



**WASHINGTON STATE
HOUSING FINANCE
COMMISSION**

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

JUNE 25, 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, June 25, 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 [Zoom Meeting Link](#), click on “Sign in to Start” or “Join Meeting as an Attendee.”

**Webinar/Meeting ID: 812 4418 7769
Passcode: 764377**

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 May 18, 2026, Special Meeting. (5 min.)**
- IV. Chair: Conduct a Public Hearing on the following:**
 - A. Latitude Apartments, (OID 26-68A), Non-Profit Housing Bond**

Ray Han: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance and refinance the acquisition and rehabilitation of an existing nonprofit housing facility to be owned and operated by BRIDGE Latitude LLC, a Delaware limited liability company, the sole member of which is MCB Family Housing, Inc., a California nonprofit corporation and an organization described under section 501(c)(3). Proceeds of the Obligations may be used to refinance existing debt used to acquire an existing multifamily housing facility (the “Project”), to finance additional rehabilitation and improvements to the Project, and to pay all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed \$20,000,000. The project is located in Everett, WA. (5 min.)

- B. Jacob Richardson:** Recommend and present Projects for Allocation of 9% Low-Income Housing Tax Credits from the 2026 funding round. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
26-01	Alderwood	Yakima	Yakima	\$2,157,276
26-04	Claudia's Place	Vancouver	Clark	\$1,855,500
26-08	Old Town Senior	Bellingham	Whatcom	\$2,700,000
26-12	Sunstone Haven	Walla Walla	Walla Walla	\$1,485,936

- C. 9% Low-Income Housing Tax Credit Program Policy Updates**

Lisa Vatske/Jacob Richardson/Jackie Moynahan/Kate Rodrigues: 9% Low-Income Housing Tax Credit Program presentation and overview (30 min.)

- D. Lisa DeBrock:** The Commission has determined in order to provide affordable homeownership opportunities it is desirable to issue Single-Family Bonds, Homeownership Program Bonds, and Special Program Bonds in one or more series in a total amount not to exceed \$300,000,000. (10 min.)

V. Consider and Act on the Following Action Items:

- A. Resolution No. 26-71 for the 2026 Allocation of Credit for the 9% Low-Income Housing Tax Credit Program**

Lisa Vatske: A resolution authorizing the Executive Director to make reservations and/or allocations of 2026 9% Low-Income Housing Tax Credits. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
26-01	Alderwood	Yakima	Yakima	\$2,157,276
26-04	Claudia's Place	Vancouver	Clark	\$1,855,500
26-08	Old Town Senior	Bellingham	Whatcom	\$2,700,000
26-12	Sunstone Haven	Walla Walla	Walla Walla	\$1,485,936

- B. Resolution No. 26-58, Harbor Pines, (OID 25-25A), Bonds with 4% Tax Credit**

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 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 in Olympia, Washington, and to pay all or a portion of the costs of issuing the Obligations. The total estimated obligation amount is not expected to exceed \$60,000,000. The public hearing was held June 16, 2026. (5 min.)

- C. Resolution No. 26-59, Teanaway Court, (OID 25-28A), Bonds with 4% Tax Credit**
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 \$10,000,000. The public hearing was held February 26, 2026. (5 min.)
- D. Resolution No. 26-72, Silver Creek By Vintage, (OID # 25-26A), Bonds with 4% Tax Credit**
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 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 total estimated obligation amount is not expected to exceed \$36,675,000. The public hearing was held April 23, 2026. (5 min.)
- E. Resolution No. 26-69, Single Family Resolution**
Lisa DeBrock: A Resolution authorizing the issuance and remarketing of Single-Family Mortgage Revenue Bonds, Homeownership Program Bonds, and Special Program Bonds in one or more series, in total amount not to exceed \$300,000,000; re-authorizing the Home Advantage Program, use of undeployed funds to provide liquidity for mortgage loan purchases, payment agreements, and the sale of certificates without issuance of bonds or with the issuance of taxable bonds, all to facilitate the financing of Single-family housing. (10 min.)
- F. Lucas Loranger:** Approval of the Fiscal Year 2027 (July 1, 2026 – June 30, 2027) operating budget. (10 min.)
- G. Lucas Loranger:** Approval of the recommendation to transfer excess operating reserves to Program Related Investments as of June 30, 2026. (5 min.)

VI. Informational Report on Department of Commerce Activities. (10 min.)

VII. Executive Director's Report (10 min.)

VIII. Commissioners' Report (10 min.)

- IX. Chair: Consent Agenda (5 min.)**
 - A. Homeownership & Homebuyer Education Programs Monthly Activities Report**
 - B. Multifamily Housing and Community Facilities Monthly Activities Report**
 - C. Asset Management and Compliance Monthly Activities Report**
 - D. Financial Statements as of May 31, 2026**

- X. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)**
 - A. Miscellaneous Correspondence and Articles of Interest**

 - B. HFC Events Calendar**

- XI. Chair: Public Comment**

- XII. Executive Session (if necessary)**

- XIII. Adjourn**

Nicole Bascomb-Green, Chair

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

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

May 18, 2026

The Commission meeting was called to order by Chair Nicole Bascomb-Green at 9:00 a.m. in the Bay View Room of the World Trade Center Seattle located at 2200 Alaskan Way, Suite 410, Seattle, Washington 98121 and via Zoom. Those Commissioners present were Chair Bascomb-Green, Commissioners Aaron McGrath, Ann Melone, Bill Rumpf, Diana Perez, Lowel Krueger, Dr. Michone Preston, State Treasurer Mike Pellicciotti, and Pedro Espinoza; and present via Zoom was Commissioner Albert Tripp (he logged in to the meeting at 11:35 a.m.).

Approval of the Minutes

The April 23, 2026 Commission meeting minutes were approved as distributed.

**Action Item:
Resolution No. 26-59, Teanaway Court, OID #25-28A**

This action item has been pulled from the agenda.

**Action Item:
Resolution No. 26-58, Harbor Pines, OID #25-25A**

This action item has been pulled from the agenda.

**Action Item:
Resolution No. 26-
65, Riverview
Retirement
Community, OID
#25-98A**

This action item has been pulled from the agenda.

**Action Item:
Resolution No. 26-
66, Heron's Key,
OID #26-40A**

Ms. Lisa Vatske, Director, Multifamily Housing & Community Facilities (MHCF) Division, stated that this was a resolution approving the issuance of one or more series of tax exempt and taxable revenue bonds to finance and refinance the addition to 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 IRS Code, the sole member of which is Emerald Communities, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the IRS Code. Proceeds of the bonds may be used to construct an addition to an existing nonprofit housing facility, and to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$120,000,000. The project is to be located at 4340 Borgen Boulevard, Gig Harbor, Washington 98332. The public hearing was held on April 23, 2026, and the bonds will be underwritten and sold via a public sale by B.C. Ziegler & Company; therefore, no lender purchase letter would be issued.

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

**Action Item:
Approval of
Proposed
Preservation
Policies & Program
Pilot**

Ms. Vatske stated that this was a request for approval from MHCF Division staff regarding the Bond/Tax Credit Program: Proposed Preservation Pilot Policies.

Ms. Vatske stated that to balance opportunities to finance new construction and preserve existing projects, staff recommends launching a pilot allocation round to test a separate allocation track for existing multifamily properties as well as a shift in allocation criteria that aligns with program values to center residents and healthy sustainable properties for the long term.

Ms. Vatske added that Washington is not alone in this effort. Housing finance agencies across the country are trying to balance the need to create new affordable housing supply while also protecting their existing affordable housing portfolios to ensure there is not a net loss of affordable housing. Models from other states have informed the Commission's preservation strategy.

Ms. Vatske then gave an overview of the Bond/Tax Credit Program Preservation Pilot. The Preservation Pilot creates a separate application track and revised policies documented in a Preservation Policy Addendum to allocate approximately \$250 million in tax-exempt bonds for this first cycle. The Pilot will test a few shifts in the program threshold requirements and evaluation criteria that intentionally use a lens that centers residents and the building's physical needs to ensure the properties are healthy, sustainable, and affordable for the long term.

She mentioned that the board meeting packet includes a chart that outlines the proposed policy changes and a Risk/Opportunity Prioritization Matrix in Table A. She added that the proposed changes were shared at an interested parties meeting on April 3, 2026 with refinements based on sponsor questions and feedback received to date. Also, there was a presentation and public hearing at the April 23, 2026 Commission Meeting. No comments or testimony were submitted by members of the public.

Ms. Vatske then gave the 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/Rehabilitation projects which include "naturally occurring affordable housing" (NOAHs), and properties 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 the 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 and displacing residents, we propose using a Risk/Opportunity Prioritization Matrix in lieu of a minimum point threshold. All projects would receive a priority designation of High, Medium or Low.

The matrix as further described in Table A aims to more intentionally evaluate common risks 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 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.

Ms. Vatske stated further that the Potential Tenant Engagement criteria will be renamed Tenant Engagement and and require a Community Based Organization (CBO) for engagement with residents. The Commission wants to maintain its 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 would be removed. This recommendation is based on feedback from owners who had selected this option in the past and found that

residents did not use installed electric vehicle stations . The Commission does not want to incentivize an option that does not benefit the residents.

Ms. Vatske summarized the revisions made since the April 23, 2026 public hearing. Based on follow up conversations with developer partners, MHCF staff is making one adjustment to the proposed Risk/Opportunity Prioritization criteria to clarify how scattered site or portfolio applications will be evaluated. MHCF staff want to allow for strategic bundling of projects to permit developers to leverage the strength of performing projects to support projects at risk. She added that the Commission is proposing to require most of the projects in a scattered site portfolio application to meet the minimum priority designation to be considered for an allocation.

Ms. Vatske concluded that this pilot would include a permanent track for preserving existing buildings as affordable housing and elevate preservation as a key component of our affordable housing ecosystem. With Commissioners approval, MHCF Division staff would then finalize the Preservation Pilot Addendum and the application materials to launch the pilot.

A redline chart that summarizes the specific policy changes was provided in the board meeting packet, along with any changes included since the April 23, 2026 public hearing & presentation.

Mr. Rumpf moved to approve the Bond/Tax Credit Program Preservation Pilot along with the corresponding changes to Policies as recommended by staff and noted in the board meeting packet. Mr. Espinoza seconded the motion. The motion was unanimously approved.

**Public Comment
Section**

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

**Adjournment of
Commission
Business Meeting**

The Chair adjourned the Commission business meeting at 9:12 a.m.

**Annual WSHFC
Budget & Planning
Session – day one –
May 18, 2026**

After a short break, at 9:30 a.m., the Chair then convened day one, of the annual Budget & Planning Session of the Commission which continued through the balance of the day Monday, May 18, 2026.

The Commissioners heard presentations and reports on the market and activities of the Commission’s Single-Family Homeownership & Multifamily Divisions. They discussed the proposed Fiscal Year 2026-2027 operating budget and Program-Related Investments (PRI). The Commissioners also received an update on the Commission’s communications strategy & procedures. No action was taken, and at 3:35 p.m., the Chair adjourned day one of the Budget & Planning Session.

Executive Session

At the beginning of day two (Tuesday, May 19, 2026) of the Budget Planning Session, the Chair called an Executive Session at 9:00 a.m. for Commissioners, legal counsel and the Executive Director, Mr. Steve Walker, to discuss and conduct the Executive Director’s annual performance evaluation. The Executive Session concluded at 10:45 a.m.

**Annual WSHFC
Budget & Planning
Session – day two –
May 19, 2026**

At 10:45 a.m., the Budget & Planning Session was reconvened by the Chair. The Commissioners heard additional reports from Commission Division Directors and managers and from Mr. Bob Peterson, Deputy Director regarding division activities. The Commissioners further discussed the proposed FY 2026-2027 budget. No action was taken.

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

The annual Budget & Planning Session was adjourned by the Chair at 12:05 p.m.
on Tuesday, May 19, 2026.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Obligations") to finance and refinance the acquisition and rehabilitation of an existing nonprofit housing facility to be owned and operated by BRIDGE Latitude LLC, a Delaware limited liability company, the sole member of which is MCB Family Housing, Inc., a California 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, June 25, 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 “Sign in to Start” or “Join Meeting as an Attendee” and enter:

**Webinar/Meeting ID: 812 4418 7769
Passcode: 764377**

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

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

Project:	Latitude Apartments
Project Address:	12907 E Gibson Road Everett, WA 98204
Total Estimated Project Cost:	\$31,241,343
Estimated Maximum Obligation Amount:	\$20,000,000

Proceeds of the Obligations may be used to refinance existing debt used to acquire an existing multifamily housing facility (the “Project”), to finance additional rehabilitation and improvements to the Project, and to pay 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, June 24, 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	Latitude Apartments
Developer	BRIDGE Housing Corporation
Description	<p>A BRIDGE affiliated entity will be purchasing market-rate Latitude Apartments, a 108-unit garden-style project housing families in Everett. The plan is to convert the market-rate property to Affordable and offer homes to families at 50% of AMI for 60% of the homes and 60% of AMI for 40% of the homes.</p> <p>The financing plan includes purchasing the property in June with a conventional loan and borrower proceeds. BRIDGE's Board has approved and executed a Reimbursement Resolution. The Commission will issue 501(c)(3) bonds to refinance the taxable debt and convert Latitude Apartments from Market Rate Housing to affordable housing.</p>
Location	12907 E Gibson Road Everett, WA 98204
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	Refinance existing debt used to acquire an existing multifamily housing facility and to rehabilitate the project.
Estimated Tax-Exempt Obligation Amount (Not to exceed Amount)	\$20,000,000
Obligation Structure	Public Sale
Underwriter	KeyBanc Capital Markets
Action	Public Hearing for OID # 26-68A
Anticipated Closing Date	August 2026



The Washington State
HOUSING FINANCE COMMISSION

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering the allocation by the Commission of federal low-income housing tax credits (the “Credits”) to sponsor multifamily residential projects. The projects to be considered for an allocation of Credit are:

TC #	Project Name	City	County	Annual Tax Credit Amount
26-01	Alderwood	Yakima	Yakima	\$2,157,276
26-04	Claudia’s Place	Vancouver	Clark	\$1,855,500
26-08	Old Town Senior	Bellingham	Whatcom	\$2,700,000
26-12	Sunstone Haven	Walla Walla	Walla Walla	\$1,485,936

The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, June 25, 2026. Participants wishing to attend in person may attend in the 27th Floor Board Room of the Commission's offices located at 1000 Second Avenue, Seattle, Washington 98104-3601.

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

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Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206.464.7139 or (800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The Credits will be allocated pursuant to the authority of the Commission under Chapter 43.180 RCW as amended, Executive Order 94-05, dated April 2, 1994, and the Internal Revenue Code of 1986, as amended. As a condition of receiving an allocation of tax credits and under a competitive process, the developers commit to serving very low and extremely low income and special needs populations for up to 40 years.

Written comments with respect to the proposed projects and allocation of Credits may be emailed to lisa.vatske@wshfc.org, mailed or faxed to the Washington State Housing Finance Commission (Attention: Lisa Vatske, MHCF Division Director, 1000 Second Avenue, Suite 2700, Seattle, Washington, 98104-3601; fax number (206) 587-5113) for receipt no later than 5:00 p.m. on June 24, 2026. The public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the projects will receive Credits; however, the Commission will not consider testimony and written comments regarding land use, zoning, and environmental regulation, which should be directed to the local jurisdictions that are authorized to consider these matters when issuing building permits for the project.

9% Competitive Housing Tax Credit Program

Project Name	Alderwood Apartments	
Sponsor	Trillium Housing Services	
Description	<p>Planned on a 4-acre parcel, this development will be adjacent to an existing 70-unit farmworker community. As the farmworker industry is seasonal and spread across a wide geographic area, a lot of farmworker households frequently move throughout the year and live in substandard housing. Safe, clean permanent housing to farmworkers provides a better foundation for their families to have stability in education, healthcare, and employment. Property amenities will include a resident business center, media room, rec room for resident functions, playground, and a community garden.</p>	
Location	<p>1506 E Alder Street Yakima, WA 98901</p>	
Credit Pool	Non-Metro	
Project Type	New Construction without Federal Subsidies	
	Two Bedroom	28
	Three Bedroom	32
	Four Bedroom	24
	Total	84
Income Set-Asides	<p>10% of units at 30% AMI 50% of units at 40% AMI 40% of units at 50% AMI</p>	
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
	Developer Fees	10
	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	172

Credit Request **\$2,157,276**

Development Budget

Acquisition Costs	\$730,000
Construction	\$22,650,970
Soft Costs	\$3,335,072
Financing Costs	\$1,498,750
Capitalized Reserves	\$419,400
Other Development Costs	\$701,000
Total Development Costs	\$29,335,192

Permanent Sources

Tax Credit Equity at \$0.8500 per credit x 10 years	\$18,336,842
Housing Trust Fund	\$5,000,000
Banner Bank Loan	\$5,000,000
Deferred Developer Fee	\$998,350
Total Sources	\$29,335,192

Total Development Cost Limit

Project's Total Development Cost Limit	\$40,627,664
TDC less Land, Offsite Infrastructure, and Reserves	\$28,235,792
Waiver	Not required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Two Bedroom	\$1,309	\$654 - \$1,091
Three Bedroom	\$1,513	\$756 - \$1,261
Four Bedroom	\$1,689	\$844 - \$1,407

9% Competitive Housing Tax Credit Program

Project Name	Claudia's Place	
Sponsor	Housing Initiatives LLC (a wholly owned subsidiary of Council for the Homeless)	
Description	<p>Claudia's Place is a 60-unit project serving Seniors at or below 50% AMI. Twenty percent (12) of the units will be set aside for seniors exiting homelessness.</p> <p>The project will provide on-site services, property management, laundry, a community room, outdoor garden beds, patio spaces, and on-site parking. Claudia's Place is within proximity to public transit, retailers and restaurants, a pharmacy, and several supermarkets. The neighborhood is walkable, accessible, and safe, allowing residents of all mobility levels to engage with the surrounding community.</p>	
Location	6516 NE 124th Ave Vancouver, WA 98682	
Credit Pool	Metro	
Project Type	New Construction without Federal Subsidies	
Low-Income Housing Units	One Bedroom	60
	Total	60
Income Set-Asides	50% of units at 30% AMI 50% of units at 50% AMI	
Scoring	Additional Low-Income Housing Set-Aside	60
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	20
	Leveraging	10
	Public Funding	2
	Project-Based Rental Assistance (PBRA)	4
	Developer Fees	6
	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	5
Total Points	166

Credit Request **\$1,855,500**

Development Budget

Acquisition Costs	\$560,000
Construction	\$17,880,967
Soft Costs	\$3,919,340
Financing Costs	\$1,402,536
Capitalized Reserves	\$241,761
Other Development Costs	\$738,070
Total Development Costs	\$24,742,674

Permanent Sources

Housing Trust Fund	\$5,000,000
Deferred Developer Fee	\$800,000
Vancouver Affordable Housing Fund	\$2,000,000
Connecting Housing to Infrastructure Program	\$642,024
Sponsor Loan	\$900,000
Tax Credit Equity at \$0.83 per credit x 10 years	\$15,400,650
Total Sources	\$24,742,674

Total Development Cost Limit

Project's Total Development Cost Limit	\$26,111,160
TDC less Land, Offsite Infrastructure, and Reserves	\$23,940,912
Waiver	Not required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
One Bedroom	\$1,750	\$698 - 1,163

Total Development Cost Limit Waiver Request (2023)

Date of Waiver Request:	6/12/2026	Program Type:	9% Credit
Project Name:	Old Town Senior		
Project City, County:	Bellingham, Whatcom		
Sponsor Organization:	Mercy Housing Northwest		
Project Contact:	Ellen Lohe		
Development Phase:	Pre Application		

1. Has this project received a TDC Waiver in the past? If so:

Approval Date:		Approved TDC:	
----------------	--	---------------	--

2. Please attach the following forms from the Combined Funder's Application:

- Form 2B: Square Footage Details
- Form 6C: LIHTC Budget
- Form 6D: LIHTC Calculation
- Form 7A: Financing Sources

3. Description of Project

Briefly describe the project, the location and population to be served. If project is considered an "Urban Type Project" for purposes of the TDC limit, explain how it qualifies for that determination.

