5	\$ 377,830	\$ 384,800	\$ 110,970	3.4	20.0%	5	\$ 74,102	\$ 14,820			
Snohomish	\$ 115,403,046	232	\$ 497,427	\$ 534,887	\$ 130,488	2.6	42.7%	185	\$ 3,799,376	\$ 20,537			
Spokane	\$ 108,103,446	319	\$ 338,882	\$ 356,079	\$ 101,084	2.7	22.8%	276	\$ 3,673,324	\$ 13,309	1	\$ 10,000	\$ 10,000.00
Stevens	\$ 5,549,318	20	\$ 277,466	\$ 289,130	\$ 90,726	3.0	5.0%	18	\$ 193,429	\$ 10,746			
Thurston	\$ 59,260,293	141	\$ 420,286	\$ 453,347	\$ 113,485	2.5	38.3%	110	\$ 1,857,760	\$ 16,889	1	\$ 10,000	\$ 10,000
Wahkiakum	\$ 962,248	3	\$ 320,749	\$ 326,667	\$ 96,424	3.3	0.0%	3	\$ 38,488	\$ 12,829			
Walla Walla	\$ 8,380,196	24	\$ 349,175	\$ 358,392	\$ 108,922	2.8	33.3%	22	\$ 302,290	\$ 13,740			
Whatcom	\$ 33,038,635	76	\$ 434,719	\$ 461,284	\$ 123,241	2.4	22.4%	60	\$ 1,015,614	\$ 16,927			
Whitman	\$ 3,266,777	11	\$ 296,980	\$ 306,909	\$ 99,707	2.2	18.2%	10	\$ 127,066	\$ 12,707			
Yakima	\$ 92,905,618	284	\$ 327,132	\$ 348,505	\$ 93,690	3.0	75.0%	219	\$ 2,905,952	\$ 13,269			
TOTAL	\$ 1,503,602,602	3745	\$ 401,496	\$ 432,044	\$ 111,541	2.6	47.6%	2881	\$ 46,217,682	\$ 16,042	3	\$ 29,779	\$9,926

*Primary Mortgagor.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOUSE KEY OPPORTUNITY/CASH WINDOW/OPEN MARKET AND OPPORTUNITY DPA PRODUCTION
July 1, 2025 - March 31, 2026**