Mercy Holly Senior Housing is a new construction senior building located in the master plan redevelopment area of Old Town Village, directly adjacent to downtown Bellingham. The project will serve seniors between 30% and 60% of AMI, with average affordability at 40%, and a 10% (8 units) set aside of seniors exiting homelessness.

The project, located at 900 W Holly St in Bellingham, qualifies as an Urban Type Project:

- It contains an elevator
- It is located directly adjacent to the City's downtown core (in the Old Town City Center District, .2 miles from the Downtown City Center District, see map to the right and on pg. 3 <https://cob.org/wp-content/uploads/city-center.pdf>)
- It is within the City limits
- It is within the City of Bellingham Urban Growth Boundary

4. Explain what this cost estimate is based on (bids, drawings, etc).

Where are you in the design/bidding process? Is a contingency or cost escalator included? If so, please explain what the assumptions are.

The project is in design development and is working with an experienced design team (Runberg Architects) and has already engaged a contractor (Dawson Construction) for preconstruction services. The current cost estimate is based on 100% SD set.

Design and estimating contingency of 5% is currently included based on a fall 2026 start and the phase of design.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$35,396,199
- Land	\$1,100,000
- Offsite Infrastructure	\$0
- Capitalized Reserves	\$814,283
Total Development Cost	\$33,481,916

6. Calculation of Project's TDC limit:

Which limits is this project subject to?

Balance of King

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	30	44	0	0	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$387,605	\$ 448,729	\$ 479,790	\$ 591,595	\$ 634,297
Max Cost by Unit Type	\$11,628,150	\$19,744,076	\$0	\$0	\$0

Project's Total Development Cost Limit:

\$31,372,226

\$ Amount Above TDC Limit

\$2,109,690

% Above TDC Limit

6.72%

7. Cost Drivers

Select from drop down list to identify which cost drivers have caused the project to exceed the TDC Limit.

What elements are unique to the project that cause it to exceed the Limit? The total amount in the cost column must match or exceed the amount above the Limit.

	Category	Cost	Abbreviated description
1.	Site-related	\$583,000	Ground improvements required by fill site
2.	Site-related	\$1,110,000	Site work and infrastructure costs require soil management due to contaminated site
3.	Structured Parking	\$1,080,000	Structured at ground level required to avoid going underground in contamination
4.	Select from List		
5.	Select from List		
6.	Select from List		
7.	Select from List		
8.	Select from List		
9.	Select from List		
	Total	\$2,773,000	
	Amount Project exceeds Limit	\$2,109,690	

#####

8. Narrative explanation of each cost driver listed above.

Include reasons why higher cost items have been included in the project. Also identify and quantify steps that have been taken to mitigate costs. If the project includes long term sustainability components beyond the Evergreen Sustainable Development Standards (ESDS), identify each item, why the decision was made to include it, and quantify the upfront costs and long term benefits.

If project already has a current TDC Waiver Approval and this is an **additional** waiver request above that, clearly explain the cost differences between the approved Total Development Cost in the original request and the Total Development Cost in this waiver request.

The current TDC limits reflect State Prevailing Wages - Residential as well as Davis Bacon - Residential Wages.

Site-related: the project is located on a tight urban infill site in a formerly industrial district adjacent to downtown Bellingham and the harbor. The site is part of a broader area that was filled in the early 1900s, as a result the site soils required rammed aggregate piers to ensure stability for the building. In addition, the previous use of the area as a recycling plant means the land is contaminated, all earthwork on site will generate higher than typical costs to ensure proper soils handling and disposal. The team is working closely with civil, environmental, and geotechnical consultants to determine the most efficient approach to grading and site work to control costs. This has included raising the finished floor of the building to reduce excavation, adjusting the parking approach and count to be more efficient, and evaluating numerous structural approaches.

Structured Parking: to avoid excavation into contaminated soil, the project is including structured parking as part of the L1. We have minimized parking (0.3 stalls per unit), but the need to include on-site does drive additional cost, requiring a PT deck to address the required parking spans (this also serves for wider structural spans required by the community center). The team evaluated a number of different parking approaches, and this design was selected to best take advantage of the grades and value engineer from a full level of parking to a tuck-under approach that minimizes excavation, reduces concrete, and enhances the street scape.

9. Complete the following:

Number of Units by Building Type:

	Single Family Detached
	Townhouse/Duplex
	Walk-Up/Garden Style Apartments
	Low-Rise (2-3 stories with elevator)
74	Mid-Rise (4-6 stories with elevator)
	High Rise (7+ stories with elevator)

X	New Construction
	Rehabilitation

X	State Prevailing Wages - Residential
	State Prevailing Wages - Commercial
	Davis Bacon Wages - Residential
	Davis Bacon Wages - Commercial
	No wage requirements

Parking

27	Number of Structured Parking [†] Stalls (Residential Only)
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*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request. Please see Chapter 3.2 of the 9% Housing Credit Policies for the full Total Development Cost Limit Policy.

** Include Low-Income, Market Rate and Common Area Units.

† Structured parking is defined as an above-grade or underground structure specifically designed for vehicle parking.

9% Competitive Housing Tax Credit Program

Project Name	Old Town Senior Housing	
Sponsor	Mercy Housing Northwest	
Description	<p>Mercy Housing Northwest (MHNW) is proposing to develop a 74 unit senior housing project in Bellingham’s Old Town neighborhood, adjacent to the City’s downtown and main commercial district. The project will consist of a 4 story building with a mix of studios and one bedrooms, with affordability between 30% to 60% AMI. Twenty percent of the units will be set aside for seniors transitioning from homelessness, and MHNW has partnered with Opportunity Council to manage coordinated entry and provide referrals.</p> <p>The ground floor will have a large community room, a covered open outdoor space, staff offices, and lobby. The top floor will include a small community room and a roof top deck where the residents can enjoy the views of Bellingham Bay.</p> <p>The site is near several restaurants, senior supportive services, parks, the city waterfront, churches, library and a grocery store.</p>	
Location	900 W Holly Street Bellingham, WA 98225	
Credit Pool	Metro	
Project Type	New Construction without Federal Subsidies	
Low-Income Housing Units	Studio	30
	One Bedroom	44
	Total	74
Income Set-Asides	50% of units at 30% AMI 30% of units at 50% AMI 20% of units at 60% AMI	
Scoring	Additional Low-Income Housing Set-Aside	58
	Additional Low-Income Use Period (22 Years)	44
	Housing Commitments for Priority Populations	20

Leveraging	10
Public Funding	2
Developer Fees	10
Area Targeted by a Local Jurisdiction	2
Community Revitalization Plan	1
Nonprofit Sponsor	5
Donation in Support of Local Housing Needs	5
Energy Consumption Model	2
Total Points	159

Credit Request **\$2,700,000**

Development Budget

Acquisition Costs	\$1,120,000
Construction	\$25,773,219
Soft Costs	\$4,981,082
Financing Costs	\$1,487,935
Capitalized Reserves	\$814,283
Other Development Costs	\$1,219,681
Total Development Costs	\$35,396,200

Permanent Sources

City of Bellingham	\$5,000,000
Housing Trust Fund	\$5,000,000
Mercy Capital Magnet Fund	\$912,102
Deferred Dev Fee	\$109,408
WA Ecology	\$1,964,690
Tax Credit Equity at \$0.8300 per credit x 10 years	\$22,410,000
Total Sources	\$35,396,200

Total Development Cost Limit

Project's Total Development Cost Limit	\$31,372,226
TDC less Land, Offsite Infrastructure, and Reserves	\$33,481,916
Waiver	Required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Studio	\$ 1,375	\$ 502 - 1,071
One Bedroom	\$ 1,750	\$ 533 - 1,143

9% Competitive Housing Tax Credit Program

Project Name	Sunstone Haven	
Sponsor	Walla Walla Housing Authority	
Description	<p>Sunstone Haven is an existing 48-unit apartment complex consisting of 3 buildings situated on 1.47 acres in the Eastgate neighborhood of Walla Walla. The Walla Walla Housing Authority (WWHA) is the developer, general partner, and property manager for this project. The property was purchased in 2016 with the Commission’s Land Acquisition Program with the specific intent to convert to affordable housing. There will be 12 units at 30% AMI set aside to provide permanent supportive housing for homeless individuals at entry. This property was constructed in 1970 and will require substantial renovations. Proposed scope of work will include:</p> <p>Site work: repairs and resurfacing the parking lot</p> <p>Unit Exterior: replace siding, windows, balconies, exterior doors and roofs.</p> <p>Unit Interiors: replace all kitchens, bath cabinets, fixtures, internal/external ventilation, interior doors, flooring, mini-split ductless heat pump HVAC systems, hot water heaters, new appliances, energy efficient lighting and replace dry wall as needed.</p> <p>The project location is near services, retail, schools, parks and access to public transportation.</p>	
Location	159, 169, 179 N Wilbur Street Walla Walla, WA 99362	
Credit Pool	Non-Metro	
Project Type	Rehabilitation without Federal Subsidies	
Low-Income Housing Units	One Bedroom	8
	Two Bedroom	40
	Total	48
Income Set-Asides	25% of units at 30% AMI 50% of units at 40% AMI 25% 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
	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	6	
Total Points	172	

Credit Request **\$1,485,936**

Development Budget

Acquisition Costs	\$5,700,000
Construction	\$9,878,704
Soft Costs	\$1,695,500
Financing Costs	\$818,984
Capitalized Reserves	\$519,416
Other Development Costs	\$455,000
Total Development Costs	\$19,067,604

Permanent Sources

WA Housing Trust Fund	\$3,220,000
Walla Walla Housing Authority	\$3,943,909
Transferred Reserves	\$144,416
Deferred Developer Fee	\$190,137
Tax Credit Equity at \$0.7786 per credit x 10 years	\$11,569,142
Total Sources	\$19,067,604

Total Development Cost Limit

Project's Total Development Cost Limit	\$19,538,136
TDC less Land, Offsite Infrastructure, and Reserves	\$18,098,188
Waiver	Not required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
One Bedroom	\$1,150	\$487 - \$1,035
Two Bedroom	\$1,300	\$578 - \$1,170



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9% Tax Credit Program: Proposed 2027 Policy Changes & Beyond

June 25, 2026

Multifamily Housing and Community Facilities Division

Lisa Vatske, Director

Jacob Richardson, 9% Program Manager

Jackie Moynahan, Senior Policy Advisor

Kate Rodrigues, Tax Credit Analyst

Agenda



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9% Tax Credit Program Background



Updated Policy Process



Engagement Outcomes



Proposed 2027 Policy Updates



Next Steps



- Federal Low Income Housing Tax Credit Program's deepest financing tool
- Washington receives a limited annual allocation of credits that WSHFC awards through a competitive process
- Policies and scoring criteria prioritize projects serving extremely and very low-income households, support households that are homeless, elderly, disabled, as well as large families and farmer workers, and commit to long term affordability

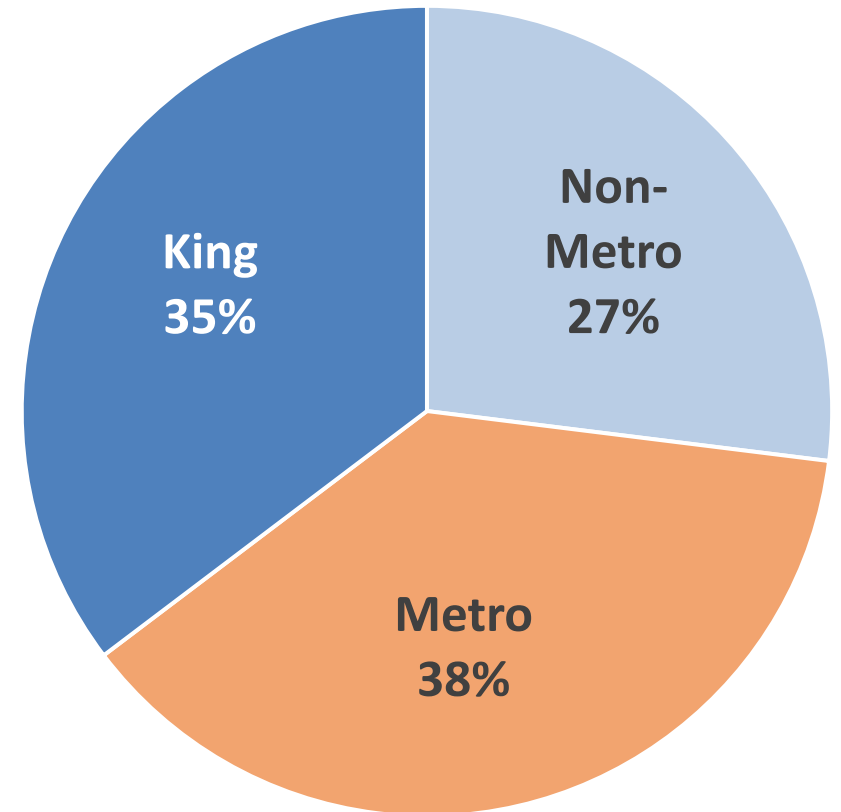
Context: Geographic Distribution

Annual credit allocation is subdivided across three Geographic Pools based on housing needs at the county level

- Seattle/King County
- Metro: Clark, Pierce, Snohomish, Spokane, Whatcom
- Non-Metro: Rest of State

Adams, Asotin, Benton, Chelan, Clallam, Columbia, Cowlitz, Douglas, Franklin, Ferry, Garfield, Grant, Grays Harbor, Island, Jefferson, Kitsap, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, Pacific, Pend Oreille, San Juan, Skagit, Skamania, Stevens, Thurston, Wahkiakum, Walla Walla, Whitman, Yakima

Distribution of Geographic Credit Pools



Context: Allocation Process & Scoring Framework

- Applications compete within geographic credit pools
- Projects are scored across 22 point categories
- Two scoring categories are the main drivers of who is served:
 - Additional Low-Income Housing (AMI) Commitments
 - Housing Commitments for Priority Populations
- Points are meant to influence project decisions/outcomes
- **Key to success is public funder alignment and coordination**, particularly with the Dept. of Commerce's Housing Division and local jurisdictions!



Points work alongside local funding and pipelines

- Points help rank projects within coordinated local funding processes
- Coordination varies by geographic pool
 - Seattle/King pool = highly coordinated public funding environment
 - Metro pool = counties coordinate across a shared allocation with varying pipeline capacity-each county has a 5-year rolling predictable amount
 - Non-Metro pool = less coordination, but more competitive & sensitive to scoring changes

Note: Credit allocations can shift year-to-year- through forward commitments, depending on local readiness, as another coordination tool

9% Program Insights & Analysis



Current Portfolio Outcomes

- Predominately serving households below 50% AMI as designed
- Significant investments in housing for people experiencing homelessness

At the Same Time

- Housing needs differ across geographic pools
- Market and system changes over time
- Federal, State and Local funding environments continue to evolve

Policy Process: 2025 Revised Approach



Prioritize foundational research, analysis, and evaluation that strengthens policy work



Deepen engagement efforts to support more transparency and collaborative policy development

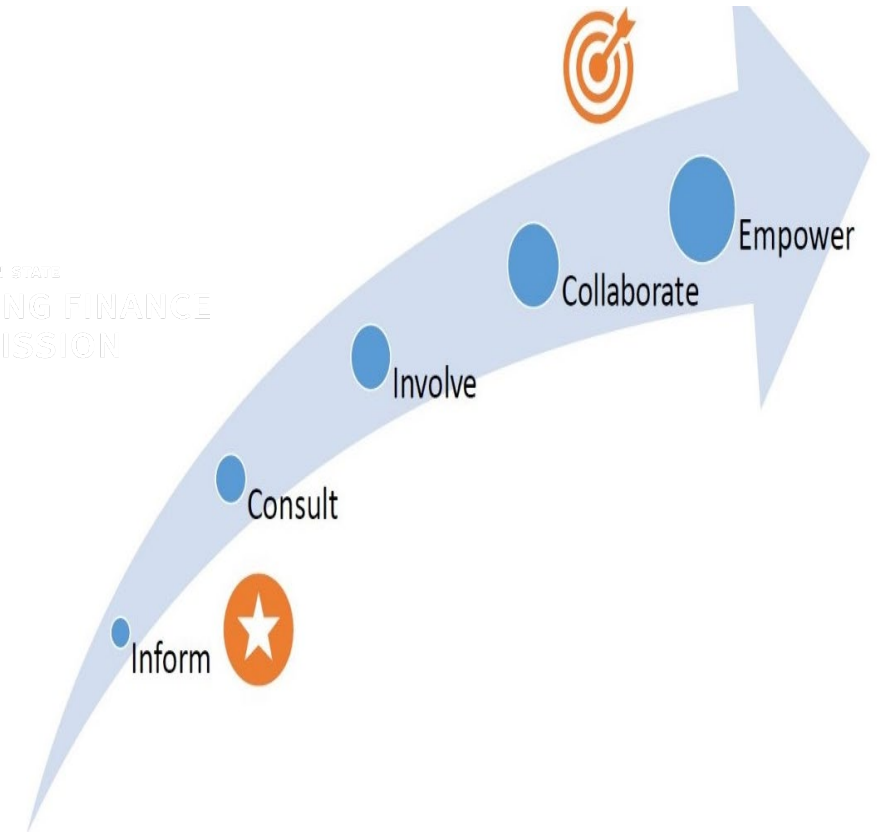


Briefed Board on revised approach
August 2025 work session

Spectrum of Community Engagement



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Policy Development Journey

Began policy and data analysis in September 2025:

- Prioritized policy areas shaping who is housed and long-term affordability outcomes
- Grounding in statewide evidence
 - Housing need
 - Affordability outcomes within portfolio
- Landscape Scan of five peer HFAs to review their approaches

This Year's Focus

Affordability & Need

- Low Income Set Asides
- Priority Population Set Asides

Other Areas Reviewed

- Additional Low-Income Use Period
- Tribal considerations
- Energy Efficiency Modeling
- Location based categories
 - Job Centers
 - Transit Oriented Development

2026 Engagement Activities

Deep Focus:
Affordability &
Population Served

Socialized other
policy areas for
possible updates



Internal cross divisional Lunch & Learn MHCF & AMC



Interested Parties Statewide meeting in January



Geographic Pool specific meetings in March & April



Individual partner discussions



Written comments

Key Engagement Themes

- Broad support for deep affordability goals
- Strong interest in additional flexibility
- Questions about balancing PSH prioritization with non-PSH projects
- Transparency across public funders on project priorities
- Varying dynamics across geographic pools
- Partners need longer runway on implementation of big changes
- Ideas need more time to evolve into fully proposed policies

Recommended Two-Prong Approach

Continued Work: Affordability & Priority Populations

- Continue developing ideas
- Scenario testing with external partners
- Continued policy analysis and refinement
- Additional engagement
- Incorporate Tribal considerations
- Development of implementation-ready recommendations

Continued engagement- implement next cycle

Ready Now: 2027 Policy Updates

- Allocation Criteria Point Minimum:
 - King County adjustment ONLY
- Additional Low-Income Use Period
- Job Center
- TOD
- Energy

Allocation Criteria Point Minimum

Proposal: Reduce Seattle/King point minimum from 164 points to 160 points

Rationale: Acknowledges challenges to secure necessary operating/service funding and PBRA to support feasible PSH projects.

Maintains competition and application flexibility in years when PSH projects are not present in the Seattle/King pool.



Additional Low-Income Use Period



Proposal: Establish de-facto 40-year affordability threshold and provide incentives for projects committing to extended affordability up to 60 years.

Rationale: Updates scoring structure to distinguish between baseline affordability commitments and projects providing extended affordability.

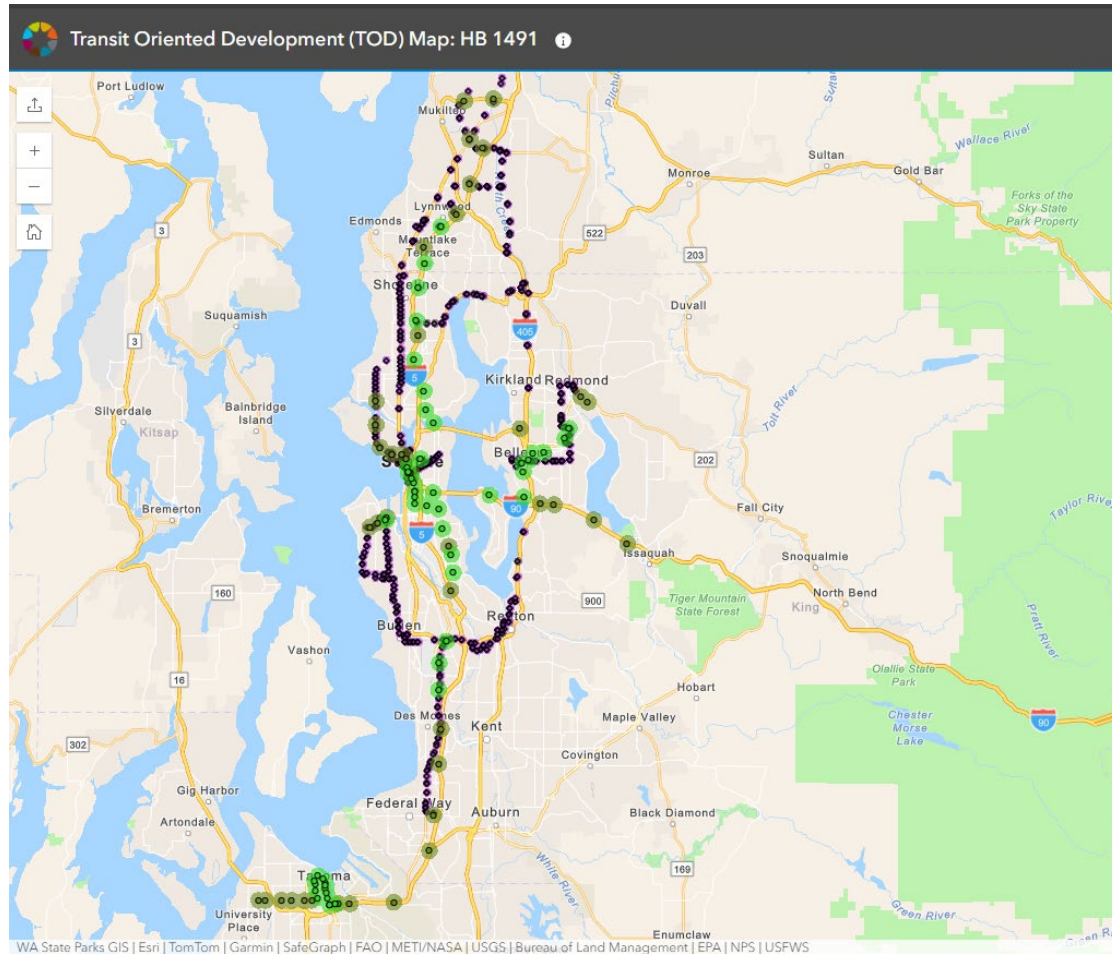
Job Centers



Proposal: Update charts to reflect newest data available from 2019-2023 period

Rationale: Updates job center designations using the most recent employment data available and better reflects current job growth patterns

Transit Oriented Development (TOD)



Proposal: Align with Commerce's TOD framework and [mapping tool](#); expand eligibility to Metro

Rationale: Creates consistency across public funder programs, reflects transit expansion beyond King County, improves documentation of transit proximity

Next Steps

- Additional Interested Parties meeting June 29th
- Seek Board Approval July 23
- Following approval, publish approved policies and application materials in August
- Continue work on affordability & population served policies
- Future work session in Fall 2026





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Questions?
Thank you!



Memorandum

To: Commissioners

From: Lisa Vatske, Jackie Moynahan, Jacob Richardson, Kate Rodrigues, Jocelyn Ostrowski

CC: Steve Walker

Date: June 16, 2026

Re: 9% Tax Credit Program: 2027 Proposed Policy Changes for Discussion

Background

The 9% Tax Credit Program competitively allocates the 9% Low Income Housing Tax Credit (9% LIHTC), through an annual process that aligns with other public funders, particularly the Department of Commerce's Housing Trust Fund cycle. The 9% LIHTC provides the deepest financing subsidy, therefore the Commission has structured its policies and scoring criteria to incentivize projects that serve extremely low and very low- income households, below 50% of the Area Median Income (AMI) and projects that support priority populations such as households that are homeless, elderly, disabled, as well as large families and farmworkers.

Every county across the state has different housing needs and market conditions; to address these differences, taking into consideration development capacity as well as access to housing funds, the Commission has divided the state into three Geographic Credit Pools. This structure allows projects in similar type counties to compete against similar projects. Additionally, each pool is designated a specific credit allocation percentage based on need and population which are revisited regularly but only updated if the data analysis shows more than a 2% change. The three Geographic Credit Pools are listed below.

- Seattle/King County Pool (35%)
- Metro Pool: (37%) Clark, Pierce, Snohomish, Spokane, Whatcom
- Non-Metro Pool: (28%) Adams, Asotin, Benton, Chelan, Clallam, Columbia, Cowlitz, Douglas, Franklin, Ferry, Garfield, Grant, Grays Harbor, Island, Jefferson, Kitsap, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, Pacific, Pend Oreille, San Juan, Skagit, Skamania, Stevens, Thurston, Wahkiakum, Walla Walla, Whitman, Yakima

Each pool has different dynamics in terms of how the allocation process works.

The Seattle/King County Pool is highly coordinated with local public funders – Seattle Office of Housing, King County, A Regional Coalition for Housing (ARCH) and South King County Housing and Homelessness Partnership (SKHHP) – where projects are leveraging funding from one or more public funders as well as Commerce. As a result, while projects still compete for tax credits, local funding commitments and policy priorities play a significant role in determining which projects advance through the development pipeline.

The Metro pool, the counties coordinate collectively and prioritize projects for application. Due to the limited amount of credit available, the Commission, in agreement with the counties in the pool, use a multi-year credit tracking system. Credit is tracked using a 5-year rolling average based on need to allow each county to manage and prioritize the pipeline needs in each county and to ensure equitable access to, and distribution of, the credit.

The Non-Metro pool operates as a statewide competitive process and is often the most sensitive to scoring. The pool encompasses a diverse group of counties with varying housing needs, market conditions, and development capacity, including many of Washington’s rural communities. As a result, relatively small differences in scoring can significantly affect funding outcomes.

A review of the 9% Tax Credit Program Portfolio shows that the program is successfully advancing its core objectives. The portfolio is predominately serving households below 50% AMI and special populations, most notably homeless households. At the same time, we are seeking to understand from our sponsor and public funder partners how to better align with varied needs in the multitude of communities across the state.

Updated Policy Process

Following the 2025 allocation round and in light of emergent issues in the portfolio, staff recognized the need to modify the Commission’s approach to policy development for the 9% Housing Tax Credit Program. Through discussions with affordable housing partners and Interested Parties, staff identified opportunities to improve transparency, broaden participation, and provide more time for policy development and evaluation.

Staff presented these findings and a proposed policy process reset to the Board in 2025. The revised approach emphasized an increased focus on policy development through data analysis, earlier engagement, and a longer development timeline for significant policy changes.

The activities described in this memorandum reflect the implementation of that policy process reset and lessons learned through that effort.

Engagement Process

Staff conducted a series of Interested Parties meetings, which began in January and continued through the spring. The initial convening was held with all statewide partners with subsequent meetings organized

by geographic pool, based on feedback from participants in the previous session. Discussions focused on two of the program's most significant scoring categories: affordability and priority populations.

During these meetings, staff presented data, shared potential policy concepts, and solicited feedback from Interested Parties. The discussions generated valuable insights regarding the opportunities, tradeoffs, and implementation considerations associated with potential changes in these areas, especially regarding variations across the geographic pools.

The engagement process confirmed that affordability and priority population policies remain critically important to Interested Parties and the program's intent. It also highlighted the complexity of these policy areas and the need for additional analysis, engagement, and refinement before significant policy modifications are recommended.

Proposed Policy Updates

As a result of this year's engagement process, staff is recommending a limited set of policy updates for the 2027 program year. Throughout the engagement process, Interested Parties consistently emphasized the importance of providing sufficient lead time for policy changes and minimizing disruptions to projects already in development pipelines.

These recommendations reflect areas where staff has completed sufficient analysis, received feedback, and determined that changes can be implemented while mitigating unintended consequences for applicants or the program. These proposed changes are mainly clean up and refinements to address current market conditions.

Summary of Changes:

There are two changes proposed that aim to respond to system changes.

First, to be responsive to challenges in the Seattle/King County pool housing ecosystem, staff propose to lower the Minimum Point Score threshold from 164 to 160. In the Seattle/King County pool Permanent Supportive Housing (PSH) has been the priority for many years; however, changes at the federal level as well as budget constraints at the state and local levels have provided less certainty on the availability of critical operating, maintenance and supportive service funding as well as rental assistance that make PSH projects financially feasible. The Commission remains committed to prioritizing PSH where feasible and has received feedback from local public funders that projects serving extremely and very-low-income large households is also a high need, however those projects have difficulty meeting the higher score minimum for the Seattle/King County pool. Reducing the minimum score threshold will broaden the range of projects that may be competitive for an allocation while maintaining strong program outcomes.

Second, the Additional Use Period criteria's parameters have not kept pace with commitment levels from other public funders, as a result all applicants take the maximum points since they are committing to longer affordability terms for other public funds. To ensure this point category is a true incentive, staff propose restructuring the point parameters to incentivize affordability beyond 40 years for a maximum of up to 60 years.

Then there are two categories that are being proposed to update the underlying data and bring those categories current which are noted below:

- Job Centers: implements updates from the underlying data to most current available, bringing the top 25 cities and Census Designated Places for Metro and Non-Metro pools up to date; allows for a one-time waiver for immediate implementation.
- Transit Oriented Development (TOD): shifts from using an outdated map from the Puget Sound Regional Council (PSRC) to using Department of Commerce's TOD framework and mapping tool and expands the point category eligible to Metro in addition to King County, recognizing expansion of high-capacity transit beyond King County.

The last proposed change is under the Energy Efficiency Modeling scoring is to support developer partners in being ready to meet state energy code changes and compliance with the Clean Building Performance Standards for buildings that exceed 20,000 square feet. Applicants will be asked to provide information on how they intend to comply with benchmarking and energy management planning.

The proposed updates are detailed in Attachment A.

Staff are not recommending substantive changes to the affordability framework or priority population scoring categories at this time. Feedback received through the engagement process demonstrated both strong interest in these topics, while also highlighting the complexity of the policy considerations and potential impacts across geographic pools. Additional analysis and engagement are needed before staff can confidently recommend broader changes. Given the significance of the potential policy shifts under consideration, staff are recommending a more deliberate development timeline while advancing a limited set of updates for 2027.

Next Steps

Staff will continue to work on affordability and priority population policies through additional Interested Party engagement, data analysis, and policy development activities during the coming year. By separating these longer-term policy discussions from the updates proposed in Table 1, staff seeks to maintain a transparent and deliberate policy development process while ensuring that program changes are supported by sufficient analysis and feedback from our partners.

Attachment A shows the redline changes by section in the 9% tax credit program policies being proposed for 2027 along with the rationale.

Attachment A – Proposed 2027 9% Program Policy Updates
(changes shown as redlines)

Existing Policy	Proposed Changes	Rationale
<p>Section 4.15 Allocation Criteria Point Minimum</p> <p>The applicant must select Allocation Criteria in the Application that total a minimum number of Allocation Criteria points according to the county in which the project is located.</p> <ul style="list-style-type: none"> • King County: 164 points • Metro Counties: 158 points • Non-Metro Counties: 154 points 	<p><i>Adjust King County point criteria ONLY:</i></p> <p>The applicant must select Allocation Criteria in the Application that total a minimum number of Allocation Criteria points according to the county in which the project is located.</p> <ul style="list-style-type: none"> • King County: 160 points • Metro Counties: 158 points • Non-Metro Counties: 154 points 	<p>Acknowledges challenges to secure necessary operating/service funding and project based rental assistance to support feasibility of PSH.</p> <p>Maintains competition and application flexibility in years when PSH projects are not present in Seattle/King pool</p>
<p>Section 6.2 Additional Use Period</p> <p>2-44 points</p> <p>Two points will be awarded (up to a maximum of 44 points) for every year of the additional low-income housing use period selected by the Applicant in the Application, up to a maximum of 22 years (the “Additional Low-Income Housing Use Period”). The Additional Low-Income Housing Use Period commences upon the close of the</p>	<p><i>Proposed Language:</i></p> <p><u>24-44 points</u></p> <p><u>Twenty-four points will be awarded to Applicants that commit to an Additional Low-Income Housing Use Period of 25 years (the “Additional Low-Income Housing Use Period”). One additional point will be awarded for each additional year of the Additional Low-Income Housing Use Period selected by the Applicant beyond 25 years, up to a maximum of 44 points for an Additional Low-Income Use Period of 45 years.</u></p>	<p>Targets the incentive at affordability commitments that exceed what other public funders already require</p> <p>Increases the number of years units remain affordable after the compliance period, setting a base for points</p>

<p>compliance period. If the Applicant makes this Commitment, the Applicant agrees to maintain the low-income housing units and all applicable Commitments made by the Applicant in the Application to receive Allocation Criteria points for the duration of the Project Compliance Period.</p>	<p>The Additional Low-Income Housing Use Period commences upon the close of the compliance period. If the Applicant makes this Commitment, the Applicant agrees to maintain the low-income housing units and all applicable Commitments made by the Applicant in the Application to receive Allocation Criteria points for the duration of the Project Compliance Period.</p>	<p>at 40 years of affordability.</p>
<p>Section 6.15 Transit Oriented Development (TOD) 1 point in King County</p> <p>Projects will be awarded 1 point if they are located within a 10-minute walkshed of Fixed Transit Infrastructure and located in an area zoned for high-capacity transit-supported density. TOD points are only available to Projects in King County. Puget Sound Regional Council (PSRC) has generously developed a map to locate properties to fit the TOD definition outlined below. The map is available on our website. If a property meets the intent of the policy but fails to appear on the map, a location that meets the intent of the policy may still be eligible for the TOD point with preapproval.</p> <p>“Fixed Transit Infrastructure” is defined as Light Rail Stations, Commuter Rail Stations, Ferry Terminals, Bus Rapid Transit Stations, Streetcar Stops, and Major Bus Transit Centers.</p> <p>The major bus transit centers in King County are Auburn Transit Center, Aurora Village Transit Center, Bellevue Transit Center, Burien Transit Center, Federal Way Transit Center, Issaquah Transit Center, Kent Transit Center, Kirkland Transit Center, Mount Baker Transit Center, Northgate Transit Center, Overlake Transit Center, Redmond</p>	<p><i>Proposed language:</i></p> <p>1 point in King County and Metro</p> <p>1 point in King County</p> <p><u>TOD points are available to Projects in only the Seattle/King and Metro geographic pools.</u></p> <p>Projects will be awarded 1 point if they are located within a 10-minute walkshed of Fixed Transit Infrastructure and located in an area zoned for high-capacity transit-supported density <u>the following fixed-distance buffers of existing or planned high-capacity transit, as determined using the Washington State Department of Commerce’s publicly available Transit-Oriented Development (TOD) tool:</u></p> <ul style="list-style-type: none"> <u>• ¼ mile from existing or planned Bus Rapid Transit (BRT); or</u> <u>• ½ mile from existing or planned Light Rail Transit (LRT).</u> <p>Puget Sound Regional Council (PSRC) has generously developed a map to locate properties to fit the TOD definition outlined below. The map is available on our website. If a property meets the intent of the policy but fails to appear on the map, a location that meets the intent of the policy may still be eligible for the TOD point with preapproval.</p> <p>“Fixed Transit Infrastructure” is defined as Light Rail Stations, Commuter Rail Stations, Ferry Terminals, Bus Rapid Transit Stations, Streetcar Stops, and Major Bus Transit Centers.</p>	<p>Aligns with the statewide Department of Commerce TOD framework and improves consistency with other public funders</p> <p>Provides a clear, publicly verifiable standard for applicants</p> <p>Extends TOD points to projects in the Metro pool, reflecting the expansion of high-capacity transit beyond King County</p>