COUNTY	HOUSE KEY LOAN AMOUNT	% OF TOTAL LOAN AMOUNT	NUMBER OF HK LOANS	AVERAGE LOAN AMOUNT	AVERAGE ACQUISITION COST	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	GENERAL MINORITY POPULATION**	NUMBER OF OPPORTUNITY DPA LOANS	OPPORTUNITY DPA LOAN AMOUNT	AVERAGE OPPORTUNITY DPA LOAN	HUD AREA MEDIAN INCOME LIMIT
Adams	\$ 247,350	0.27%	1	\$ 247,350	\$ 255,000	\$ 64,561	1.0	0.0%	59.60%	1	\$ 15,000	\$ 15,000	\$ 47,900
Asotin	\$ 235,535	0.26%	1	\$ 235,535	\$ 246,100	\$ 50,012	1.0	0.0%	6.08%	1	\$ 14,615	\$ 14,615	\$ 60,100
Benton	\$ 1,107,533	1.21%	4	\$ 276,883	\$ 285,563	\$ 68,442	2.5	25.0%	23.70%	4	\$ 60,000	\$ 15,000	\$ 70,300
Chelan	\$ 589,367	0.64%	3	\$ 196,456	\$ 261,667	\$ 53,782	3.0	66.6%	30.33%	3	\$ 40,000	\$ 13,333	\$ 56,700
Clallam	\$ 551,062	0.60%	2	\$ 275,531	\$ 282,000	\$ 81,479	2.0	50.0%	15.02%	2	\$ 30,000	\$ 15,000	\$ 56,300
Clark	\$ 7,188,017	7.84%	25	\$ 287,521	\$ 337,541	\$ 78,156	2.8	24.0%	15.99%	19	\$ 279,673	\$ 14,720	\$ 73,900
Columbia									11.71%				\$ 60,000
Cowlitz	\$ 1,047,952	1.14%	4	\$ 261,988	\$ 269,725	\$ 67,868	1.5	0.0%	12.65%	4	\$ 58,280	\$ 14,570	\$ 58,100
Douglas									29.51%				\$ 56,700
Ferry									26.76%				\$ 43,600
Franklin									60.00%				\$ 70,300
Garfield	\$ 166,840	0.18%	1	\$ 166,840	\$ 172,000	\$ 33,730	4.0	0.0%	5.27%	1	\$ 13,760	\$ 13,760	\$ 69,700
Grant	\$ 1,868,238	2.04%	7	\$ 266,891	\$ 274,597	\$ 65,208	2.7	14.3%	43.18%	7	\$ 101,000	\$ 14,429	\$ 56,900
Grays Harbor	\$ 1,260,765	1.38%	6	\$ 210,128	\$ 218,808	\$ 58,732	2.3	16.6%	19.20%	6	\$ 87,779	\$ 14,630	\$ 56,800
Island	\$ 390,950	0.43%	2	\$ 195,475	\$ 260,575	\$ 43,728	2.0	50.0%	17.79%	2	\$ 30,000	\$ 15,000	\$ 74,200
Jefferson	\$ 707,000	0.77%	4	\$ 176,750	\$ 221,252	\$ 61,390	2.3	25.0%	10.32%	3	\$ 45,000	\$ 15,000	\$ 65,200
King	\$ 20,810,778	22.71%	73	\$ 285,079	\$ 406,542	\$ 84,629	2.1	60.3%	31.50%	66	\$ 978,024	\$ 14,819	\$ 89,600
Kitsap	\$ 1,165,337	1.27%	5	\$ 233,067	\$ 325,800	\$ 65,482	1.8	20.0%	20.33%	4	\$ 57,979	\$ 14,495	\$ 74,600
Kittitas	\$ 705,850	0.77%	3	\$ 235,283	\$ 371,533	\$ 58,727	2.3	33.3%	13.18%	3	\$ 45,000	\$ 15,000	\$ 65,800
Klickitat									17.83%				\$ 46,900
Lewis	\$ 599,167	0.65%	2	\$ 299,584	\$ 309,500	\$ 63,054	2.5	0.0%	12.39%	2	\$ 30,000	\$ 15,000	\$ 57,800
Lincoln	\$ 535,325	0.58%	3	\$ 178,442	\$ 183,917	\$ 56,975	3.0	33.3%	6.67%	3	\$ 41,260	\$ 13,753	\$ 60,300
Mason	\$ 1,686,847	1.84%	6	\$ 281,141	\$ 292,499	\$ 82,566	3.0	0.0%	15.82%	6	\$ 90,000	\$ 15,000	\$ 60,800
Okanogan	\$ 1,560,953	1.70%	7	\$ 222,993	\$ 238,033	\$ 69,499	2.1	14.3%	33.58%	7	\$ 104,991	\$ 14,999	\$ 51,900
Pacific	\$ 171,700	0.19%	1	\$ 171,700	\$ 216,700	\$ 39,255	1.0	0.0%	15.57%	1	\$ 15,000	\$ 15,000	\$ 53,500
Pend Oreille	\$ 274,928	0.30%	1	\$ 274,928	\$ 280,000	\$ 73,733	1.0	0.0%	10.46%	1	\$ 11,500	\$ 11,500	\$ 49,100
Pierce	\$ 12,910,561	14.09%	44	\$ 293,422	\$ 341,171	\$ 86,410	2.6	40.9%	27.50%	41	\$ 615,000	\$ 15,000	\$ 71,000
San Juan	\$ 471,500	0.51%	3	\$ 157,167	\$ 246,200	\$ 43,909	1.3	0.0%	6.62%	4	\$ 60,000	\$ 15,000	\$ 68,200
Skagit									22.10%				\$ 68,200
Skamania									10.34%				\$ 73,900
Snohomish	\$ 4,214,574	4.60%	11	\$ 383,143	\$ 414,850	\$ 103,575	2.5	36.4%	20.27%	11	\$ 162,716	\$ 14,792	\$ 89,600
Spokane	\$ 18,443,391	20.12%	79	\$ 233,461	\$ 271,785	\$ 68,966	2.8	30.4%	11.97%	78	\$ 1,113,152	\$ 14,271	\$ 64,500
Stevens	\$ 205,840	0.22%	1	\$ 205,840	\$ 214,000	\$ 40,248	1.0	0.0%	11.91%	1	\$ 15,000	\$ 15,000	\$ 54,700
Thurston	\$ 1,674,587	1.83%	5	\$ 334,917	\$ 343,240	\$ 70,654	2.0	60.0%	19.59%	5	\$ 75,000	\$ 15,000	\$ 71,500
Wahkiakum									8.14%				\$ 54,500
Walla Walla									26.91%				\$ 62,900
Whatcom	\$ 2,493,685	2.72%	12	\$ 207,807	\$ 313,246	\$ 69,108	2.2	0.0%	16.27%	11	\$ 150,050	\$ 13,641	\$ 67,600
Whitman	\$ 384,819	0.42%	2	\$ 192,410	\$ 202,500	\$ 61,169	3.0	0.0%	15.48%	2	\$ 29,500	\$ 14,750	\$ 67,600
Yakima	\$ 7,985,715	8.71%	34	\$ 234,874	\$ 248,498	\$ 68,563	2.8	85.3%	52.36%	34	\$ 484,231	\$ 14,242	\$ 53,200
TOTAL	\$ 91,656,166	100.00%	352	\$ 260,387	\$ 315,796	\$ 74,956	2.5	39.7%	25.19%	333	\$ 4,853,510	\$ 14,575	\$ 62,933

*Primary Mortgagor.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**Multifamily Housing and Community Facilities Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- **Improve Funding and Financing Strategies:** Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- **Promote Agency Financial Health and Sustainability:** Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

Objectives

- 1. Leverage traditional financing tools in an effort to increase the availability and preservation of affordable rental housing across the state.**

Associated Metrics: % of resources allocated

Third Quarter: 9% Low Income Housing Tax Credit (LIHTC) Program: Completed Minimum Threshold Reviews (MTR) for all 2026 projects. Currently working with project sponsors on final application clean-ups and submittals for any outstanding material. Expecting to bring the first group of projects to the Board for public hearings and approving resolutions in June.

Multifamily Housing Bonds:

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
Prisma	Commission	Redmond	\$48,000,000	328
Altaire at Queen Anne	Commission	Seattle	\$24,200,000	114
Kent Multicultural Village	Commission	Kent	\$48,327,409	233
* Village at 47th Supplemental	Commission	Tukwila	\$7,000,000	272
* Cedar Flats Supplemental	Commission	Puyallup	\$7,000,000	276

Total			\$134,527,409	1,223
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* Units counted with a prior issuance of tax-exempt bonds.

Nonprofit Housing: No Activity

Nonprofit Facilities: No Activity

2. Leverage innovative financing tools to increase the availability of affordable rental housing across the state

Associated Metrics: Establish milestones towards creating new financing tools.

Third Quarter:

FarmPAI: *No Activity*

Land Acquisition Program(s): 5 applications currently progressing through underwriting.

Project Name	Sponsor	Location	Award Amount	Units
St. Peters	Imagine Housing	Bellevue	\$5,025,000	108

Community Land Trust Program: No loans closed in Q3 (funding limitations).

Project Name	Sponsor	Location	Award Amount	Units

SET Loan Program: Received two SET loan applications and have begun working with potential borrowers, both of which are targeting a Q4 closing. The first application was for a loan of \$1,000,000 to Indian American Community Services, a Washington non-profit that is retrofitting their recently purchased community center space in Kent, WA. The second application is for a loan of up to \$1,000,000 to EcoThrive Housing, an emerging community development organization planning to build 27 cottage-style units of energy efficient, permanently affordable housing in Burien, WA.

Manufactured Housing Community Investment Program: We closed on a loan for \$737,277 to the Poplar Estates Cooperative for the acquisition of the 47-site Poplar Estates (formerly known as Evergreen Mobile Estates) community in the town of Montesano. The loan was used to convert the community to resident-ownership. This will help to provide long-term security, stability, and affordability to the residents through ownership of the land under their homes.

3. Respond and adapt to federal and state legislative changes

Associated Metrics: Implementation and modification of program policy based on analysis.

Third Quarter:

- During the state legislative session, 14 staff from MHCF participated in reviewing and analyzing over 100 bills as part of the agency's cross-divisional

team. The team mainly focused on tracking bills with potential impacts on multifamily housing development and energy/sustainability, including but not limited to, zoning/land-use, sales taxes and property tax exemptions, construction methods and wages, and bills that effect residents.

- There are no new legislative changes to address because of the 2026 legislative session.
- We are tracking federal activity related to the 21st Century ROAD to Housing Act and Continuum of Care funding

Engagement Perspective

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

Objectives

1. Enhance engagement and capacity-building for emerging developers through accessible resources and financing tools.

Associated Metrics:

- Continued engagement with key partners and presenting at conferences
- Developing educational materials about financing tools (videos, handouts, workshops, etc.)

Third Quarter:

- Community-Based Organization Support: Staff continued support of Community Based Organizations (CBOs) participating in the Bond/4% Tax Credit Program. Of note was a meeting with the CBO development team of St. Mark's Cathedral in Seattle.
- Staff attended the "Friends of the Village" luncheon in support of a CBO collective that is part of the Prisma affordable housing development, a Sound Transit project.
- Other events this quarter included the LISC "Building Opportunity Together" summit in Everett, as well as participating in a planning retreat with Community Engagement representatives from public funding partners WA Department of Commerce, King County, and the City of Seattle.
- Additionally, staff began collaborating with a development consultant and trainer to create a "Housing 201" training curriculum for emerging developers, which will be finalized and implemented during Q4 and continued in FY 2026-27.
- LAP: Through our ongoing partnership with LISC and word-of-mouth referrals, we continued expanding awareness of our acquisition of loan programs among

potential applicants. We also continued to develop program materials to be hosted online and rolled out in conjunction with other program updates.

Internal Processes Perspective

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

Objectives:

- 1. Improve internal processes and foster collaboration across divisions to streamline operations and enhance overall efficiency.**

Associated Metrics:

- Reset and streamline program policy processes. (Sub-objective)
- Further develop/complete PRI handbook. (Sub-objective)
- Support AMC in integrating performance evaluations. (Sub-objective)

Third Quarter:

- **Reset and streamline program policy processes:** Held a statewide interested parties engagement session in January to inform the 9% Program policy updates and solicit input from public funder partners. The discussions have been focused on affordability and the populations served. Data analysis is ongoing to inform policy options.
- **Community Engagement staff coordinated closely with policy team to create enhanced opportunities for Interested Parties to engage with policy development in a broader and deeper way.** Staff continue to support engagement efforts in policy development, applying the training principles through the International Association for Public Participation (IAP2), and have received very positive feedback on the process.
- **Ongoing PIS workgroup:** Presented LAP desk manual to division staff. Ready to finalize and present executive leadership for adoption in the near term.

Learning, Growth and Inclusion Perspective

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

Objectives:

1. Innovate and partner to develop tools that address gaps in the affordable housing system and bring benefits to residents.

Associated Metrics:

- Develop Preservation Strategy to preserve existing affordable housing properties in the Commission's portfolio, centering impact on residents to prevent displacement throughout the fiscal year by June 30, 2026.
- Pilot a land acquisition program/land bank for single family development by June 30, 2026.
- Develop Solar for All Program in partnership with State Energy Office and pilot the Seattle Affordable Housing Solar Fund.

Third Quarter:

- **Develop Preservation Strategy:** The internal cross-division work group continued to develop a framework using a risk/opportunity matrix that builds upon existing Bond/4% Program policies. Identified policy and process refinements and adjustments policies for a Preservation Pilot. Save the date was circulated to interested parties for an engagement session on April 3rd to share the proposed policy adjustments and framework for the Bond/4% Program Preservation Pilot.
- **Develop Solar for All Program & Seattle Solar Fund Pilot:** At the direction of the State Energy Office, work on the Solar for All program remains on pause following the federal government freezing the funds in August 2025. After meeting with several funding partners in the energy industry to discuss potential projects for the Seattle Affordable Housing Solar Fund, staff have taken the first steps toward an interlocal agreement with King County to deploy the funds. Staff are currently meeting regularly with King County staff to discuss the terms of the agreement and the most suitable projects, with an aim awarding the funds in 2026.
- **Revolving Loan Fund for Single Family Development:** Had several conversations with both public and private sector organizations regarding a revolving loan fund for single-family development, targeting multiple affordability levels and varying lengths of affordability restrictions.

2. Invest in the growth of staff and interns through mentorship, training, and career development programs.

Third Quarter:

- Staff: Kate DeCramer was promoted from Senior Sustainable Energy Analyst to Division Operations Manager, a new role supporting the Board for the Washington Higher Education Facilities Authority and assisting the MHCF Division Director with division work planning, budgeting, and business objectives, among other tasks.
- HDC Intern Program: Participated in tracking and presenting the status of several bills during legislative session, as well as a weekly decarbonization coalition meeting at the intersection of housing and energy. The HDC intern is currently researching elements of the 2024 Washington State Energy Code and will present findings to staff at a “Lunch and Learn” this Spring 2026.
- Policy Intern: Participated in analyzing and tracking several bills during the legislative session, learning how the legislative process works. Additionally, providing support to the 9% program and building out of a Good Standing policy.
- Community Engagement Intern: Participated in planning and implementation of engagement strategy for the 9% policy update, as well as revising and streamlining the application process for Bond/4% Tax Credit projects that include CBOs.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**Asset Management & Compliance Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- **Improve Funding and Financing Strategies:** Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- **Promote Agency Financial Health and Sustainability:** Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

1. Complete timely and thorough compliance monitoring of the multifamily portfolio to maintain adherence to regulatory requirements.