<p>Transit Center, Renton Transit Center, and Totem Lake Transit Center.</p> <p>Metro has certain Rapid Ride stops designated as “stations” that will receive higher levels of improvement and will always be served. Rapid Ride stops that are not designated as “stations” are not eligible TOD locations.</p> <p>If the Fixed Transit Infrastructure does not yet exist, the transit investment must be planned, approved, and funded at the time of Application. Transit investments that have been funded, but not yet been sited, will not be considered.</p> <p>A “10-minute walkshed” is defined as the area surrounding the Fixed Transit Infrastructure that is comfortably walkable within 10 minutes, typically an area that is within ½ mile of the transit. The size and shape of a walkshed considers the existence of freeways, the street grid, topography and other obstacles that might impede access to the transit site. The 10-minute Walkshed around each of the eligible TOD locations is shown on the TOD map.</p> <p>An area is zoned for “high-capacity-transit-supportive density” when the overall zoning for the area within the walkshed of the Fixed Transit Infrastructure allows for at least 20 dwelling units per gross acre.</p> <p>The Applicant must submit a site map with the application demonstrating that the Project’s location is within the boundaries of an eligible TOD’s 10-minute walkshed. If a project includes multiple sites, each of the sites must each be</p>	<p>The major bus transit centers in King County are Auburn Transit Center, Aurora Village Transit Center, Bellevue Transit Center, Burien Transit Center, Federal Way Transit Center, Issaquah Transit Center, Kent Transit Center, Kirkland Transit Center, Mount Baker Transit Center, Northgate Transit Center, Overlake Transit Center, Redmond Transit Center, Renton Transit Center, and Totem Lake Transit Center.</p> <p>Metro has certain Rapid Ride stops designated as “stations” that will receive higher levels of improvement and will always be served. Rapid Ride stops that are not designated as “stations” are not eligible TOD locations.</p> <p>If the <u>Fixed Transit Infrastructure-qualifying transit</u> does not yet exist, the transit investment must be planned, approved, and funded at the time of Application. Transit investments that have been funded, but not yet been sited, will not be considered.</p> <p>A “10-minute walkshed” is defined as the area surrounding the Fixed Transit Infrastructure that is comfortably walkable within 10 minutes, typically an area that is within ½ mile of the transit. The size and shape of a walkshed considers the existence of freeways, the street grid, topography and other obstacles that might impede access to the transit site. The 10-minute Walkshed around each of the eligible TOD locations is shown on the TOD map.</p> <p>An area is zoned for “high-capacity-transit-supportive density” when the overall zoning for the area within the walkshed of the Fixed Transit Infrastructure allows for at least 20 dwelling units per gross acre.</p> <p>The Applicant must submit a site map Documentation must include (1) a dated map or screenshot from the Department of Commerce TOD mapping resource showing the site in relation to the transit facility, and (2) identification of the specific qualifying transit facility. If a project includes multiple sites, each of the sites must <u>each be located within a TOD walkshed independently satisfy the applicable buffer</u> to be eligible for the TOD point.</p>	
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<p>located within a TOD walkshed to be eligible for the TOD point.</p>		
<p>Section 6.16 Job Centers</p> <p>1 Point in Metro and Non-Metro Counties</p> <p>One point will be awarded to Projects located in or near the top 25 cities and Census Designated Places (CDP) within each of the Metro and Non-Metro Credit Pools that have experienced the highest absolute job growth over the five-year period from 2005 to 2010.</p> <p>Projects must be within a 5-mile radius of the top growth places in the Metro Credit Pool and within a 10-mile radius of the places in the Non-Metro Credit Pool.</p> <p>The list of Top Job Growth Cities and Places will remain constant for a five-year period. Updates will occur one year prior to implementation of the updated list to take development pipeline into account. For example, the proposed list will remain in place for the allocation years of 2013 to 2017. The list will be updated and published in 2016 but will not take effect until 2018.</p> <p>If the Project’s address clearly demonstrates that the Project is in a Job Growth Place, no documentation needs to be submitted with the Application. If the Project’s address shows the project is not located in a Job Growth Place, the Applicant must submit a site map demonstrating that the Project is located within the required distance of a Job Growth Place.</p>	<p><i>Proposed Language:</i></p> <p>1 Point in Metro and Non-Metro Counties</p> <p>One point will be awarded to Projects located in or near the top 25 cities and Census Designated Places (CDP) within each of the Metro and Non-Metro Credit Pools that have experienced the highest absolute job growth over the five-year period from 2005 to 2010<u>2019 to 2023</u>.</p> <p>Projects must be within a 5-mile radius of the top growth places in the Metro Credit Pool and within a 10-mile radius of the places in the Non-Metro Credit Pool.</p> <p>The list of Top Job Growth Cities and Places will remain constant for a five-year period. Updates generally will occur one year prior to implementation of the updated list to take development pipeline into account. For the 2027 cycle, the updated list will be effective for the current cycle. For example, the proposed list will remain in place for the allocation years of 2013 to 2017. The list will be updated and published in 2016 but will not take effect until 2018.</p> <p>If the Project’s address clearly demonstrates that the Project is in a Job Growth Place, no documentation needs to be submitted with the Application. If the Project’s address shows the project is not located in a Job Growth Place, the Applicant must submit a site map demonstrating that the Project is located within the required distance of a Job Growth Place.</p> <p>If a project includes multiple sites, each of the sites must demonstrate eligibility for points to be awarded under the Job Center criterion.</p> <p><u>For the 2027 allocation cycle, an Applicant may request a waiver of this criterion where the Project meets the intent of the policy but does not appear to qualify under the published list or distance requirements; the point may be awarded with Commission preapproval. A waiver request must be submitted in writing to the Commission no later than 30 days prior to the</u></p>	<p>Updates job center designations using the most recent employment data and better reflects current job growth.</p> <p>Corrects Thurston County's pool assignment for consistency with the credit pool structure</p>

<p>If a project includes multiple sites, each of the sites must demonstrate eligibility for points to be awarded under the Job Center criterion.</p>	<p><u>Application deadline and must include: 1. the specific reason the project does not qualify under the published criteria, 2. documentation demonstrating how the project advances the policy intent (such as proximity to a concentration of employment, designated employment center, or job growth data published after the most recent list update, and 3. confirmation that no other job center is reasonably available to serve the Project’s intended residents. The Commission will issue a written determination prior to the application deadline. The point will be awarded only upon written Commission preapproval.</u></p> <p><u>See Current and Proposed Job Growth Charts below in Exhibit A.</u></p>	
<p>Section 6.21 Energy Efficiency Modeling</p> <p>2 points</p> <p>Two points will be awarded for projects that select Option #1 from ESDS Section 1.02 Advanced Tools. The selected consultant must be chosen from the Commission’s approved roster of energy modeling consultants.</p> <p>With the submittal of the tax credit application, the applicant must attach a commitment letter from the chosen energy consultant attesting they will join the project team and provide modeling early enough in the design process to inform design decision making.</p>	<p><i>Proposed Language:</i></p> <p>2 points</p> <p>Two points will be awarded for projects that select Option #1 from ESDS Section 1.02 Advanced Tools. The selected consultant must be chosen from the Commission’s approved roster of energy modeling consultants.</p> <p>With the submittal of the tax credit application, the applicant must attach a commitment letter from the chosen energy consultant attesting they will join the project team and provide modeling early enough in the design process to inform design decision making. <u>The letter must also detail if the sum of the multifamily, nonresidential, hotel, motel and dormitory floor areas will exceed 20,000 square feet and if so, include a written description and timeline sharing how the applicant intends to comply with the Clean Building Performance Standards enforced by the Department of Commerce. Those compliance requirements are:</u></p> <ul style="list-style-type: none"> • <u>Benchmarking by measuring and tracking energy use in a building over time.</u> • <u>Implementing an operations and maintenance program.</u> • <u>Creating an energy management plan.</u> 	<p>Gives applicants advance notice and lead time to prepare for an upcoming benchmarking requirement</p> <p>Aligns with broader state energy and climate goals, supporting transition to the future requirement</p>

Program Values Doc

Value 6: Foster Healthy and Sustainable Homes in a Changing Climate

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 future building design criteria, we incentivize housing that is healthier for residents, as well as energy efficient to minimize carbon emissions.

Replace with Revised Language:

[Value 6: Foster Healthy and Sustainable Homes in a Changing Climate](#)

[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.](#)

[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.](#)

[These investments deliver long-term value for Washington by protecting residents’ health, preserving affordable housing, reducing strain on public systems, and strengthening community resilience.](#)

Aligns with the Bond Tax Credit Program as approved by Board on May 18th as part of the Preservation Pilot.

Language updates centered on the tenants, health and safety and building improvements.

Language or Reference Clean Up

Section 2.11 Regulatory Agreement

As a condition of receiving an allocation from the Commission, the Applicant must enter into a Regulatory Agreement that applies to each building in the project. The Regulatory Agreement addresses, among other things, the requirements of Section 42 of the Code, federal and state law, the Tax Credit Program, and the Commitments made in the Application and the RAC.

Generally, the provisions of the Regulatory Agreement will apply for a period of 30 years from the date the project is placed-in-service (the 15-year compliance period and an additional 15-year period, referred to as the “extended low-income use period”). However, if the Applicant makes a commitment for an Additional Low-Income Housing Use Period, the duration of the 22 years beyond the 15-year compliance period. If the Applicant opts for the longest extension, the total Project Compliance Period would be 37 years.

Termination of the Regulatory Agreement will occur prior to the expiration of the extended low-income use period or Additional Low-Income Use Period only under very limited circumstances. In this respect, and many others, the requirements of the Regulatory Agreement are stricter than the provisions of Section 42 of the Code.

The Regulatory Agreement must be recorded as part of the Equity Closing. It must be recorded in first lien position as a restrictive covenant running

Proposed language:

As a condition of receiving an allocation from the Commission, the Applicant must enter into a Regulatory Agreement that applies to each building in the project. The Regulatory Agreement addresses, among other things, the requirements of Section 42 of the Code, federal and state law, the Tax Credit Program, and the Commitments made in the Application and the RAC.

Generally, the provisions of the Regulatory Agreement will apply for a period of 30 years from the date the project is placed-in-service (the 15-year compliance period and an additional 15-year period, referred to as the “extended low-income use period”). However, if the Applicant makes a commitment for an Additional Low-Income Housing Use Period, the duration of the Regulatory Agreement will be extended accordingly. The Additional Low-Income Housing Use Period commences upon the close of the 15-year compliance period. ~~the duration of the 22 years beyond the 15-year compliance period.~~ If the Applicant opts for the longest extension, the total Project Compliance Period would be ~~37~~ 60 years.

Termination of the Regulatory Agreement will occur prior to the expiration of the extended low- income use period or Additional Low-Income Use Period only under very limited circumstances. In this respect, and many others, the requirements of the Regulatory Agreement are stricter than the provisions of Section 42 of the Code.

The Regulatory Agreement must be recorded as part of the Equity Closing. It must be recorded in first lien position as a restrictive covenant running with the land and binding upon the Applicant’s successors in interest. To ensure the Commission’s Regulatory Agreement is in first lien position, the Applicant must prepare and record a Priority Agreement at the Project’s expense in a form acceptable to the Commission, and executed by the Applicant, the Commission, and all lienholders on the Project. The Priority Agreement must specify that the lienholders’ security interests are subordinate to the interests of the Commission as shown in the Regulatory Agreement.

Updated to match policy changes to allocating criteria

<p>with the land and binding upon the Applicant's successors in interest. To ensure the Commission's Regulatory Agreement is in first lien position, the Applicant must prepare and record a Priority Agreement at the Project's expense in a form acceptable to the Commission, and executed by the Applicant, the Commission, and all lienholders on the Project. The Priority Agreement must specify that the lienholders' security interests are subordinate to the interests of the Commission as shown in the Regulatory Agreement.</p> <p>If documents with monetary liens are recorded prior to the Regulatory Agreement, those documents must be subordinated to the interests of the Commission as shown in the Regulatory Agreement.</p> <p>If the Applicant has established a long-term lease in lieu of ownership, the owner of the land and holders of any liens and encumbrances that are secured by a recorded mortgage or deed of trust against the land and the improvements on it before the Regulatory Agreement is recorded must execute and record a subordination agreement in a form approved by the Commission. The subordination agreement shall specify that the owner's interest is subject to, and any other parties' security interest is subordinate to, the interests of the Commission as shown in the Regulatory Agreement.</p>	<p>If documents with monetary liens are recorded prior to the Regulatory Agreement, those documents must be subordinated to the interests of the Commission as shown in the Regulatory Agreement.</p> <p>If the Applicant has established a long-term lease in lieu of ownership, the owner of the land and holders of any liens and encumbrances that are secured by a recorded mortgage or deed of trust against the land and the improvements on it before the Regulatory Agreement is recorded must execute and record a subordination agreement in a form approved by the Commission. The subordination agreement shall specify that the owner's interest is subject to, and any other parties' security interest is subordinate to, the interests of the Commission as shown in the Regulatory Agreement.</p>	
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Exhibit A. Job Growth Charts

Current Job Growth Chart						Proposed Job Growth Chart					
Top 25 Job Growth Places in Metro Counties						Top 25 Job Growth Places in Metro Counties					
City or CDP	County	2014 Jobs	2010 Jobs	Job Growth	Rank	City or CDP	County	2023 Jobs	2019 Jobs	Job Growth	Rank
Vancouver	Clark	84,214	77,843	6,371	1	Tacoma	Pierce	125,202	116,984	8,218	1
Everett	Snohomish	87,131	82,644	4,487	2	Vancouver	Clark	106,898	99,923	6,875	2
Olympia	Thurston	44,889	40,855	4,034	3	Lakewood	Pierce	29,363	26,011	3,352	3
Lakewood	Pierce	25,370	21,479	3,891	4	Spokane	Spokane	130,180	127,473	2,707	4
Tacoma	Pierce	104,069	100,411	3,658	5	Sumner	Pierce	18,651	15,981	2,670	5
Lynnwood	Snohomish	28,483	25,386	3,097	6	Everett	Snohomish	100,608	98,515	2,093	6
Puyallup	Pierce	25,746	22,930	2,816	7	Ridgefield	Clark	4,361	2,389	1,972	7
Marysville	Snohomish	13,491	11,154	2,337	8	Liberty Lake	Spokane	9,805	8,124	1,681	8
Edmonds	Snohomish	11,694	9,576	2,118	9	DuPont	Pierce	4,819	3,293	1,526	9
Bothell (Sno Cty)	Snohomish	13,178	11,433	1,745	10	Mount Vista	Clark	6,560	5,185	1,375	10
Sumner	Pierce	12,572	11,107	1,465	11	Puyallup	Pierce	31,502	30,227	1,275	11
Lacey	Thurston	20,069	18,761	1,308	12	South Hill	Pierce	9,930	8,657	1,233	12
Spokane Valley	Spokane	50,944	50,021	923	13	Arlington	Snohomish	11,500	10,339	1,161	13
Fife	Pierce	16,232	15,327	905	14	Orchards	Clark	5,047	3,912	1,135	14
Lake Stevens	Snohomish	4,434	3,889	545	15	Camas	Clark	10,400	9,310	1,090	15
South Hill	Pierce	6,862	6,330	532	16	Bellingham	Whatcom	52,978	51,928	1,050	16
Mount Vista	Clark	4,381	3,863	518	17	Hazel Dell	Clark	8,325	7,299	1,026	17
Orchards	Clark	3,788	3,273	515	18	Spokane Valley	Spokane	57,006	56,051	955	18
Mount Vernon	Snohomish	14,703	14,205	498	19	Marysville	Snohomish	15,352	14,412	939	19
Mukilteo	Snohomish	9,624	9,133	491	20	Lake Stevens	Snohomish	6,799	5,869	930	20
Airway Heights	Spokane	4,090	3,616	474	21	Bothell	Snohomish	14,112	13,293	819	21
Woodland	Clark	3,617	3,151	466	22	Five Corners	Clark	3,273	2,472	801	22
Bonney Lake	Pierce	3,821	3,368	453	23	Battle Ground	Clark	6,908	6,142	766	23
Frederickson	Pierce	4,533	4,087	446	24	Woodland	Clark	5,117	4,376	741	24
						Silver Firs	Snohomish	2,825	2,090	735	25

Camas	Clark	6,941	6,499	442	25
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*Source: U.S. Census Bureau Center for Economic Studies:
<https://onthemap.ces.census.gov/>

Top 25 Job Growth Places in Non-Metro Counties

City or CDP	County	2014 Jobs	2010 Jobs	Job growth	Rank
Yakima	Yakima	44,009	39,138	4,871	1
Silverdale	Kitsap	12,230	10,445	1,785	2
Moses Lake	Grant	10,847	9,290	1,557	3
Bainbridge Island	Kitsap	9,554	8,024	1,530	4
Kennewick	Benton	30,868	29,341	1,527	5
Richland	Benton	35,564	34,297	1,267	6
Walla Walla	Walla Walla	14,368	13,262	1,106	7
Pasco	Franklin	20,557	19,477	1,080	8
Pullman	Whitman	14,089	13,084	1,005	9
Port Angeles	Clallam	8,782	7,852	930	10
Bremerton	Kitsap	15,655	14,887	768	11
Burlington	Skagit	8,482	7,833	649	12
Port Townsend	Jefferson	4,446	3,912	534	13
Colville	Stevens	3,694	3,180	514	14
Ephrata	Grant	3,637	3,164	473	15
Othello	Adams	4,166	3,699	467	16
Omak	Okanogan	3,078	2,644	434	17
Sequim	Clallam	4,030	3,607	423	18
Sunnyside	Yakima	6,723	6,302	421	19
Oak Harbor	Island	5,439	5,026	413	20
Sedro - Woolley	Skagit	3,486	3,075	411	21
Kelso	Cowlitz	5,441	5,062	379	22
Clarkston	Asotin	4,192	3,855	337	23

*Source: U.S. Census Bureau Center for Economic Studies:
<https://onthemap.ces.census.gov/>

Top 25 Job Growth Places in Non-Metro Counties

City or CDP	County	2014 Jobs	2010 Jobs	Job growth	Rank
Lacey	Thurston	30,261	22,970	7,291	1
Tumwater	Thurston	25,168	21,183	3,985	2
Pasco	Franklin	26,506	22,781	3,725	3
Yakima	Yakima	50,432	47,435	2,997	4
Kennewick	Benton	30,868	33,144	2,942	5
Olympia	Thurston	59,337	56,868	2,469	6
West Richland	Benton	3,190	970	2,220	7
Wenatchee	Chelan	26,728	25,013	1,715	8
Richland	Benton	43,685	42,176	1,509	9
Moses Lake	Grant	14,497	13,045	1,452	10
Othello	Adams	5,641	4,437	1,204	11
Port Townsend	Jefferson	4,798	3,838	960	12
Quincy	Grant	4,487	3,608	879	13
Longview	Cowlitz	21,057	20,209	848	14
Chelan	Chelan	3,898	3,087	811	15
Port Angeles	Clallam	9,533	8,908	625	16
Centralia	Lewis	8,012	7,468	544	18
Prosser	Benton	3,764	3,350	414	19
College Place	Walla Walla	2,312	1,919	393	20
Grandview	Yakima	3,540	3,164	376	21
Colville	Stevens	4,484	4,202	282	22
Oak Harbor	Island	5,758	5,497	261	23
Ephrata	Grant	3,922	3,671	251	24

Selah	Yakima	2,928	2,613	315	24	Port Orchard	Kitsap	7,578	7,329	249	25
Quincy	Grant	2,712	2,407	305	25	*Source: U.S. Census Bureau Center for Economic Studies: https://onthemap.ces.census.gov/					
*Source: U.S. Census Bureau Center for Economic Studies: www.onthemap.ces.census.gov (8/2016)											

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Washington State Housing Finance Commission (the “Commission”) will hold a **Public Hearing** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, at 1:00 p.m., Thursday, June 25, 2026, or as soon thereafter as practicable, for the purpose of receiving public comment regarding the issuance of single-family mortgage revenue bonds.

To join virtually, please go to Zoom.com, click on “Meet,” then click on “Join” or “Join a Meeting” and enter the following:

Meeting/Webinar ID: 812 4418 7769

Passcode: 764377

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

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

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

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

The public is invited to attend and make written or oral statements including objections, if any, concerning the proposed Bonds. Written comments may be mailed to the attention of Lisa DeBrock, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or faxed to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, June 24, 2026. Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact Lisa DeBrock at least 48 hours in advance of the hearing. The results of the hearing will be sent to the Governor for approval. This notice is published pursuant to Section 147(f) of the Code.

Posted to www.wshfc.org on [06/02/2026].