Associated Metrics: Reviews closed out within 14 months of report submission.

Third Quarter: All required 2024 Tax Credit, Bond, and ARRA Annual Reports have been reviewed and closed out. Approximately 97% of the required 2025 Tax Credit and Bond Annual Reports have been received, and staff have begun reviewing them.

2. Ensure tax credit properties are inspected to promote safe and healthy housing.

Associated Metrics: All inspections are completed by early Q2.

Third Quarter: 100% of all 2025 inspections have been completed on time. Based on feedback from the 2025 Inspections Survey, we have created an inspection-related FAQ for owners and managers, which is now available on our website. 2026 Inspections have commenced and are scheduled through April so far.

3. Strengthen asset management practices to mitigate risk in portfolio.

Associated Metrics: Establish baseline, develop risk management tools and draft policy/procedure by June 30, 2026.

Third Quarter: In collaboration with the MHCF policy team, we have developed the initial drafts of the Good Standing Policy and Asset Management Procedures. These drafts will be further refined based on feedback and is scheduled to be finalized and presented to the Board next quarter.

4. Educate owners and managers about program rules to promote compliance adherence.

Associated Metrics: At least 5 compliance trainings by end of Q4.

Third Quarter: Five compliance trainings have been completed so far, ahead of schedule, with two more planned before the end of the fiscal year.

Engagement Perspective

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

1. Enhance affordable housing resources and engagement for external stakeholders.

Associated Metrics: Implement new on-demand videos and new resident resources page by end of Q4.

Third Quarter: Resident Resource webpage is nearly complete, and production of the new on-demand videos will begin in Q4.

2. Improve communication with and support of residents.

Associated Metrics: Smartsheet Customer Service Portal implemented by early Q1.

Third Quarter: The team has continued refining procedures and enhancing the Customer Service Portal. Using data collected from the portal, we are updating our FAQ to address the most common inquiries from residents, which will be available on our website by the end of the fiscal year, with the goal of making information more accessible and improving the overall resident experience.

3. Achieve timely response for all technical assistance requests and other property inquiries ensuring customer and operational efficiency.

Associated Metrics: Surveys deployed in Q2 and Q4.

Third Quarter: AMC continuously ensures timely follow-up on technical assistance requests. The Inspection Survey, distributed in November, provided feedback that has been used to create an inspection-related FAQ for owners and managers. The General Customer Survey is planned for May.

4. Support and promote stable housing for renters of WSHFC portfolio.

Associated Metrics: Complete all engagement activities with interested parties and develop final Rent Stabilization Policy recommendations by end of FY26.

Third Quarter: Rent frequency survey was distributed in February and received a limited number of responses. Preliminary results indicate some confusion about the applicability of last year’s rent stabilization law, particularly among affordable housing providers. The workgroup is collaborating with Pacifica Law Group to better understand this interpretation and clarify how the law is being communicated. To increase participation and gather more data, the survey link has been added to the AMC monthly newsletter and will also be promoted at the upcoming Affordable Housing Management Association of Washington conference.

5. Enhance the accessibility of compliance resident certification forms to ensure usability for all parties (owners, managers, residents/applicants, advocates).

Associated Metrics: Complete updates to certification forms for accessibility by the end of FY26.

Third Quarter: Development of Household Eligibility Application (HEA) Form 2.0 beta version is planned for summer, with rollout of the revised forms likely to take place next fiscal year.

6. Enhance user experience and engagement with AMC’s online resources through improved website design, functionality, and accessibility.

Associated Metrics: AMC webpage is fully updated by June 30, 2026.

Third Quarter: This work remains ongoing and is dependent on the Communications team.

Internal Processes Perspective

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

1. Enhance compliance review process with revised comprehensive Portfolio Analyst Desk Manual.

Associated Metrics: Complete draft of new PA Desk Manual by June 30, 2026, as part the development of divisional Standard Operational Plan document.

Third Quarter: We are working with our consultant (Cre8 Consulting, Inc.) to develop our division’s Standard Operating Procedures. This project is in its initial stages, and the Portfolio Analysts are currently collaborating with the consultant to outline key

compliance-related business processes.

2. Improve the Placed-In-Service (PIS) process.

Associated Metrics: Implement a standardized MHCF-to-AMC handover process via Laserfiche workflow by end of FY26.

Third Quarter: Testing of the automated handover workflow scheduled for February was cancelled to allow IT additional time for planning and system preparation. IT will complete the necessary preparations, with testing rescheduled to begin once all preparations are complete.

3. Integrate related processes into the new preservation policy aligned with the asset management framework.

Associated Metrics: Updated Asset Management policies and procedures by end of Q4.

Third Quarter: The draft Compliance Risk Metrics will be distributed for review at the beginning of next quarter. The Asset Management Review Process is still under development.

Learning, Growth and Inclusion Perspective

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

1. Enhance staff training and development goals.

Associated Metrics: 100% of staff have achieved at least 80% of their individual training and development goals by end of FY26.

Third Quarter: Staff continue to actively participate in trainings and development activities, pursuing both individual PDP goals and additional opportunities to enhance skills, knowledge, and professional growth throughout the fiscal year. This work is ongoing.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**Administration Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- **Improve Funding and Financing Strategies:** Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- **Promote Agency Financial Health and Sustainability:** Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

Objectives:

- 1. Earn a minimum of \$500,000 per FTE in revenue each fiscal year.**
Third Quarter: Revenue exceeds measurement YTD.
- 2. Spend less than \$250,000 per FTE each fiscal year.**
Third Quarter: Expenses are less than measurement YTD.