**WASHINGTON STATE HOUSING FINANCE COMMISSION
RESOLUTION NO. 26-71**

**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	Annual Tax Credit Amount
26-01	Alderwood	Yakima	Yakima	\$2,157,276
26-04	Claudia’s Place	Vancouver	Clark	\$1,855,500
26-08	Old Town Senior	Bellingham	Whatcom	\$2,700,000
26-12	Sunstone Haven	Walla Walla	Walla Walla	\$1,485,936

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 25th day of June 2026.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 26-58

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt multifamily revenue bonds in the aggregate principal amount of not to exceed \$60,000,000 to finance the acquisition, construction and equipping of a 272-unit multifamily housing facility located in Olympia, Washington, to be owned Harbor Pines Apartments, LLC, a Washington limited liability company; approving the sale of the bonds to Cedar Rapids Bank and Trust Company pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON JUNE 25, 2026

PREPARED BY:

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

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RESOLUTION NO. 26-58

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt multifamily revenue bonds in the aggregate principal amount of not to exceed \$60,000,000 to finance the acquisition, construction and equipping of a 272-unit multifamily housing facility located in Olympia, Washington, to be owned by Harbor Pines Apartments, LLC, a Washington limited liability company; approving the sale of the bonds to Cedar Rapids Bank and Trust Company pursuant to its purchase offer; approving the form of a financing agreement, regulatory agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

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

WHEREAS, the Act authorizes the Commission to issue its bonds for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), exempts from federal income tax the interest paid on bonds the proceeds of which are used to finance multifamily housing facilities meeting the requirements of the Code;

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

WHEREAS, Cedar Rapids Bank and Trust Company (the "Bank") has offered to originate two loans in an aggregate principal amount of not to exceed \$60,000,000 (the "Loans") to finance a portion of the costs of the acquisition, construction and equipping of a 272-unit

multifamily housing facility located in Olympia, Washington (the “Project”), by Harbor Pines Apartments, LLC, a Washington limited liability company (the “Borrower”), and to sell the Loans to the Commission;

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 Multifamily Housing Revenue Bond (Harbor Pines Apartments Project), Series 2026A and its Washington State Housing Finance Commission Multifamily Housing Revenue Bond (Harbor Pines Apartments Project), Series 2026B, with such additional series and designations as may be appropriate, in the aggregate principal amount of not to exceed \$60,000,000 (together, the “Bonds”); and (2) its acquisition of the Loans with proceeds of the Bonds;

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 25-25A, the Commission held public hearings as required by federal tax law on March 26, 2026 and June 16, 2026, and the Governor has, or by the closing on the Bonds will have, approved the Project and the Bonds; and

WHEREAS, the Commission has received an offer to purchase the Bonds (the “Purchase Offer”) from the Bank.

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 Bank (the

“Financing Agreement”), the Non-Arbitrage Certificate executed by the Commission of even date with the Bonds (the “Tax Certificate”), and the Regulatory Agreement between the Commission and the Borrower (the “Regulatory Agreement”).

Section 2. Findings. The Commission hereby ratifies its prior findings that a substantial number of persons and families in the state of Washington are unable to rent apartments in various parts of the state or the rents required of such persons or families substantially exceed their available income. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The issuance of the Bonds by the Commission will encourage developers to construct new projects and rehabilitate existing projects, which will make additional units available to persons and families at affordable rents.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans under the Act for the financing of eligible housing facilities through the issuance of privately placed nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bonds are in furtherance of the Act and the Plan.

Section 4. Authorization of the Bonds. The Commission hereby authorizes the issuance, sale and delivery of its Bonds to be designated “Multifamily Housing Revenue Bond (Harbor Pines Apartments Project), Series 2026A” and “Washington State Housing Finance Commission Multifamily Housing Revenue Bond (Harbor Pines Apartments Project), Series 2026B” and with such additional series and designations as may be appropriate, in an

aggregate principal amount not to exceed \$60,000,000, pursuant to and in accordance with the provisions of the Act and the Code.

Section 5. Approval of Documents. It is hereby found and determined that the Financing Agreement, the Tax Certificate and the Regulatory Agreement conform to the requirements of the Act and the Code and provide appropriate security for the Bonds consistent with the Act and the Code.

The Financing Agreement, Tax Certificate and Regulatory Agreement are hereby approved in substantially the forms filed with the Executive Director of the Commission. The Commission hereby authorizes the Chair, Vice-Chair, Treasurer, Executive Director and the Secretary, or the Secretary's designee, to execute on its behalf such documents, the documents contemplated therein, and any other necessary documents or certificates, and to do all things necessary on its behalf to proceed with the Program and the issuance, sale and delivery of the Bonds. 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 6. Sale of the Bonds. The Commission hereby authorizes and approves the sale of the Bonds to the Bank, in accordance with the Purchase Offer attached hereto as Exhibit A.

Section 7. 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 8. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or the Secretary's designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 25th day of June, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Purchase Offer

Bonds with 4% Tax Credit

Project Name Harbor Pines

Developer DevCo, LLC

Description Harbor Pines is the new construction of 272 units in Olympia, Washington. Ten percent of units will be set aside for disabled persons, as well as 20% set aside for large households. The project will provide amenities including a fitness center, outdoor plazas, computer/business center, dog walk, outdoor recreation/play areas and meeting rooms.

DevCo is partnering with Next Chapter as their Community Based Organization on Harbor Pines. Next Chapter's mission is to provide a safe and supportive place to live for pregnant women, single mothers, and their children who are experiencing homelessness, while helping them address their individual barriers to housing.

Next Chapter provides education, opportunities, and tools for women to find permanent housing and achieve self-sufficiency.

Location 3909 - 9th Ave SW
Olympia, WA 98502

Project Type New Construction

Units	One Bedroom	88
	Two Bedroom	92
	Three Bedroom	52
	Four Bedroom	24
	Five Bedroom	16
	Total	272

Housing Tax Credits Yes

Income Set-Aside 100% at 60%

Income Averaging - allows units to serve households earning as much as 80% of the AMI as long as the average income/rent limit in the property is 60% or less of AMI.

Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	7
	Commitments for Priority Populations	2
	CBO Ownership	6
	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 – New Construction	12
	Total Points	39
Estimated Tax-Exempt Obligation Amount (Not to exceed)	\$60,000,000	
Obligation Structure	Private Placement	
Lender	Cedar Rapids Bank & Trust	
Development Budget		
Acquisition Costs		\$5,662,000
Construction		\$73,889,842
Soft Costs		\$17,184,214
Financing Costs		\$8,821,828
Capitalized Reserves		\$2,253,000
Other Development Costs		\$5,674,582
Total Development Costs		\$113,485,466
Permanent Sources		
Citi Perm Loan		\$43,492,000
Soft Loan		\$13,000,000
Deferred Dev Fee		\$11,621,194
Net Operating Income		\$3,048,970
General Partner Equity		\$100
Tax Credit Equity at \$0.8500 per credit x 10 years		\$42,323,202
Total Permanent Sources		\$113,485,466
Total Development Cost Limit		
Project's Total Development Cost Limit		\$132,548,904
Total Development Cost (minus land and reserves)		\$105,670,466
Waiver		Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,600	\$1,380
Two Bedroom	\$1,850	\$1,656
Three Bedroom	\$2,150	\$1,913
Four Bedroom	\$2,425	\$2,134
Five Bedroom	\$2,700	\$2,355

Action

Approval of Resolution No. 26-58

Anticipated Closing Date

July 2026

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 26-59

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of one or more series of tax-exempt and/or taxable nonrecourse revenue notes in an aggregate principal amount of not to exceed \$10,000,000, to finance the acquisition, construction and equipping of a multifamily housing facility in Cle Elum, Washington, to be owned by Teanaway Court Associates LLLP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON JUNE 25, 2026

PREPARED BY:

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

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RESOLUTION NO. 26-59

A RESOLUTION of the Washington State Housing Finance Commission authorizing a plan of finance relating to the issuance of one or more series of tax-exempt and/or taxable nonrecourse revenue notes in an aggregate principal amount of not to exceed \$10,000,000, to finance the acquisition, construction and equipping of a multifamily housing facility in Cle Elum, Washington, to be owned by Teanaway Court Associates LLLP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to amend and 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 issue its bonds and other evidences of indebtedness for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof are used to finance multifamily housing facilities meeting the requirements of the Code; and

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

WHEREAS, Citibank, N.A. (the "Bank") has offered to make a loan in a principal amount of not to exceed \$10,000,000 to the Commission (the "Funding Loan") to provide funds

for the acquisition, construction and equipping of a 41-unit multifamily residential rental facility (the “Project”) located in Cle Elum, Washington, to be owned by Teanaway Court Associates LLLP, a Washington limited liability limited partnership (the “Borrower”); and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire a loan originated by a mortgage lender to the Borrower (the “Borrower Loan”) for the Project; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing of the Project through: (1) the incurrence of the Funding Loan, as evidenced by its Multifamily Revenue Note (Teanaway Court Apartments Project), Series 2026 (the “Note”), in a principal amount of not to exceed \$10,000,000; and (2) its acquisition of the Borrower Loan with proceeds of the Note; and

WHEREAS, the Note is unrated and privately placed and will be issued with terms consistent with and in furtherance of the Commission’s policy for unrated obligations; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 25-28A, the Commission held a public hearing on February 26, 2026 as required by federal tax law, and the Governor has, or by the closing on the Note will have, approved the Project, the plan of finance and the Note; and

WHEREAS, the Commission has received an offer to make the Funding Loan evidenced by the Note (the “Loan Commitment”) from the Bank to provide financing for the Project; 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 Funding Loan Agreement (the “Funding Loan

Agreement”), among the Bank, the Commission and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”); the Borrower Loan Agreement (the “Borrower Loan Agreement”), among the Commission, the Fiscal Agent, the Bank, acting as mortgage lender, and the Borrower; the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”); and the Regulatory Agreement (the “Regulatory Agreement”) between the Borrower and the Commission.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and families in the state of Washington who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the State.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing of eligible housing facilities under the Act through the issuance of privately placed nonrecourse revenue obligations (the “Program”). The Commission hereby finds and determines that the Program and the Note are in furtherance of the Act and the Plan.

Section 4. Authorization of the Note. The Commission hereby authorizes a plan of finance relating to the issuance and delivery of its Note to be designated “Multifamily Revenue

Note (Teaway Court Apartments Project), Series 2026” in a principal amount not to exceed \$10,000,000, pursuant to and in accordance with the provisions of the Act, the Code and the Funding Loan Agreement.

Section 5. Approval of Documents. It is hereby found and determined that the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide appropriate security for the Note consistent with the Act and the Code.

The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory 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 such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf, and to do all things necessary on its behalf to proceed with the Program and the issuance and delivery of the Note 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 which 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 6. Issuance and Delivery of the Note. The Commission hereby authorizes and approves the issuance and delivery of the Note to the Bank to evidence the Funding Loan, in

accordance with the terms and conditions set forth in the Loan Commitment, attached hereto as Exhibit A.

Section 7. 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 8. 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.

[Remainder of page intentionally left blank]

ADOPTED at a special meeting duly noticed and called this 25th day of June, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

To: Steve Walker
From: Lisa Vatske and Dan Rothman
Date: 2/24/2026
Re: Teanaway Court TDC Waiver

Teanaway Court, a Bond/Tax credit project sponsored by HopeSource, exceeds the 2026 Metro TDC limit by 26.17%, or ~\$5M. The project is a proposed 41-unit, garden style development. The project qualifies as an Urban Type Project and is approved to use the Metro TDC limits.

The Teanaway Court site differs materially from a baseline semi-rural development in topography, soils, climate exposure, labor market conditions, and infrastructure readiness. These differences substantially increase civil, structural, labor, and general-conditions costs. Collectively, these factors extend the construction duration and raise overall project risk and pricing.

- *Site-related costs:* The project's semi-rural site requires major grading, stepped foundations, rock excavation, and retaining systems, as well as 900+ linear feet of off-site utility extensions, DOT-standard roadway construction, and frontage improvements—scope not present in typical LIHTC developments. These conditions generate **\$2.79M** in above-baseline site-related costs.
- *Labor market:* Cle Elum's labor market compounds these challenges. With limited local subcontractors and pricing influenced by the nearby Suncadia resort economy, trades must mobilize from Puget Sound, adding travel, per-diem, supervision, logistics, and reduced competition. Additionally, there are productivity losses from winter weather, commute distances, constrained staging, and multi-building sequencing inefficiencies. This results in **\$1.69M** in labor-driven cost increases.
- *Structural:* Structural costs are elevated due to high snow loads, seismic demands, deep frost depth, and sloped terrain, requiring deeper reinforced foundations, denser shear walls, and larger engineered wood members. The seven detached residential buildings, combined with a community building and licensed childcare center, each require independent lateral and roof systems. These factors contribute **\$1.49M** in incremental structural costs.
- *Infrastructure:* Infrastructure and MEP costs add **\$2.81M**, reflecting Washington energy code requirements, distributed mechanical and electrical systems across multiple buildings, enhanced fire/life-safety. The childcare facility introduces commercial-grade systems and assembly-occupancy requirements not captured in TDC's residential cost benchmarks.

We recommend that HopeSource's request is approved as requested. Cle Elum faces a severe shortage of affordable housing. Housing costs in Kittitas County are increasing faster than household incomes, with 19% of households experiencing severe housing cost burden (13%¹ statewide). This affordability gap is compounded by Cle Elum's growing appeal as a recreation-oriented community, attracting new full and part-time residents, which places added pressure on the local housing market. In this context, Teanaway Court provides critically needed affordable units that directly respond to these affordability pressures.

¹ Kittitas County 2022 Community Health Assessment

Bonds with 4% Tax Credit

Project Name	Teaway Court	
Developer	HopeSource	
Description	<p>Teaway Court will create 41 affordable housing units in a variety of 1-, 2-, and 3-bedroom layouts over 10 four-plex style buildings. A resident community building will house HopeSource offices for on site management, laundry facilities and a resident common area. At the center of the site will be a child development center, serving the community at large and operated by a separate child development center provider, ABC Dino. The project will be supported by HopeSource's direct assistance, which includes housing stability, food security, employment skills development, and budgeting.</p> <p>On-site community service offices will support community members and eventual residents of the housing by increasing access to physical and mental health support, housing stability services, life skills and education, and case management to aid in eventual self-sufficiency and stability.</p> <p>HopeSource prioritizes low-barrier approaches to housing services. Clients with experience with the criminal justice system and those with prior eviction experience are eligible to receive housing through HopeSource programs. Their client advocates work to remove barriers where possible. HopeSource continues to develop new permanent housing solutions that ensure housing stability and protections for lowest-income renters, not just during times of crisis.</p>	
Location	401 N Short Avenue Cle Elum, WA 98922	
Project Type	New Construction	
Units	One Bedroom	18
	Two Bedroom	14
	Three Bedroom	9
	Total	41

Housing Tax Credits	Yes	
Income Set-Aside	100% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Commitments for Priority Populations	2
	CBO Ownership	8
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit	2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction	12
	Total Points	34
Estimated Maximum Obligation Amount (Not to exceed)	\$10,000,000	
Obligation Structure	Private Placement	
Lender	Citi Community Capital	
Development Budget		
Acquisition Costs		\$1,433,292
Construction		\$14,318,718
Soft Costs		\$4,531,040
Financing Costs		\$1,421,273
Capitalized Reserves		\$246,546
Other Development Costs		\$1,844,895
Total Development Costs		\$23,795,764
Permanent Sources		
Permanent Mortgage		\$2,600,000
Kittitas County		\$750,000
Department of Commerce		\$5,000,000
Federal Appropriation		\$6,264,776
Deferred Developer Fee		\$8,992
Soft Loan		\$96,076
Tax Credit Equity at \$0.85 per credit x 10 years		\$9,075,920
Total Permanent Sources		\$23,795,764
Total Development Cost Limit		
Project's Total Development Cost Limit		\$19,191,267
Total Development Cost (minus land and reserves)		\$22,115,926
Waiver		Approved

Project Operations

<i>Unit Size</i>	<i>Market Rent</i>	<i>Proposed Rent</i>
One Bedroom	\$1,250	\$1,044
Two Bedroom	\$1,350	\$1,215
Three Bedroom	\$1,775	\$1,430

Action Approval of Resolution No. 26-59

Anticipated Closing Date July 2026

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 26-72

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$36,675,000, to finance the acquisition and rehabilitation of a 242-unit multifamily housing facility in Pasco, Washington, to be owned by Silvercreek by Vintage, LP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON JUNE 25, 2026

PREPARED BY:

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

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RESOLUTION NO. 26-72

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt nonrecourse revenue note in a principal amount of not to exceed \$36,675,000, to finance the acquisition and rehabilitation of a 242-unit multifamily housing facility in Pasco, Washington, to be owned by Silvercreek by Vintage, LP; approving the issuance and delivery of the note to Citibank, N.A.; approving the form of a funding loan agreement, a borrower loan agreement, a regulatory agreement and a tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to amend and 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 issue its bonds and other evidences of indebtedness for the purpose of acquiring mortgage loans used to finance multifamily housing facilities in Washington; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof are used to finance multifamily housing facilities meeting the requirements of the Code; and

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

WHEREAS, Citibank, N.A. ("Citi") has offered to make a loan in a principal amount of not to exceed \$36,675,000 to the Commission (the "Funding Loan") to provide funds for the acquisition and rehabilitation of a 242-unit multifamily housing facility (the "Project") located in

Pasco, Washington, to be owned by Silvercreek by Vintage, LP, a Washington limited partnership (the “Borrower”); and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire a loan originated by a mortgage lender to the Borrower (the “Borrower Loan”) for the Project; and

WHEREAS, it is desirable for the Commission to provide the Borrower with tax-exempt financing of the Project through: (1) the incurrence of the Funding Loan, as evidenced by its Multifamily Revenue Note (Silver Creek by Vintage Project), Series 2026 (the “Note”) in the principal amount of not to exceed \$36,675,000; and (2) its acquisition of the Borrower Loan with proceeds of the Note; and

WHEREAS, the Note is unrated and privately placed and will be issued with terms consistent with and in furtherance of the Commission’s policy for unrated obligations; and

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 25-26A, the Commission held a public hearing on April 23, 2026 as required by federal tax law, and the Governor has, or by the closing on the Note will have, approved the Project and the Note; and

WHEREAS, the Commission has received an offer to make the Funding Loan evidenced by the Note (the “Loan Commitment”) from Citi; 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 Funding Loan Agreement (the “Funding Loan Agreement”), among Citi, the Commission and U.S. Bank Trust Company, National Association,

as fiscal agent (the “Fiscal Agent”); the Borrower Loan Agreement (the “Borrower Loan Agreement”), among the Commission, the Fiscal Agent, Citi, acting as mortgage lender, and the Borrower; the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”); and the Regulatory Agreement (the “Regulatory Agreement”) between the Borrower and the Commission.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and families in the state of Washington who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income of such persons or families. As a result, many persons and families are unable to rent safe and sanitary housing at reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and families is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the state.

Section 3. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing of eligible housing facilities under the Act through the issuance of privately placed nonrecourse revenue obligations (the “Program”). The Commission hereby finds and determines that the Program and the Note are in furtherance of the Act and the Plan.

Section 4. Authorization of the Note. The Commission hereby authorizes the issuance and delivery of its Note to be designated “Multifamily Revenue Note (Silver Creek by

Vintage Project), Series 2026” in a principal amount of not to exceed \$36,675,000, pursuant to and in accordance with the provisions of the Act, the Code and the Funding Loan Agreement.