Engagement Perspective

- **Drive Employee Engagement:** Increase engagement levels among employees through effective communication, collaboration, and recognition initiatives.
 - **Promote Community Engagement:** Strengthen relationships and engagement with external stakeholders and the community through outreach programs, partnerships, and community-building initiatives.
- 1. Produce and distribute the web based Annual Report and Cumulative Report.**
Associated metrics: Estimated completion date: December 31, 2026
Third Quarter: We are working on completing a report that gives a broad picture of the Commission’s not just in the last year but over the past five years.

2. Create new framework for conference planning and standard operating procedures for the future.

Associated metrics: Completion of framework and SOPs by March 2026

Third Quarter: This work is complete except for some data entry and a user test. It will greatly improve our resilience and project management of the conference in the future. .

3. Refresh and enhance the WSHFC.org website.

Associated metrics: Contract with web development firm, completion of phase 1

Third Quarter: The Communications and IT teams are jointly managing the redevelopment of the WSHFC.org website. The contracted web developers (WaTech) are working to establish the new Drupal platform and bring over features and content from WSHFC.org and HeretoHome.org. Completion is expected by June 30 as planned.

4. Increase future homebuyer access to Covenant and other homeownership programs.

Associated metrics: Estimated completion date: December 12, 2026

Third Quarter: A new engagement initiative for 2026 to increase awareness with the Native Hawaiian community leaders and government staff has yielded leads for future presentations to non-profit Hawaiian organizations, government staff and tabling opportunities at community festivals slated for April and May 2026. Additionally, provided two in-person Covenant Homeownership Program (CHP) presentations at American Indian quarterly conferences addressing housing needs: 1) Northwest Indian Housing Association and 2) Affiliated Tribes of Northwest Indians (by invitation). During the conferences, a document was shared to serve as a high-level FAQ resource for community leaders about home loans on trust land.

5. Improve scores for areas with less than 50% positive ratings from last year's Employee Engagement Survey.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: Employees completed the survey in October 2025, and the results demonstrated improvements in each of the three categories that were less than a 50% positive rating. The only question that remained at less than a 50% positive rating (though still improved) was "I have opportunities for advancement in my agency/institution" which increased from 35% to 47% positive rating.

6. Advance Commission's recruitment outreach in support of Gov. EO 24-04.

Associated metrics: 100% of interview panelists have completed the training for mitigating bias in the hiring process.

Third Quarter: This is ongoing. As new staff join the Commission, we encourage them to complete the training, so they are eligible to participate in panel interviews and in the hiring process, per the executive order.

7. Demonstrate leadership in affordable housing.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: Staff presented, and the board approved, the 2026 Legislative Agenda. This agenda includes our agency request legislation to amend our RCW in order to modernize outdated provisions, improve administrative efficiency, and expand opportunities for innovation in financing affordable housing. While we brought this to the legislature it did not pass; therefore, we will assess whether to reintroduce it in the next legislative session.

Internal Processes Perspective

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

1. Evaluate and strengthen the current process for public record request (PRR).

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: As part of the evaluation phase, we are currently completing a project charter for records management. Once complete, it will inform the PRR response evaluation and process improvement phase.

Learning, Growth and Inclusion Perspective

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

1. Plan and conduct an annual staff planning session by June 30, 2026.

Associated metrics: Estimated completion date: December 12, 2025

Third Quarter: This goal was completed December 12, 2025

2. Evaluate and invest in professional training for community engagement staff, and for leadership supporting these efforts.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: The Community Engagement Team is looking forward to completing the final course in May for the International Association for Public Participation (IAP2) training program. The team is excited to share its learnings about public engagement across the Commission.

3. Develop a community engagement team workplan, shared approach and framework for collaborating Commission-wide on community engagement

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: The Community Engagement Team continues to develop its workplan. Successes this quarter included developing a Commission-wide business objective related to community engagement. The objective requires each division, except IT and Finance, to apply community engagement principles to a process, program or initiative in the 2026-27 program year.

4. Provide leadership training for people managers to engage in conflict resolution and other high-stakes conversations as outlined in the Racial Equity Strategic Plan.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: Human Resources, in partnership with Strategy and Engagement, is finalizing the timeline to launch three new trainings for people managers in late spring/early summer. The trainings will equip managers with tools to support staff through conflict resolution and other high-stakes conversations.

5. Outline a process for employees to meaningfully participate in organizational equity work.

Associated metrics: Estimated completion date: June 30, 2026

Third Quarter: During the third quarter, Communications and Strategy and Engagement partnered to develop an organizational strategy and charter for an Impact Team. The strategy is in its final stages and will be shared with leadership and staff for input before it is finalized.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**IT Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- **Improve Funding and Financing Strategies:** Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- **Promote Agency Financial Health and Sustainability:** Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

1. Maintain systems that guard against ransomware and malware.

Associated metrics: Create a monthly report from our NinjaOne and Threatlocker applications that track ransomware and malware attacks to the Commission’s network.

Third Quarter: There were no reportable incidents of Ransomware or Malware during the second quarter.

2. Maintain and provide quarterly Security Breach Reports.

Associated metrics: Monthly System and Organizational Controls (SOC) reports.

Third Quarter: There were no reportable breaches in the second quarter

3. Maintain the after-hours maintenance schedule

Associated metrics: June 30, 2026

Third Quarter: All servers were updated after hours.

4. Ensure that all critical IT hardware (servers, switches, and firewalls) and software remain under warranty coverage in accordance with the agreed-upon SLA (service level agreement).

Associated Metrics: June 30, 2026

Third Quarter: All servers, firewalls, and switches remain under warranty. Ordered new equipment to replace aging servers in the data center. Expected to be completed in the third quarter.

Engagement Perspective

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

1. Ensure reliable and inclusive audio-visual support for Commissioners' hybrid meetings by upgrading equipment and providing on-site technical assistance for 100% of scheduled meetings over the next 12 months.