Section 5. Approval of Documents. It is hereby found and determined that the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide appropriate security for the Note consistent with the Act and the Code.

The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory 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 such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf, and to do all things necessary on its behalf to proceed with the Program and the issuance and delivery of the Note 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 which 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 6. Issuance and Delivery of the Note. The Commission hereby authorizes and approves the issuance and delivery of the Note to Citi to evidence the Funding Loan, in accordance with the terms and conditions set forth in the Loan Commitment, attached hereto as Exhibit A.

Section 7. 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 8. 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.

[Remainder of page intentionally left blank]

ADOPTED at a special meeting duly noticed and called this 25th day of June, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A
Loan Commitment

Bonds with 4% Tax Credits

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 and is acting as the Community Based 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	\$46,200,000
Construction	\$15,546,000
Soft Costs	\$10,349,900
Financing Costs	\$4,769,893
Capitalized Reserves	\$1,173,875
Other Development Costs	\$1,345,350
Total Development Costs	\$79,385,018

Permanent Sources

Permanent Loan	\$32,770,000
Seller Carry Back Note	\$11,250,000
Net Operating Income	\$3,861,475
Deferred Developer Fee	\$8,525,244
Non-Residential - Parking & Cable	\$21,000
Tax Credit Equity at \$0.80 per credit x 10 years	\$22,957,299
Total Permanent Sources	\$79,385,018

Total Development Cost Limit

Project's Total Development Cost Limit	\$111,063,964
Total Development Cost (minus land and reserves)	\$76,190,143
Waiver	Not Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,600	\$909 - \$1,107
Two Bedroom	\$1,800	\$1,091 - \$1,328
Three Bedroom	\$2,050	\$1,260 - \$1,534

Four Bedroom

\$2,300

\$1,401 - \$1,707

Action

Approval of Resolution No. 26-72

Anticipated Closing Date

June 2026

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 26-69

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

ADOPTED: JUNE 25, 2026

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RESOLUTION NO. 25-47

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

corresponding established mortgage interest rates on mortgage loans and (b) without establishing mortgage interest rates pending changes in rates or demand among other factors, may not exceed \$300,000,000; (2) upon the establishment of mortgage interest rates, the rates on mortgage loans provided with the proceeds of the tax-exempt and taxable Bonds must be no more than .75% above the rate for government-insured and/or privately insured conventional loans at comparable buyer/seller points, and with respect to taxable Bonds issued in support of the Home Advantage Program, no more than 3.00% above the rate for government-insured and/or privately insured conventional loans, and the borrower/seller points may not be greater than 2.25 points, unless, in either case, the Executive Director reasonably determines that the mortgage loans are likely to be originated within a reasonable period of time taking into consideration the terms and conditions of the mortgage loans and market conditions; (3) the final purchase and remarketing contracts with respect to the Bonds must be in furtherance of the Bond Program and the Plan; (4) the principal amount of Bonds with respect to which a mortgage interest rate is established shall be sized to meet the expected demand for funds; (5) the issuance of the Bonds of any series under the General Indenture, Homeownership Indenture or Master Indenture, in and of itself and unrelated to the downgrade of a counterparty (such as the United States government, Fannie Mae or Freddie Mac), will not cause a reduction in the then-existing rating on any Bonds outstanding under the General Indenture, Homeownership Indenture or Master Indenture, respectively; (6) with respect to taxable Bonds issued in support of the Home Advantage Program, the delegation shall include the authority to issue taxable Bonds to fund Home Advantage Down Payment Assistance loans and/or Covenant Homeownership Down Payment Assistance loans; and (7) this delegation shall expire on July 31, 2027.

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

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

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

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

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

- (1) the aggregate notional amount of the payment agreements shall not exceed \$75,000,000;
- (2) the term of the payment agreements shall not exceed the term of the related Bonds;
- (3) the Commission's obligation to pay regularly scheduled amounts due under the payment agreements absent an event of default shall be on a parity of lien with the Commission's obligation to pay principal of and interest on the Bonds issued under the General Indenture, Homeownership Indenture or Master Indenture, as applicable;
- (4) the Commission's obligation to pay any other amount due under the payment agreements (including without limitation any termination payments) shall be subordinate to the Commission's obligation to pay principal of and interest on the Bonds issued under the General Indenture, Homeownership Indenture or Master Indenture, as applicable;
- (5) any payment agreement shall be executed prior to July 31, 2027.
- (6) the Commission's swap financial advisor shall provide, on or prior to the date of execution of a payment agreement, the certification required by RCW 39.96.030(2)(b);
and

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

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

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

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

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

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

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

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

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

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

Section 10. Direct Master Servicing. The Commission hereby authorizes the internal servicing program and authorizes the Executive Director to take or delegate all actions necessary to carry out such program, including the determination of which single-family loans to direct-service, as necessary and in the interests of the Commission, to ensure the continued efficiency and effectiveness of its single-family program.

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

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

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

ADOPTED at a special meeting duly noticed and called this 25th day of June, 2026.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel



Memorandum

To: Commissioners

From: Lucas Loranger, Mackenzie Hafer, Shirleen Noonan

CC: Executive Management Team

Date: June 16, 2026

Re: Budget proposal for Fiscal Year 2027 (July 1, 2026 – June 30, 2027)

BACKGROUND

The proposed budget for the Washington State Housing Finance Commission's upcoming fiscal year 2027 (July 1, 2026, through June 30, 2027) follows. Although we have updated a few items, this proposed annual budget stays substantially the same as the draft we presented to you at the May Budget & Planning Session.

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

- Increased employee expenses with the addition of two new FTEs in the Admin division, expected to be hired in the third quarter, as well as an added intern position
- Increased professional fees for the addition of assistance with the agency's push to meet federal web accessibility mandates, continuing our work with the Athena Group, and video production help
- Increased software expenses for customizations to our existing systems and additional licenses
- Increased training fees for a financial reporting software training

After incorporating these changes, projected net revenue decreased by \$717,664, or 1.8%, from May's preliminary budget.

PROPOSED ACTION

Consider and act on the approval of the proposed fiscal year 2027 budget.

WASHINGTON STATE HOUSING FINANCE COMMISSION
Budget for Fiscal Year Ending June 30, 2027

	HOMEOWNERSHIP			MULTIFAMILY HOUSING & COMMUNITY FACILITIES*	ASSET MANAGEMENT AND COMPLIANCE	FINANCE			INFORMATION TECHNOLOGY SERVICES	EXECUTIVE OFFICE			TOTAL BUDGET
	Home-ownership	Homebuyer Education	TOTAL			Bond Portfolio Management	General Operations	TOTAL		Administration	Comm.	TOTAL	
REVENUE													
Fee Revenue	27,267,016	-	27,267,016	12,317,839	8,759,842	6,459,390	-	6,459,390	-	-	-	-	54,804,088
Interest Revenue	-	-	-	-	-	-	11,868,242	11,868,242	-	-	-	-	11,868,242
Misc. Revenue	-	67,000	67,000	-	127,000	-	4,000	4,000	-	37,500	-	37,500	235,500
Pass through Grants	-	1,261,000	1,261,000	-	-	-	-	-	-	-	-	-	1,261,000
TOTAL REVENUE	27,267,016	1,328,000	28,595,016	12,317,839	8,886,842	6,459,390	11,872,242	18,331,632	-	37,500	-	37,500	68,168,830
EXPENSES													
Salaries & Wages	3,648,071	527,496	4,175,567	4,138,850	3,172,080	746,841	1,418,816	2,165,657	1,849,025	3,215,958	22,857	3,238,815	18,739,994
Travel	64,427	10,313	74,740	74,670	58,385	13,428	28,597	42,025	58,503	110,487	60,650	171,137	479,460
Professional Fees	395,200	30,000	425,200	335,000	100,000	229,215	268,500	497,715	-	350,000	-	350,000	1,707,915
Office Exp. & Other	612,769	77,409	690,178	600,206	1,364,637	173,757	424,344	598,101	1,798,299	1,876,730	22,350	1,899,080	6,950,501
Pass through Grants	-	1,261,000	1,261,000	-	-	-	-	-	-	-	-	-	1,261,000
TOTAL EXPENSES	4,720,467	1,906,218	6,626,685	5,148,726	4,695,102	1,163,241	2,140,257	3,303,498	3,705,827	5,553,175	105,857	5,659,032	29,138,870
EXCESS OF REVENUES OVER EXPENSES	22,546,549	(578,218)	21,968,331	7,169,113	4,191,740	5,296,149	9,731,985	15,028,134	(3,705,827)	(5,515,675)	(105,857)	(5,621,532)	39,029,960
Overhead Allocations	116,659	15,946	132,605	127,242	116,032	28,748	(9,731,985)	(9,703,237)	3,705,827	5,515,675	105,857	5,621,532	-
Program Allocations	212,996	106,498	319,494	5,005,403	-	(5,324,897)	-	(5,324,897)	-	-	-	-	-
NET INCOME	22,876,204	(455,774)	22,420,430	12,301,758	4,307,772	-	-	-	-	-	-	-	39,029,960
CAPITAL EXPENDITURES													40,000

FYE 2026 Budgeted Revenue & Expenses for Comparative Purposes

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

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

WSHFC		FYE 2027 -- BUDGET Roll-up by Division															
		HOMEOWNERSHIP				MULTIFAMILY HOUSING & COMMUNITY FACILITIES				ASSET MANAGEMENT & COMPLIANCE				FINANCE			
		Budget FYE 2027	Budget FYE 2026	Projected Act FYE 2026	Actual FYE 2025	Budget FYE 2027	Budget FYE 2026	Projected Act FYE 2026	Actual FYE 2025	Budget FYE 2027	Budget FYE 2026	Projected Act FYE 2026	Actual FYE 2025	Budget FYE 2027	Budget FYE 2026	Projected Act FYE 2026	Actual FYE 2025
Revenues:																	
Commission Fees		-	-	-	-	5,149,933	4,701,216	4,142,328	4,057,505	4,371,477	3,893,805	4,233,580	3,997,053	6,061,084	4,662,131	4,953,932	4,736,694
Compliance Fees		-	-	-	-	-	-	-	-	4,388,365	4,443,915	4,212,074	4,069,133	-	-	-	-
All other Program Fees		17,479,910	13,482,960	14,501,019	10,709,499	398,306	-	664,244	2,071,088	-	-	130,356	206,236	398,306	653,254	664,242	2,076,720
Issuance & Application Fees		9,787,106	3,510,074	5,328,447	5,331,541	6,769,600	5,903,808	12,216,815	7,577,055	-	-	-	-	-	-	-	-
Interest Revenue		-	-	-	-	-	-	-	-	-	-	-	-	11,868,242	11,920,536	11,956,017	15,349,325
Other Income		67,000	156,000	300,792	642,918	-	-	-	93,798	127,000	168,997	130,810	156,205	4,000	4,003	4,297	6,672
Grant Revenue		1,261,000	7,613,008	9,427,058	60,398,071	-	-	-	-	-	-	-	-	-	-	-	-
Total Unadjusted Revenues		28,595,016	24,762,042	29,557,317	77,082,028	12,317,839	10,605,024	17,023,386	13,799,446	8,886,842	8,506,717	8,706,821	8,428,627	18,331,632	17,239,924	17,578,487	22,169,412
Expenses:																	
EMPLOYEE EXPENSES																	
Salaries, Wages & Temp. staffing		3,315,180	2,934,144	2,635,537	2,394,794	3,236,711	2,962,044	2,639,269	2,382,929	2,485,980	2,293,572	2,019,960	1,751,309	1,666,881	1,592,211	1,303,794	1,199,951
Employee Benefits		815,462	699,960	670,903	671,725	853,864	756,300	710,611	703,991	649,975	569,220	534,719	501,277	457,851	420,409	341,370	361,689
Conference, Education & Training		44,925	39,552	13,785	8,678	48,275	44,496	16,417	12,549	36,125	33,096	21,373	21,323	40,925	26,348	4,860	8,374
TRAVEL EXPENSES																	
Travel out of state		51,250	48,744	4,099	10,848	47,500	45,000	16,189	22,286	38,750	38,748	12,844	26,080	25,000	25,004	-	2,498
Travel in state		23,490	21,336	5,674	19,765	27,170	26,100	2,543	18,814	19,635	18,468	19,734	28,273	17,025	16,966	846	5,773
PROFESSIONAL FEES																	
Accounting Fees		-	-	-	-	-	-	-	-	-	-	-	-	150,815	146,364	138,824	135,444
Legal Fees		180,000	170,004	234,372	178,964	235,000	215,004	110,406	149,572	100,000	140,004	87,123	119,752	1,000	996	-	-
Financial Advisor Fees		245,200	245,196	235,200	237,700	100,000	75,000	-	-	-	-	-	-	113,400	100,200	108,000	190,118
Investment Management Fees		-	-	-	-	-	-	-	-	-	-	-	-	232,500	218,004	222,039	206,018
OFFICE EXPENSE																	
Office Rent/Conf. Room Rentals		124,799	124,944	109,495	90,978	137,149	143,784	126,515	93,422	110,385	108,096	96,571	73,058	76,493	82,531	72,618	60,111
Furniture & Equipment Rental		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising		35,500	50,508	7,799	13,104	15,000	15,000	4,740	9,314	8,000	2,496	960	734	1,900	1,900	-	-
Publications/ Subscriptions/ Dues		3,251	12,381	1,451	1,845	50,000	39,000	27,487	30,556	13,400	8,100	14,405	5,217	2,418	2,368	630	225
Deliveries		100	96	27	87	1,000	996	149	756	-	-	168	-	100	100	-	-
Insurance		20,000	12,000	17,516	9,562	-	-	-	-	-	-	-	-	-	-	-	-
Meeting Expense		-	1,488	-	395	11,000	9,997	668	409	3,000	3,021	-	1,682	750	739	-	-
Equipment & Building Maintenance		1,500	-	1,711	-	2,000	-	1,977	-	1,500	-	1,445	-	-	-	1,135	-
Software Maint. Support & Other Info		228,146	257,748	227,608	198,371	145,304	126,816	127,288	112,522	488,732	345,636	280,051	311,542	389,089	275,245	256,075	186,551
Non-capitalized Equipment/Supplies		3,121	936	-	3,421	3,443	3,348	-	436	2,595	2,448	699	272	1,921	1,922	212	-
Postage		100	96	1	10	250	252	299	292	25	48	2	31	280	430	103	341
Printing		-	48	-	122	-	-	40	33	6,000	996	2,383	4,899	320	320	-	33
State Services		-	-	-	-	-	-	-	-	-	-	3,122	-	-	-	-	-
Supplies		5,000	2,004	3,765	3,192	150	156	93	134	1,000	2,004	781	1,314	1,350	1,356	240	474
Telephone		3,004	2,952	2,208	2,642	5,400	8,004	4,898	6,293	3,000	3,000	2,423	3,430	480	-	234	-
Other Office Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract Services		234,700	109,404	229,636	177,732	210,000	-	-	25,625	727,000	864,996	713,062	735,042	123,000	30,000	98,653	22,378
Depreciation		30,957	30,960	30,957	30,957	19,510	19,512	23,411	67,509	-	-	-	-	-	-	-	-
Grant Pass-Through		1,261,000	7,613,008	9,427,058	60,398,071	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses		6,626,685	12,377,509	13,858,801	64,452,962	5,148,726	4,490,809	3,813,000	3,637,442	4,695,102	4,433,949	3,811,825	3,585,234	3,303,498	2,943,413	2,549,634	2,379,978
Revenue over expense, prior to allocations		21,968,331	12,384,533	15,698,516	12,629,067	7,169,113	6,114,215	13,210,387	10,162,004	4,191,740	4,072,768	4,894,995	4,843,393	15,028,134	14,296,511	15,028,853	19,789,433
% of Total Expenses		19.2%	19.9%	20.7%	22.3%	18.5%	18.8%	17.8%	20.0%	16.8%	18.6%	17.8%	19.7%	11.8%	12.3%	11.9%	13.1%
NET INCOME		21,968,331	12,384,533	15,698,516	12,629,067	7,169,113	6,114,215	13,210,387	10,162,004	4,191,740	4,072,768	4,894,995	4,843,393	15,028,134	14,296,511	15,028,853	19,789,433
OVERHEAD ALLOCATION		132,605	914,298	1,331,883	3,218,662	127,242	861,777	1,078,913	2,963,216	116,032	850,866	962,273	2,768,432	(9,703,237)	(9,854,280)	(10,154,350)	(13,438,771)
PROGRAM ALLOCATION																	
BOND PORTFOLIO MANAGEMENT		319,494	266,534	389,960	381,040	5,005,403	4,175,697	4,484,542	5,969,623	-	-	-	-	(5,324,897)	(4,442,231)	(4,874,502)	(6,350,663)
BOND COMPLIANCE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAX CREDIT COMPLIANCE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME		22,420,430	13,565,365	17,420,359	16,228,768	12,301,758	11,151,689	18,773,841	19,094,843	4,307,772	4,923,634	5,857,269	7,611,825	-	-	-	-
OVERHEAD ALLOCATION PERCENTAGE		33%	35%	35%	33%	31%	28%	28%	31%	29%	25%	25%	29%	7%	11%	11%	7%
PROGRAM ALLOCATION PERCENTAGE																	
BOND PORTFOLIO MANAGEMENT (Based on		6%	8%	8%	6%	94%	92%	92%	94%	0%	0%	0%	0%	0%	0%	0%	0%