Associated metrics: June 30, 2026

Third Quarter: Provided technical assistance for January, February, and March Commission Meetings.

2. Support the Commission in data-driven decision-making agency, by implementing a data warehouse solution, consolidating data, and developing a data governance policy and IT governance policy within 24 months.

Associated metrics: June 30, 2027

Third Quarter: Working on three different aspects of this project. Finishing the move of the transcript file. We will be able to retire one of our servers, reducing our server count. Currently working with Compliance and Multifamily on their files. We are moving them all to the Laserfiche cloud.

Internal Processes Perspective

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

1. Support divisions in transitioning to a paperless work environment by digitizing internal workflows.

Associated Metrics: June 30, 2027

Third Quarter: We are converting all Commission files to a cloud architecture. We started with Home Ownership and Asset Management. Due to a lack of physical resources, we are pausing Homeownership conversions until there is more bandwidth to complete the division project. We are focusing on Compliance and Multifamily.

2. Maintain Commission's web-based/cloud applications (Salesforce, Laserfiche, Business Central...)

Associated Metrics: June 30, 2026

Third Quarter: All systems performed within agreed-upon Service Level Agreements (SLAs). System uptime met Commission standards.

3. Support a reliable and inclusive hybrid office setup by keeping remote access tools running smoothly and offering help to all staff over the next year to make sure everyone can work effectively from anywhere.

Associated Metrics: June 30, 2026

Third Quarter: Assessed existing in-office equipment and added additional larger monitors at select workstations, as well as additional remote speakers and mics in the large conference rooms. Additionally, maintained access to all VPN platforms with a 100% uptime.

Learning, Growth, and Inclusion Perspective

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

1. Keep Commission staff up to date with current and emerging technologies by offering regular training and info sessions, and tracking participation over the next year, ensuring everyone has equal access to learning and support.

Associated Metrics: June 30, 2026

Third Quarter: Conducted three monthly IT Spotlights during Commission All- Staff meetings, highlighting IT platforms and initiatives. Hosted an additional hybrid event with the Commission's Laserfiche provider.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
QUARTERLY STATUS REPORT**

**Finance Division
Fiscal Year 2025 – 2026
Quarter Ending: March 31, 2026**

Financial Stewardship Perspective

- Improve Funding and Financing Strategies: Deploy resources effectively to ensure impact, cost efficiency, sustainable growth, and statewide investment.
- Promote Agency Financial Health and Sustainability: Focus on cost efficiency, budget management, revenue growth, transparency, risk management, resource allocation, compliance, and performance monitoring.

1. Ensure maximum funds available for loan fundings through PRI, bond funds, and warehouse lines, as necessary.

Associated Metrics: 100% of loans funded

Third Quarter: All purchases of mortgage loan participations have been made timely, and all funds received and returned reconciled and properly managed.

2. Ensure timely compliance with all financial reporting requirements.

Associated Metrics: 100% of reporting requirements met

Third Quarter: All Single-Family Disclosures and bond accounting reports were completed on time, with no arbitrage payments due and all financial reports reviewed and confirmed. Monthly financial statements were generated and reported in time for discussion and review for the Commission Board meetings.

3. Provide accurate and timely management information to divisional directors, managers, and Commissioners.

Associated Metrics: Quarterly reports distributed by end of month following quarter end, monthly reports distributed by end of month following month end.

Third Quarter: PRI financial statements for the 2nd quarter of FY 2026 were distributed February 2nd, 2026. General operating fund financial statements were distributed monthly to division managers for review by the following month end.

4. Facilitate financial, state accountability, and statewide single audit as necessary.

Associated Metrics: Audit reports issued by required due dates

Third Quarter: All activity of the HAF Single Audit concluded by the SAO's and OFM's deadlines in January 2026, with the final report published by OFM March 30th, 2026. Work on the Commission's Accountability Audit by the SAO is nearly complete with the final report expected to be published by June 30, 2026.

5. Oversee the investment of the Commission's general operating reserves.

Associated Metrics: Maintain an average realized return of at least 3% on invested funds

Third Quarter: The Second quarter realized return of general operating reserves was 4.93%

6. Ensure timely and accurate reporting to the GSEs as necessary

Associated Metrics: Provide financial reporting to Freddie Mac by end of 2nd month following quarter end.

Third Quarter: Financial reporting to Freddie Mac was completed on February 27th, 2026.

7. Manage financial agreements with external partners.

Associated Metrics: Required disclosures distributed by end of month following quarter end.

Third Quarter: The required quarterly compliance reporting for Plains Capital Bank (warehouse lender) was distributed on January 30th, 2026.

Engagement Perspective

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

1. Lead the development of an equity-based protocol to guide Commission decisions on memberships and sponsorships of organizations and initiatives by March 31, 2026.

Associated Metrics: Estimated Completion by March 31, 2026

Third Quarter: No activity to report

Internal Processes Perspective

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

1. Acquire and implement loan servicing software to track and monitor PRI loans by December 31, 2025.

Associated Metrics: Estimated Completion March 31, 2026

Third Quarter: Finance staff attended a week-long required training the week of March 9th. Currently, the IT division is working on server setup for the various software modules. Once completed, work can begin on implementation.

2. Acquire and implement time and leave tracking software by September 30, 2025.

Associated Metrics: Estimated Completion November 30, 2025

Third Quarter: Staff continue to work with time and leave vendor on the design and functionality of the software solution. Testing and custom report design are still in process, and staff is working with the vendor to complete this.

Learning, Growth and Inclusion Perspective

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

1. Engage with Moody's and acquire Issuer Credit Rating (ICR) by September 30, 2025.

Associated Metrics: Estimated Completion October 31, 2025

Third Quarter: Staff provided additional information to Moody's surrounding PRI and corporate governance in January. Additionally, staff met with Moody's in Seattle at the end of March and reinforced our desire to have a public rating as soon as possible. We expect to receive the rating in April.