WSHFC													
	INFORMATION TECHNOLOGY SERVICES				EXECUTIVE ADMINISTRATION				FYE 2027	FYE 2026	@ 04/30/26		
	Budget	Budget	Projected Act	Actual	Budget	Budget	Projected Act	Actual	TOTAL	TOTAL	FYE 2026		
	FYE 2027	FYE 2026	FYE 2026	FYE 2025	FYE 2027	FYE 2026	FYE 2026	FYE 2025	BUDGET	Budget	Proj Act	Actual	
Revenues:													
Commission Fees	-	-	-	-	-	-	-	-	15,582,494	13,236,213	13,329,840	12,791,252	
Compliance Fees	-	-	-	-	-	-	-	-	4,388,365	4,443,915	4,212,074	4,069,133	
All other Program Fees	-	-	-	-	-	-	-	-	18,276,523	14,157,153	15,959,860	15,063,543	
Issuance & Application Fees	-	-	-	-	-	-	-	-	16,556,706	9,413,882	17,545,262	12,908,596	
Interest Revenue	-	-	-	-	-	-	-	-	11,868,242	11,920,536	11,956,017	15,349,325	
Other Income	-	-	-	-	37,500	34,944	36,083	32,142	235,500	363,944	471,982	931,736	
Grant Revenue	-	-	-	-	-	-	-	-	1,261,000	7,613,008	9,427,058	60,398,071	
Total Unadjusted Revenues	-	-	-	-	37,500	34,944	36,083	32,142	68,168,830	61,148,651	72,902,094	121,511,655	
Expenses:													
EMPLOYEE EXPENSES													
Salaries, Wages & Temp. staffing	1,426,224	948,216	888,722	538,294	2,486,309	2,284,644	2,139,150	1,966,121	14,617,285	13,014,831	11,626,432	10,233,398	
Employee Benefits	371,286	238,080	230,470	124,952	681,096	590,388	547,270	(582,635)	3,829,534	3,274,357	3,035,343	1,780,999	
Conference, Education & Training	51,515	29,004	33,228	14,252	71,410	63,300	26,455	26,198	293,175	235,796	116,117	91,373	
TRAVEL EXPENSES													
Travel out of state	35,480	6,996	11,626	17,073	106,120	78,768	31,837	24,943	304,100	243,260	76,594	103,727	
Travel in state	23,023	11,088	1,920	927	65,017	58,212	7,070	24,318	175,360	152,170	37,787	97,870	
PROFESSIONAL FEES													
Accounting Fees	-	-	-	-	-	-	-	-	150,815	146,364	138,824	135,444	
Legal Fees	-	-	-	-	350,000	185,004	243,951	165,062	866,000	711,012	675,852	613,350	
Financial Advisor Fees	-	-	-	-	-	-	-	-	458,600	420,396	343,200	427,818	
Investment Management Fees	-	-	-	-	-	-	-	-	232,500	218,004	222,039	206,018	
OFFICE EXPENSE													
Office Rent/Conf. Room Rentals	58,923	44,556	39,203	27,743	107,991	111,264	104,316	187,198	615,740	615,175	548,718	532,509	
Furniture & Equipment Rental	-	-	265	458	18,936	25,872	14,825	12,321	18,936	25,872	15,090	12,779	
Advertising	-	-	-	-	230,035	143,232	87,384	58,675	290,435	213,136	100,883	81,827	
Publications/ Subscriptions/ Dues	17,210	8,292	5,459	4,488	72,714	68,916	65,906	65,705	158,993	139,057	115,339	108,036	
Deliveries	-	-	116	-	1,500	1,008	549	425	2,700	2,200	1,010	1,268	
Insurance	-	-	-	-	84,000	69,996	65,455	67,960	104,000	81,996	82,971	77,522	
Meeting Expense	-	-	-	598	157,000	141,976	141,178	80,977	171,750	157,221	141,845	84,060	
Equipment & Building Maintenance	-	-	613	1,221	17,420	58,296	2,866	47,222	22,420	58,296	9,748	48,443	
Software Maint. Support & Other Info	985,713	1,066,476	804,270	626,654	121,407	336,252	133,684	142,797	2,358,391	2,408,173	1,828,975	1,578,437	
Non-capitalized Equipment/Supplies	86,479	58,032	117,639	139,955	33,690	13,476	4,748	25,153	131,249	80,162	123,298	169,237	
Postage	-	-	-	-	600	240	269	168	1,255	1,066	674	843	
Printing	-	-	40	33	3,000	6,000	40	5,808	9,320	7,364	2,502	10,928	
State Services	-	-	-	-	9,370	6,972	3,092	2,721	9,370	6,972	6,214	2,721	
Supplies	2,000	2,004	11,218	7,267	10,250	35,748	8,235	44,640	19,750	43,272	24,331	57,021	
Telephone	88,200	63,720	84,057	60,909	5,116	4,452	5,096	15,223	105,200	82,128	98,917	88,498	
Other Office Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Contract Services	516,000	60,000	375,485	14,304	956,004	341,316	451,702	474,971	2,766,704	1,405,716	1,868,539	1,450,052	
Depreciation	43,774	30,444	43,217	41,922	70,047	70,044	84,739	43,583	164,288	150,960	182,325	183,971	
Grant Pass-Through	-	-	-	-	-	-	-	-	1,261,000	7,613,008	9,427,058	60,398,071	
Total Expenses	3,705,827	2,566,908	2,647,547	1,621,051	5,659,032	4,695,376	4,169,817	2,899,553	29,138,870	31,507,964	30,850,624	78,576,220	
Revenue over expense, prior to allocations	(3,705,827)	(2,566,908)	(2,647,547)	(1,621,051)	(5,621,532)	(4,660,432)	(4,133,734)	(2,867,410)	39,029,960	29,640,687	42,051,470	42,935,436	
% of Total Expenses	13.3%	10.7%	12.4%	8.9%	20.3%	19.7%	19.5%	16.0%	100%	100%	100%	100%	
NET INCOME	(3,705,827)	(2,566,908)	(2,647,547)	(1,621,051)	(5,621,532)	(4,660,432)	(4,133,734)	(2,867,410)	39,029,960	29,640,687	42,051,470	42,935,436	
OVERHEAD ALLOCATION	3,705,827	2,566,908	2,647,547	1,621,051	5,621,532	4,660,432	4,133,734	2,867,410	-	-	-	-	
PROGRAM ALLOCATION													
BOND PORTFOLIO MANAGEMENT	-	-	-	-	-	-	-	-	-	-	-	-	
BOND COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-	
TAX CREDIT COMPLIANCE	-	-	-	-	-	-	-	-	-	-	-	-	
NET INCOME	-	-	-	-	-	-	-	-	39,029,960	29,640,687	42,051,470	42,935,436	
OVERHEAD ALLOCATION PERCENTAGE													
PROGRAM ALLOCATION PERCENTAGE									100%	100%	100%	100%	
BOND PORTFOLIO MANAGEMENT (Based on									100%	100%	100%	100%	

Washington State Housing Finance Commission
Projected Statement of Operations
FYE 26 Projected Actual & FYE 27 Budget versus FYE 26 Budget

	FYE 2027 Bdgt vs. FYE 2026 Bdgt Change	FYE 2027 Bdgt vs. FYE 2026 Bdgt Variance	FYE 2026 Budget	FYE 2027 Budget	@ 04/30/26 FYE 2026 Projected Actual	FYE 2027 Bdgt vs. FYE 2026 Proj Variance	FYE 2027 Bdgt vs. FYE 2026 Prj Change	FYE 2027 Budget %
Revenues:								
Program Fees	20%	6,410,101	31,837,281	38,247,382	33,501,774	4,745,608	14%	57.2%
Issuance & Application Fees	76%	7,142,824	9,413,882	16,556,706	17,545,262	(988,556)	-6%	24.7%
Interest Revenue	0%	(52,294)	11,920,536	11,868,242	11,956,017	(87,775)	-1%	17.7%
Other Income	-35%	(128,444)	363,944	235,500	471,982	(236,482)	-50%	0.4%
Total Unadjusted Revenues excluding Grants	25%	13,372,187	53,535,643	66,907,830	63,475,036	3,432,794	5%	100%
Expenses:								
EMPLOYEE EXPENSES								
Salaries, Wages & Temp. staffing	12%	1,602,454	13,014,831	14,617,285	11,626,432	2,990,853	26%	52.4%
Employee Benefits	17%	555,177	3,274,357	3,829,534	3,035,343	794,191	26%	13.7%
Conference, Education & Training	24%	57,379	235,796	293,175	116,117	177,058	152%	1.1%
TRAVEL EXPENSES								
Travel out of state	25%	60,840	243,260	304,100	76,594	227,506	297%	1.1%
Travel in state	15%	23,190	152,170	175,360	37,787	137,573	364%	0.6%
PROFESSIONAL FEES								
Accounting Fees	3%	4,451	146,364	150,815	138,824	11,992	9%	0.5%
Legal Fees	22%	154,988	711,012	866,000	675,852	190,148	28%	3.1%
Financial Advisor Fees	9%	38,204	420,396	458,600	343,200	115,400	34%	1.6%
Investment Management Fees	7%	14,496	218,004	232,500	222,039	10,461	5%	0.8%
OFFICE EXPENSE								
Office Rent/Conf. Room Rentals	0%	565	615,175	615,740	548,718	67,022	12%	2.2%
Furniture & Equipment Rental	-27%	(6,936)	25,872	18,936	15,090	3,846	25%	0.1%
Advertising	36%	77,299	213,136	290,435	100,883	189,552	188%	1.0%
Publications/ Subscriptions/ Dues	14%	19,936	139,057	158,993	115,339	43,654	38%	0.6%
Deliveries	23%	500	2,200	2,700	1,010	1,690	167%	0.0%
Insurance	27%	22,004	81,996	104,000	82,971	21,029	25%	0.4%
Meeting Expense	9%	14,529	157,221	171,750	141,845	29,905	21%	0.6%
Equipment & Building Maintenance	-62%	(35,876)	58,296	22,420	9,748	12,672	130%	0.1%
Software Maint. Support & Info Svcs	-2%	(49,782)	2,408,173	2,358,391	1,828,975	529,416	29%	8.5%
Non-capitalized Equipment/Supplies	64%	51,087	80,162	131,249	123,298	7,951	6%	0.5%
Postage	18%	189	1,066	1,255	674	581	86%	0.0%
Printing	27%	1,956	7,364	9,320	2,502	6,818	273%	0.0%
State Services	34%	2,398	6,972	9,370	6,214	3,156	51%	0.0%
Supplies	-54%	(23,522)	43,272	19,750	24,331	(4,581)	-19%	0.1%
Telephone	28%	23,072	82,128	105,200	98,917	6,283	6%	0.4%
Contract Services	97%	1,360,988	1,405,716	2,766,704	1,868,539	898,165	48%	9.9%
Depreciation	9%	13,328	150,960	164,288	182,325	(18,037)	-10%	0.6%
Total Expenses excluding Grants	17%	3,982,914	23,894,956	27,877,870	21,423,566	6,454,304	30%	100%
Grant Pass-Through Revenue	-83%	(6,352,008)	7,613,008	1,261,000	9,427,058	(8,166,058)	-87%	
Grant Pass-Through Expense	-83%	6,352,008	(7,613,008)	(1,261,000)	(9,427,058)	8,166,058	-87%	
Total Grants Net		-	-	-	-	-		
EXCESS OF REVENUES OVER EXPENSES	32%	9,389,273	29,640,687	39,029,960	42,051,470	(3,021,510)	-7%	

STAFFING SUMMARY

Division/Entity	Fiscal Year	FY 27 FTE Addition/(Reduction)			Fiscal Year
	2026 Budget	Manager	Analyst	Admin/ Specialist	2027 Budget
Homeownership	19.30		1.00	0.50	20.80
MHCF	22.30	0.70		(0.05)	22.95
Asset Mgmt Compliance	16.30			1.00	17.30
Finance	12.80				12.80
Administration	16.53	0.30	1.05	0.05	17.93
IT	6.91	1.00	1.95		9.86
WSHFC	94.14	2.00	4.00	1.50	101.64
WHEFA	0.86				0.86
Total	95.00	2.00	4.00	1.50	102.50

**WASHINGTON STATE HOUSING FINANCE COMMISSION
CAPITAL BUDGET SUMMARY
For The Budget Year Ending: June 30, 2027**

CATEGORY

Program Description	TOTAL
OTHER OFFICE EQUIPMENT	
ITS Board Room Video and Audio System	40,000
TOTAL OTHER OFFICE EQUIPMENT	40,000
GRAND TOTAL	\$ 40,000

Allowance for Annual Depreciation:	Life	Basis	In Service	Depreciation
ITS - Board Room Video and Audio System	3	40,000	July 2026	13,333
New Depreciation				13,333
Depreciation of Existing Capital Assets				
ADM - Furniture, Equipment	3 - 7			70,047
MFH - On-line Application & Community Build	3			19,510
ITS - Rubrik, Network Wiring	3			30,441
HBE - Homebuyer Portal	3			30,957
Total Depreciation				\$ 164,288

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**Homeownership Division
Fiscal Year 2026 – 2027**

Financial Stewardship Perspective
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- | |
|--|
| <ul style="list-style-type: none">• 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, 2027.
- 2. Deliver loans as an approved seller-servicer to maintain flexible underwriting guidelines and challenge biased traditional financing requirements.**
Associated metrics: Estimated completion date: June 30, 2027

Engagement Perspective

- | |
|--|
| <ul style="list-style-type: none">• 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. In consultation with the division’s community engagement staff, apply the Practice Framework of the International Association for Public Participation to one or more external-facing initiatives in the 2026-27 program year.**
Associated metrics: Estimated completion date: June 30, 2027
- 2. 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, 2027
 - Conduct 4 Advanced DPA trainings by June 30, 2027

- Engage in 20 outreach activities with non-profits, lenders, real estate professionals and/or government entities
- 3. 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.

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, 2027

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

Associated metrics: Estimated completion date: June 30, 2027

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

Associated Metrics: Report on key milestones and personnel changes thru June 30, 2027

- 2. 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.

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

Associated metrics: Estimated completion date: June 30, 2027

First-time Home Buyers (FTH)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27	FYE 26	FYE 26
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent	17.93	16.14	16.43
Temporary	-	-	-
Total FTE's	17.93	16.14	16.43
Program Budget			
Fee Income	27,267,016	19,905,817	16,993,034
Interest Income	-	-	-
Other Income	-	1,726,042	-
Grant Program Income	-	-	-
Total Revenue	27,267,016	21,631,859	16,993,034
Employee Expenses	3,648,071	2,904,349	3,171,048
Travel Expenses	64,427	9,341	59,664
Professional Fees	619,900	670,962	492,600
Office Expenses	388,069	336,796	428,916
Grant Program Expense	-	-	-
Total Expenses	4,720,467	3,921,448	4,152,228
Income over Expense Excess (Deficit)	22,546,549	17,710,411	12,840,806
Overhead Allocation	116,659	1,119,377	796,804
Program Allocation	212,996	198,953	222,112
Total Income/(Loss)	22,876,204	19,028,742	13,859,722

Homebuyers Education (HBE)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27 Proposed Budget	FYE 26 Projected Actual	FYE 26 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	2.87	2.73	2.87
Temporary			
Total FTE's	2.87	2.73	2.87
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	67,000	(1,171,976)	156,000
Grant Program Income	1,261,000	9,463,356	7,613,008
Total Revenue	1,328,000	8,291,381	7,769,008
Employee Expenses	527,496	428,659	502,608
Travel Expenses	10,313	469	10,416
Professional Fees	40,000	30,938	32,004
Office Expenses	67,409	67,292	67,245
Grant Program Expense	1,261,000	9,463,356	7,613,008
Total Expenses	1,906,218	9,990,714	8,225,281
Income over Expense Excess (Deficit)	(578,218)	(1,699,334)	(456,273)
Overhead Allocation	15,946	150,534	117,494
Program Allocation	106,498	99,477	44,422
Total Income/(Loss)	(455,774)	(1,449,323)	(294,357)

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**Multifamily Housing & Community Facilities Division
Fiscal Year 2026 – 2027**

Financial Stewardship Perspective

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

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

Associated Metrics: Report on closings. Enhance reporting for bond cap usage.

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

Associated Metrics: Report on closings and percentage of dollars allocated vs available.

3. Respond, assess and adapt to federal and state legislative changes.

Associated Metrics: Report on analysis and assessment of key bills and initiatives tracked and modification of program policy through June 30, 2027.

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. In consultation with the division’s community engagement staff, apply the Practice Framework of the International Association for Public Participation to one or more external-facing initiatives in the 2026-27 program year.**

Associated Metrics: Project will be measurable and set specific KPI(s) as part of the project plan, to be submitted during Q1. KPIs will be achievable by June 30, 2027.

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

Associated Metrics: Ratio of new applicants vs. repeat organizations, historical baseline available, and outcomes.

Internal Processes Perspective

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

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

Associated Metrics: Report on key milestones thru June 30, 2027.

Learning, Growth and Inclusion Perspective

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

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

KPIs for this Business Objective:

- a. Implement preservation strategy to preserve existing affordable housing properties in the Commission’s portfolio centering impact to residents to prevent displacement
- b. Pilot the Seattle Affordable Housing Solar Fund

- c. Implement new financing strategies to incentivize single-family production program.
- d. Implement new tools utilizing the agency's new credit rating for Multifamily programs.

Associated Metrics: Report on key milestones thru June 30, 2027.

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

Associated Metrics: Report on key milestones and personnel changes thru June 30, 2027.

**Multi-Family Housing & Community Facilities
Budget Summary for the fiscal year ending: June 30, 2027**

FINANCIAL AND PROGRAM INFORMATION

	FYE 27 Proposed Budget	FYE 26 Projected Actual	FYE 26 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	22.95	21.60	22.30
Temporary	-	-	-
Total FTE's	22.95	21.60	22.30
Program Budget			
Fee Income	12,317,839	17,023,386	10,605,024
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	12,317,839	17,023,386	10,605,024
Employee Expenses	4,138,850	3,379,259	3,762,840
Travel Expenses	74,670	18,804	71,100
Professional Fees	545,000	110,831	290,004
Office Expenses	390,206	304,106	366,865
Grant Program Expense	-	-	-
Total Expenses	5,148,726	3,813,000	4,490,809
Income over Expense Excess (Deficit)	7,169,113	13,210,386	6,114,215
Overhead Allocation	127,242	1,078,913	861,777
Program Allocation	5,005,403	4,484,542	4,175,697
Total Income/(Loss)	12,301,758	18,773,841	11,151,689

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**Asset Management and Compliance Division
Fiscal Year 2026 – 2027**

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.

Associated Metrics: 100% of required multifamily compliance reports are reviewed, documented, and closed out by the end of Q4.

2. Complete physical inspections of the tax credit property portfolio to monitor all developments remain compliant with regulatory requirements, and physically viable to provide safe, quality housing for residents.

Associated Metrics: 100% of required physical inspections for the tax credit portfolio are completed by the end of Q2, in accordance with HUD inspection standards.

3. Operationalize standardized asset management practices to proactively monitor 100% of the 4% and 9% tax credit multifamily portfolio and ensure timely identification and mitigation of financial, operational, regulatory, and physical risks in accordance with established risk assessment metrics and timelines.

Associated Metrics: Final draft of portfolio risk monitoring metrics is developed and ready for testing; performance monitoring and risk identification processes is created and incorporated in the portfolio monitoring cycle by end of the FY27

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 Program Compliance through enhanced training, education and guidance for Tax Credit and Bond Property Owners and Managers.

Associated Metrics: At least six (6) compliance training sessions (virtual or in-person) are delivered to Tax Credit and Bond property owners and managers by the end of Q4.

2. In consultation with the division’s community engagement staff, apply the Practice Framework of the International Association for Public Participation to one or more external-facing initiatives in the 2026-27 program year.

Associated Metrics: AMC will apply the IAP2 framework to external-facing initiative in the 2026-27 program year namely Table 4, development of resource materials for one special program and Asset Management Procedures rollout.

3. Develop and publish written and video materials that reflect the needs and experiences of those required to use the programs

Associated Metrics: 100% of planned written and video materials identified for FY26–27 are developed, approved, and published by the end of Q4.

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

Associated Metrics: At least 50% of planned AMC webpage enhancements (content updates, redesign elements, or accessibility improvements) are initiated and underway by the end of Q4.

5. Sponsor and/or participate in external outreach and Engagement events to strengthen partnership and increase reach and visibility of our resources

Associated Metrics: AMC has sponsored at least one partner agency event and participated and tabled in 4 housing conferences across the state including one tribal housing conference by the end of Q4

6. Cross-Divisional Collaboration: AMC and MHCF staff will engage in two cross-divisional engagement initiatives including: Participation in policy development work and stakeholder (interested parties) engagement sessions

Associated Metrics: By the end of FY27, AMC division staff will have completed participation and collaboration with MF team with demonstrated contribution to policy work and stakeholder engagement activities

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. Create a comprehensive, user-friendly Standard Operational Procedure document that serves as a central reference guide within the Division to promote stewardship, standardization, support training and onboarding, and preserve institutional knowledge across the team

Associated Metrics: Final SOP, supporting materials and document maintenance plan are delivered by end of Q4.