The Seattle Times – Opinion

Promise of tribal homeownership in WA remains unfulfilled

April 20, 2026 at 8:00 am Updated April 20, 2026 at 8:01 am

By [Gabriel S. Galanda](#)

Special to The Seattle Times

Twenty years. That’s how long Native American families across Washington paid rent on homes they were promised they would one day own. After 20 years of monthly payments, maintaining their properties and upholding all obligations asked of them, not one deed was transferred. Not one.

The promise of homeownership, extended to hundreds of Native families through the federal Low Income Housing Tax Credit program, remains unfulfilled. The institution responsible for this failure is the Washington State Housing Finance Commission. And now, thanks to a text exchange that is a public record, we know exactly how commission leadership felt about a bipartisan bill that might have fixed it.

“Awful bill.” That is how, in text messages exchanged by commission leaders in January 2026, commission Executive Director Steve Walker described [House Bill 2527](#) — reform legislation designed to hold private investors accountable for fulfilling homeownership promises made to Native families. Consultant Nick Federici was equally dismissive. “It’s idiotic,” he replied to Walker, who also called HB 2527 “lame.”

These were not offhand frustrations vented in isolation. They were part of a coordinated campaign to kill Native homeownership legislation before it could gain traction.

The mechanics of the state’s broken system are straightforward, and the betrayal embedded in that system runs deep. Under federal law created pursuant to the 1986 Tax Reform Act, states administering the Low Income Housing Tax Credit program must prioritize projects with an “eventual tenant ownership” component — meaning that after 15 years of renting, tenants gain the right to home conveyance.

In Washington, this provision has operated almost entirely in Indian country. Seventeen of the 18 projects that involve tenant ownership are in tribal communities, encompassing over 500 homes across eight tribal nations. Private investors received dollar-for-dollar reductions on their federal corporate income taxes. Native families

Seattle Times Op-Ed

April 20 2026

received conveyance promises. Investors collected. Those families are still waiting.

In 2024, the state auditor confirmed that the commission systematically failed to oversee this program. An audit found the program to be “little-known and largely misunderstood” within the commission. The agency did not request required five-year progress reports until 2022, despite at least one commission employee flagging the problem a decade ago.

At the time of the audit, 135 homes were eligible for transfer and had not been conveyed. Walker acknowledged at a legislative hearing that the agency “did not take necessary steps to ensure home purchase opportunities.” That acknowledgment now rings hollow.

The commission’s public posture — contrite, reform-minded, and apparently in the process of implementing new policies — is contradicted by its private conduct. State officials did not seek ways to fix their mistake. They sought to protect the institution and a phalanx of low-income housing profiteers from accountability.

The commission’s behavior exemplifies state political leaders’ indifference toward communities that have experienced centuries of displacement. In tribal communities where state actions decimated traditional kinship structures, housing shortages are severe, generational wealth is rare and the homeownership promises carry the weight of history, every year of obfuscation and delay compounds the injury.

HB 2527 was hardly radical. It would have held investors — who profited from federal corporate income tax credits for two decades while homeownership obligations went unfulfilled — accountable by threatening their future access to those credits. As the bill’s prime sponsor, Rep. Gerry Pollet, noted, the commission’s legislative hearing testimony was “incredibly misleading,” framing the bill as a burden on tribes when it targeted investment banks.

As of early 2026, there are 352 native homes eligible for ownership, some of which reached the 15-year threshold six years ago. Another 454 homes statewide will become eligible by 2030. The commission says ownership transfer plans are now underway. But that’s empty without enforcement — and the text messages make clear that when enforcement was on the table, the commission’s leadership called it idiotic, awful and lame, helping sink the measure without even a public vote.

Washington cannot credibly claim to be a leader on housing equity while its housing

officials privately mock legislation designed to achieve Native homeownership. Commission leaders must now be required to answer — publicly — for the conduct revealed in their texts. And the Legislature must return in 2027 with a strengthened accountability bill, which cannot be covertly killed by agency leaders who have no intention of honoring this state's promises to Native families.

Editor's note: This story has been updated to reflect Nick Federici's title.

Gabriel S. Galanda: *is an Indigenous rights lawyer in Seattle. He belongs to the Round Valley Indian Tribes.*

Op-ed submission to The Seattle Times, oped@seattletimes.com

April 22, 2026

749 words

Submitted by:

Steve Walker

Steve.walker@wshfc.org

206-530-0978

Steve Walker is the executive director of the Washington State Housing Finance Commission.

Listen to Tribes to solve housing affordability

From Seattle to Seaview, housing affordability is top of mind for renters and aspiring homeowners in every corner of our state.

One of the nation's most effective financing tools to address the housing crisis is the federal Low-Income Housing Tax Credit (LIHTC), which is managed by the Washington State Housing Finance Commission here in our state.

As Gabriel Galanda states in his April 20 op-ed "[Promise of tribal homeownership in WA remains unfulfilled](#)," LIHTC is key to financing rental homes developed by Tribal housing authorities. The program can also provide a life-changing opportunity for tenants at properties that choose to convert rental units to homeownership after 15 years. This is as far as we agree with Galanda's op-ed.

But he misrepresents key details of the program. The fact is that LIHTC properties on Tribal land are planned, built, and operated by the Tribes themselves, using investor capital. Investors share responsibility – but only the Tribal owners can take the steps required to transfer rental units to tenant ownership.

Galanda's picture of Tribal communities exploited by greedy "profiteers," enabled by uncaring state leaders, is simply not the reality of LIHTC housing or the actual housing challenges faced by Tribal communities. Perhaps that is why their voices are completely absent from Galanda's crusade on their behalf.

Likewise, his portrayal of why we opposed Rep. Gerry Pollet's bill (HB 2527) during the 2026 session is entirely untrue. The bill had good intentions in seeking to increase LIHTC investor

accountability, but by confusing the roles of the developer and investor, it would not have achieved its goal and instead risked doing harm to Tribal owners.

We are glad to say that we are now working constructively with Rep. Pollet toward our shared goal of empowering Tribes to implement the housing solutions that work for their communities, including tenant ownership.

But Galanda's misrepresentations of the LIHTC program are counterproductive to this goal. These are matters of fact, not opinion. LIHTC financing in our state, like others, starts with a competitive process in which developers including nonprofits, for-profits, housing authorities, and Tribes submit their planned housing projects. The developer can earn two extra points (out of more than 150) by choosing to add tenant ownership.

If awarded tax credits, the developer – in this case, the Tribe – sells them to an investor. The investor pays the Tribe millions of dollars up front to build the housing project, in exchange for major income tax write-offs over time.

For the first 15 years of the project, the investor and Tribe form an owning partnership. The investor is the “limited partner” having no role in operations, but at risk of losing their tax credits if the property is out of compliance with LIHTC rules.

The Tribal housing authority, as the “general partner,” is the operator and manager of the property, responsible for compliance including rent and income limits, maintenance and safety, tenant relations, and a tenant ownership plan if applicable. After the investor exits the partnership at year 15, the Tribe can convert units to tenant ownership.

We fully acknowledge that we at the Housing Finance Commission failed to ensure Tribal owners were prepared and equipped to implement tenant ownership. This was the subject of a thorough audit by the State Auditor's Office in 2024.

Even before the audit concluded, we had addressed our shortcomings through a new set of policies which provide guidance and hold the owning partnership accountable for implementing tenant ownership and protecting the rights of tenants. We can and will take action against bad actors who fail to honor these commitments.

Meanwhile, Tribal housing authorities across the state have been working with us for the past three years on the complex legal and procedural steps required to transfer units to tenant ownership. Again, these are steps only they can take.

Last July, the Spokane Tribe was the first to complete tenant transfers, with 17 tenants becoming homeowners. The Tribe pursued this course even though tenant ownership was not part of their LIHTC commitment.

By contrast, we have found that some Tribes who chose tenant ownership years ago are now skeptical that it is the best course either for their communities or the tenants themselves. They – not the investor – are cautious about proceeding.

That's why the Housing Finance Commission is approaching tenant-ownership compliance with patience and respect. No one knows the housing challenges in Washington's Indian Country better than the Tribal communities and leaders themselves. We need to listen to them and support *their* goals and priorities.

Events Calendar

Date	4/21/2026	Length of Event	Times TBA
Event	NCSHA Legislative Conf. "LegCon"	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/22/2026	Length of Event	Times TBA
Event	NCSHA Legislative Conf. "LegCon"	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/23/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/23/2026	Length of Event	Times TBA
Event	NCSHA Legislative Conf. "LegCon"	Audience	Conf. Attendees
Address	Hilton Wash. DC Nat'l. Mall The Wharf Hote	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/18/2026	Length of Event	8:00 AM - 4:30 PM
Event	Board Mtg. & Budget/Plng. Session(Hybrid)	Audience	General Public
Address	Zoom/World Trade Ctr. 2200 Alaskan Wy	Division	Administration
City	Seattle, 98121	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/19/2026	Length of Event	8:00 AM - 12:00 PM
Event	Board Mtg. & Budget/Plng. Session(Hybrid	Audience	General Public
Address	Zoom/World Trade Ctr. 2200 Alaskan Wy	Division	Administration
City	Seattle, 98121	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/2/2026	Length of Event	Times TBA
Event	NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Hyatt Regency St. Louis @ The Arch Hotel	Division	Administration
City	St. Louis, MO	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/3/2026	Length of Event	Times TBA
Event	NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Hyatt Regency St. Louis @ The Arch Hotel	Division	Administration
City	St. Louis, MO	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/4/2026	Length of Event	Times TBA
Event	NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Hyatt Regency St. Louis @ The Arch Hotel	Division	Administration
City	St. Louis, MO	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/5/2026	Length of Event	Times TBA
Event	NCSHA Housing Credit Connect Conf.	Audience	Conf. Attendees
Address	Hyatt Regency St. Louis @ The Arch Hotel	Division	Administration
City	St. Louis, MO	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/25/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	7/23/2026	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	8/27/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/24/2026	Length of Event	10:00 AM - 4:00 PM
Event	Board Meeting & Work Session (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/3/2026	Length of Event	Times TBA
Event	NCSHA Ann'l. Conference & Showplace	Audience	Conf. Attendees
Address	Detroit Marriott @ Renaissance Ctr. Hotel	Division	Administration
City	Detroit, MI	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/4/2026	Length of Event	Times TBA
Event	NCSHA Ann'l. Conference & Showplace	Audience	Conf. Attendees
Address	Detroit Marriott @ Renaissance Ctr. Hotel	Division	Administration
City	Detroit, MI	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/5/2026	Length of Event	Times TBA
Event	NCSHA Ann'l. Conference & Showplace	Audience	Conf. Attendees
Address	Detroit Marriott @ Renaissance Ctr. Hotel	Division	Administration
City	Detroit, MI	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/6/2026	Length of Event	Times TBA
Event	NCSHA Ann'l. Conference & Showplace	Audience	Conf. Attendees
Address	Detroit Marriott @ Renaissance Ctr. Hotel	Division	Administration
City	Detroit, MI	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/15/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/20/2026	Length of Event	Times TBA
Event	2026 Housing Washington Conf.	Audience	Conf. Attendees
Address	Spokane Convention Center	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/21/2026	Length of Event	Times TBA
Event	2026 Housing Washington Conf.	Audience	Conf. Attendees
Address	Spokane Convention Center	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/22/2026	Length of Event	Times TBA
Event	2026 Housing Washington Conf.	Audience	Conf. Attendees
Address	Spokane Convention Center	Division	Administration
City	Spokane	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/19/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/10/2026	Length of Event	1:00 PM - 4:00 PM
Event	Board Meeting (Hybrid)	Audience	General Public
Address	Zoom/1000 2nd Ave, Ste. 2700 Board Rm.	Division	Administration
City	Seattle, 98104	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470