2. Enhance divisional Business Processes by leveraging technology and cross divisional collaboration.

Associated Metrics: 100% of planned business process improvement projects including SOP development, HB improvements, WBARS table 4 improvement, LF AI tools exploration and reporting improvements and data integration projects are initiated or substantially completed by the end of Q4.

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 documented individual training and development goals established or updated by mid-FY27. At least 80% of individual training and development goals are achieved by each staff member by the end of FY27, as tracked in performance or training records.

Compliance (COM)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27 Proposed Budget	FYE 26 Projected Actual	FYE 26 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	17.30	15.55	16.30
Temporary	-	-	-
Total FTE's	17.30	15.55	16.30
Program Budget			
Fee Income	8,759,842	8,575,507	8,337,720
Interest Income	-	-	-
Other Income	127,000	131,314	168,997
Grant Program Income	-	-	-
Total Revenue	8,886,842	8,706,821	8,506,717
Employee Expenses	3,172,080	2,585,971	2,895,888
Travel Expenses	58,385	32,703	57,216
Professional Fees	827,000	803,266	1,005,000
Office Expenses	637,637	389,886	475,845
Grant Program Expense	-	-	-
Total Expenses	4,695,102	3,811,825	4,433,949
Income over Expense Excess (Deficit)	4,191,740	4,894,996	4,072,768
Overhead Allocation	116,032	962,273	850,866
Program Allocation	-	-	-
Total Income/(Loss)	4,307,772	5,857,269	4,923,634

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**Finance Division
Fiscal Year 2026 – 2027**

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. Lead an agency wide effort to develop an enterprise risk assessment framework and process, to be completed annually.

Associated Metrics: Expected completion December 31, 2026

2. Lead the Commission’s efforts in the state’s OneWA statewide accounting process.

Associated Metrics: Percent of completion of program deliverables, with full completion expected by June 30, 2027

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.

Associated Metrics: Estimated completion March 31, 2027

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. Implement loan tracking and servicing software, including migrating all non-DPA PRI loans to the system.

Associated Metrics: Estimated completion December 31, 2026

2. Coordinate with the Admin division on the update of at least three Office Policy and Procedures Guide (OPPG) policies.

Associated Metrics: Number of (OPPG) updates

3. Digitize and transition at least four Finance led internal processes to Laserfiche.

Associated Metrics: Number of process updates

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. Invest in the growth of staff through mentorship, training and cross-training, and career development programs.

Associated Metrics: Report of activities and personnel changes through June 30, 2027

Bond Portfolio Management (BPM)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27	FYE 26	FYE 26
	Proposed Budget	Projected Actual	Budget as Adopted
Personnel Resources [FTE's]			
Permanent	4.09	3.59	4.09
Temporary			
Total FTE's	4.09	3.59	4.09
Program Budget			
Fee Income	6,459,390	5,636,964	5,315,385
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	6,459,390	5,636,964	5,315,385
Employee Expenses	746,841	566,473	707,929
Travel Expenses	13,428	216	13,410
Professional Fees	229,215	219,721	211,560
Office Expenses	173,757	141,628	147,602
Grant Program Expense	-	-	-
Total Expenses	1,163,241	928,038	1,080,500
Income over Expense Excess (Deficit)	5,296,149	4,708,925	4,234,885
Overhead Allocation	28,748	264,909	207,346
Program Allocation	(5,324,897)	(4,973,834)	(4,442,231)
Total Income/(Loss)	-	-	-

General Operations (GOP)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27	FYE 26	FYE 26
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent	8.71	6.71	8.71
Temporary	-	-	-
Total FTE's	8.71	6.71	8.71
Program Budget			
Fee Income	-	-	-
Interest Income	11,868,242	12,234,564	11,920,536
Other Income	4,000	4,311	4,003
Grant Program Income	-	-	-
Total Revenue	11,872,242	12,238,875	11,924,539
Employee Expenses	1,418,816	1,089,070	1,331,040
Travel Expenses	28,597	634	28,560
Professional Fees	391,500	354,831	284,004
Office Expenses	301,344	190,727	219,309
Grant Program Expense	-	-	-
Total Expenses	2,140,257	1,635,262	1,862,913
Income over Expense Excess (Deficit)	9,731,985	10,603,614	10,061,626
Overhead Allocation	(9,731,985)	(10,603,614)	(10,061,626)
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**IT Division
Fiscal Year 2026 – 2027**

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 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: Quarterly reports to IT Governance Committee reflect all IT hardware and software remain under warranty coverage.

- 2. Maintain systems that guard against ransomware and malware.**

Associated Metrics: Quarterly reports to IT Governance Committee reflect 0 successful ransomware and malware attacks.

- 3. Maintain the after-hours maintenance schedule.**

Associated Metrics: 99.99% operational and available up-time, and all IT equipment receive quarterly updates for security, firmware and operating systems as recommended by vendors and in line with industry best practices.

- 4. Maintain and provide quarterly Security Breach Reports.**

Associated Metrics: Quarterly report to IT Governance Committee

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. Provide regular demonstrations and updates of new technologies and functionality as well as changes to IT policies and procedures.

Associated Metrics: Minimum of 4 updates at monthly All-Staff meeting and 1 Lunch and Learn Session.

2. Implement a comprehensive data warehouse solution to centralize and consolidate data across the organization.

Associated Metrics: Create draft versions of IT and Data Governance policies along with an updated IT Roadmap.

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. Strengthen the Commission's disaster recovery readiness by updating and testing recovery protocols quarterly, ensuring 100% of critical systems have documented recovery plans, tracked through audit logs and staff participation.

Associated Metrics: Complete quarterly server recovery testing with Disaster Recovery exercises to support the Business Resumption Plan

2. Ensure IT Service Desk incidents are resolved in accordance with the terms of our Service Level Agreement (SLA) based on severity level.

Associated Metrics: During business hours maintain a one-hour response time to a requests submitted to the IT Service Desk.

3. Maintain and further develop Commission's web-based/cloud applications (Salesforce, Laserfiche, Business Central...).

Associated Metrics: Successfully deploy Division requested updates and improvements by the agreed upon delivery date.

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. Invest in the growth of staff through mentorship, training and cross-training, and career development programs.

Associated Metrics: 100% of staff have identified trainings and certifications by 12/31/2026. 100% have used a minimum of 80% of their training and conference budget by June 30, 2027.

IT Services (rev 07/08 from BIT) (ITS)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27 Proposed Budget	FYE 26 Projected Actual	FYE 26 Budget as Adopted
Personnel Resources [FTE's]			
Permanent	9.86	6.97	6.91
Temporary			
Total FTE's	9.86	6.97	6.91
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	1,849,025	1,156,857	1,215,300
Travel Expenses	58,503	13,598	18,084
Professional Fees	516,000	376,931	60,000
Office Expenses	1,282,299	1,100,161	1,273,524
Grant Program Expense	-	-	-
Total Expenses	3,705,827	2,647,547	2,566,908
Income over Expense Excess (Deficit)	(3,705,827)	(2,647,547)	(2,566,908)
Overhead Allocation	3,705,827	2,651,301	2,566,908
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
Annual Business Objectives**

**Executive & Administrative Division
Fiscal Year 2026 – 2027**

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. **Executive: Earn a minimum of \$500,000 per FTE in revenue each fiscal year.**
2. **Executive: Spend less than \$250,000 per FTE each fiscal year.**

Engagement Perspective

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

Objectives:

1. **Communications/Strategy & Engagement: In consultation with the division’s community engagement staff, apply the Practice Framework of the International Association for Public Participation to one or more external-facing initiatives in the 2026-27 program year.**

Associated Metrics: Each division with a community engagement/outreach/marketing staff member will apply IAP2 framework to one or more external-facing initiatives in the 2026-27 program year.

2. **Communications/Strategy & Engagement: Create new accessibility and equity framework for Housing WA.**

Associated Metrics: Develop framework, supporting documents and SOPs by Dec. 31, 2026.

3. **Communications: Produce and distribute the web based Annual Report and Cumulative Report.**
Associated Metrics: Produce reports by December 31, 2026
4. **Communications: Increase future homebuyer access to Covenant and other homeownership programs.**
Associated Metrics: Increase external contact list by 20% by June 30, 2027
5. **Executive: Demonstrate leadership in affordable housing.**
Associated Metrics: Develop and implement statewide housing policies and programs that address key challenges by June 30, 2027.
6. **Human Resources/ Strategy & Engagement: Improve scores for areas with less than 50% positive ratings from last year's Employee Engagement Survey**
Associated Metrics: Increase positive ratings to 50% or higher for any questions below 50% positive ratings by the end of the 2026 survey cycle.

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. **Executive: Evaluate and strengthen the current process for public record request (PRR)**
Associated Metrics: Evaluate, update and implement an improved process for public record requests captured in a revised Office Policies and Procedures Guide (OPPG) by June 30, 2027.
2. **Human Resources (HR): Lead a project within the Administrative Division to evaluate and enhance new employee orientation and onboarding across the organization.**
Associated Metrics: In collaboration with the Administrative Division, HR will lead the development of a comprehensive shared approach to orientation and onboarding. A guide and plan will be produced and captured in a revised OPPG by June 30,

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.

Objectives:

- 1. Communications/Human Resources: Plan and conduct annual all-staff planning session by June 30, 2027.**

Associated Metrics: Percent positive feedback from survey.

- 2. Human Resources: A statement will be added to the annual reminder/notice to supervisors to include and encourage their staff to use the Employee Development & Certificate Degree Program in their discussion with staff regarding their training plans for the year. In January of each year, HR will email the policy to all staff as a reminder of the policy/program.**

Associated Metrics: These changes will occur by June 30, 2027

- 3. Strategy & Engagement/Human Resources: Offer staff one or more learning experiences that strengthen skills in navigating conflict and fostering accountability in alignment with agency values.**

Associated Metrics: Completion of newly developed staff training by June 30, 2027

- 4. Strategy & Engagement: Develop an Impact team charter, framework, and roll-out plan to engage staff in an annual organizational strategic planning process.**

Associated Metrics: Development of organizational impact team July 1, 2026

- 5. Strategy & Engagement: Support agency preparedness for HB 2475 (Language Accessibility) by collaborating with language accessibility subject matter experts, building internal awareness, and developing guidance related to language-accessible programs and communications.**

Associated Metrics: Completion of draft Language Accessibility Plan by June 30, 2027

Administration (ADM)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27	FYE 26	FYE 26
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent	17.93	14.55	16.53
Temporary	-	-	-
Total FTE's	17.93	14.55	16.53
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	37,500	36,222	34,944
Grant Program Income	-	-	-
Total Revenue	37,500	36,222	34,944
Employee Expenses	3,215,958	2,714,348	2,915,844
Travel Expenses	110,487	23,198	66,684
Professional Fees	1,306,004	698,332	526,320
Office Expenses	920,726	717,462	1,067,913
Grant Program Expense	-	-	-
Total Expenses	5,553,175	4,153,340	4,576,761
Income over Expense Excess (Deficit)	(5,515,675)	(4,117,118)	(4,541,817)
Overhead Allocation	5,515,675	4,117,118	4,541,817
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-

Commissioners (EXO)
Budget Summary for the fiscal year ending: June 30, 2027

FINANCIAL AND PROGRAM INFORMATION

	FYE 27	FYE 26	FYE 26
	Proposed	Projected	Budget as
	Budget	Actual	Adopted
Personnel Resources [FTE's]			
Permanent			
Temporary			
Total FTE's	-	-	-
Program Budget			
Fee Income	-	-	-
Interest Income	-	-	-
Other Income	-	-	-
Grant Program Income	-	-	-
Total Revenue	-	-	-
Employee Expenses	22,857	8,973	22,488
Travel Expenses	60,650	15,858	70,296
Professional Fees	-	-	-
Office Expenses	22,350	7,701	25,831
Grant Program Expense	-	-	-
Total Expenses	105,857	32,532	118,615
Income over Expense Excess (Deficit)	(105,857)	(32,532)	(118,615)
Overhead Allocation	105,857	32,532	118,615
Program Allocation	-	-	-
Total Income/(Loss)	-	-	-



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Lucas Loranger

CC: Steve Walker

Date: June 16, 2026

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

BACKGROUND:

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

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

As we have done every year since June 2019, staff recommends that we retain \$30 million in General Operating Fund reserves **before** the effect of these deferred employment-related liabilities is considered. By doing this, the general reserves amount as shown on the financial statements is expected to be between \$41 million and \$43 million depending on the final calculation of those deferred liabilities for June 30, 2025 (\$30 million reserve less the expected \$2 million to \$4 million underfunded Pension and

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

PROPOSED ACTION:

Consider and act on a motion to transfer General Operating Fund reserves in excess of \$30 million excluding the effect of Pension and Other Post-employment Benefits liabilities as of June 30, 2026 to Program-Related Investments.



Opening doors to a better life

MEMO

DATE: June 24, 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 May 20 – June 23, 2026. Should you have any questions, please contact Tera to arrange a call with me or a division director.

Multifamily & Community Facilities

- Staff have been wrapping up the new construction bond round, and a new allocation list will be posted shortly- In addition, the King County public funder pipeline list has been updated, which was included in your packet.
- Efforts have been underway, with all the materials prepped and ready with the goal of opening the Preservation Pilot round by July 1st.
- Keri Williams attended, for the 5th consecutive year, the Conference for the Greater Good in Toppenish. This is a one-day conference that brings together nonprofit organizations from Central Washington to discuss current challenges that are particularly acute for small, community-based organizations. Over the years she has attended, Keri has built up relationships with many organizations and offered WSHFC resources that help fill gaps for capital financing.
- On June 1-5, 2026, several MHCF staff members attended the NCSHA Housing Credit Connect conference in St. Louis, Missouri, to network with peer state agencies and bring back critical industry insights. The team focused heavily on market trends and production challenges, exploring strategies to counter rising development costs and boost new production based on Harvard JCHS research.

The sessions also provided a deep dive into technical mechanics and portfolio sustainability. Analyzed the 25% financing threshold for tax-exempt bonds, and preservation options. One of the sessions examined how emerging technologies like AI are beginning to reshape the Housing Credit program.

Lisa Vatske facilitated the Fostering Healthy and Resilient Affordable Housing session, which prominently featured MHCF's Sustainable Energy Analyst, Ben

Brown, who presented on successfully balancing energy efficiency with long-term affordability goals.

Homeownership

Covenant Homeownership

- As of May 29, 2026, there are 1,431 confirmed closed loans and an additional 107 loans in the pipeline with CHA reservations in 27 counties.

Other Updates

- In May, we had \$148 million in new reservations assisting 377 households.
-

Finance

- We are currently recruiting for two Program Investment/Bond Accounting Analysts. This is a new job description that represents a shift to provide more staffing support to PRI, which has grown in terms of size and complexity over the past 5 years. Interviews will take place in early July, and we hope to have the positions filled by the end of July.
 - Staff and Commissioner Aaron Mcgrath met with the State Auditor's Office on June 16th to hear the results of our annual accountability audit. Some corrections were recommended around the use of purchase cards, which we have already taken steps to rectify, and will be introducing procedural improvements for the procurement process in the coming year.
-

AMC

Compliance Monitoring

- Portfolio Analysts are on track with the review of 2025 Tax Credit Annual Reports, with 85% of required 2025 Bond Annual Reports reviewed.
- New 2026 Income & Rent Limits: HUD released the new 2026 rent limits on May 1st. The new Income and Rent Limit charts are now posted on the website. Thanks to Lanakay for getting these ready on time!

Community Engagement and Education

- AMC Trainings: We had a successful two-day, in-person Tax Credit Fundamentals training in Spokane on May 11–12, led by Chrystal White and Erik Giesen, with

74 attendees – wrapping up our final training for fiscal year 2026. The FY27 training schedule is now posted on our website.

- Customer Service Portal – The AMC division’s customer service portal was rolled out last year, and we are pleased to report that it continues to perform well. We are now in the process of enhancing the system to further improve efficiency and overall customer experience. One of the key updates underway is the addition of automated response capabilities for inquiries that fall outside of AMC’s scope. These inquiries will be directed to the appropriate division through embedded links, or users will be provided with relevant resources when their questions fall outside the Commission’s authority. These improvements are intended to streamline our intake process, reduce response times, and ensure that customers are connected to the appropriate resources or points of contact. We are targeting a rollout of this updated version in the first quarter of the upcoming fiscal year.

Conference Attendance Report

- NCSHA Credit Connect Conference – Several staff from AMC also attended the NCSHA Credit Connect Conference in St. Louis. The conference offered valuable opportunities for professional development, networking, and industry learning. Attendees gained insights into current trends, best practices, and emerging policies related to housing finance and asset management. Participation in this conference supports the Commission’s continued commitment to staying informed, improving processes, and strengthening collaboration within the industry.
- Snohomish County Affordable Housing Conference – Carmen Chhor, Michael Soper, and Renee Dillard attended the 2026 Snohomish County Affordable Housing Conference on June 5, held at the Lynnwood Event Center. Attendance supports the Commission’s ongoing efforts to remain connected with partners and strengthen knowledge in affordable housing practices.
- CHAM Conference – Wubet Biratu and Allie Delano attended the CHAM Conference held in Denver, Colorado on June 15-17. During the conference, Wubet moderated an FHA round table focused on Asset Management. In this session, Wubet facilitated discussions and shared insights on how the Commission approaches asset management, including strategies, practices, and processes used to effectively manage and optimize assets. Overall, the conference provided a valuable opportunity to engage with industry peers, exchange ideas, and highlight the Commission’s work in asset management.

Business Objectives

- Intern Graduation: Our Asset Management intern, William Nichols, graduated on June 13—congratulations, William! We are incredibly grateful for the valuable contributions he is made during his time with us. His internship contract will conclude at the end of June, and we wish him all the best in his next chapter and continued success moving forward.
-

Executive Director's Update

- Earlier this week Congress passed the 21st Century ROAD to Housing Act with a strong bipartisan vote in both houses. The President will sign the bill into law soon, possibly this week. This sweeping legislation reforms and streamlines numerous HUD and USDA affordable housing programs and policies, authorizes new pilot programs and extends others, provides incentives for state and local zoning and land-use reform, and directs federal agencies to undertake new research and establish best practices to expand the supply of affordable housing. In total, the bill has over 50 provisions. [Bill text](#) and a [section-by-section summary](#) are available. The legislation is arguably the most significant non-tax affordable housing legislation to advance through Congress since the early 1990s. NCSHA strongly supports the final package.
 - Highlight that directly impact us include:
 - The legislation would raise the cap on public welfare investments — including Housing Credit investments — made by banks from 15 to 20 percent of capital and surplus. This provision is a high priority for NCSHA because it would allow banks currently up against the limit to invest more in Housing Credit developments.
 - The bill permanently authorizes what had been a pilot program allowing the USDA Secretary to decouple rental assistance from properties with expiring USDA multifamily mortgages, allowing for continued rental assistance for units located in properties where a USDA mortgage has been paid off.
 - Additionally, it permanently authorizes the Multifamily Preservation and Revitalization program, which is currently a pilot program designed to rehabilitate housing properties financed with Section 514, 515, or 516 loans.
 - The bill includes several provisions intended to increase the supply of manufactured housing options, including by updating federal definitions to allow units not built on permanent chassis, authorizing research into barriers to FHA lending for modular housing, and updates to mortgage lending standards for FHA lending for manufactured housing.

- WAFAM Launch Celebration: Several Commissioners and staff attended the Washington Family Housing Fund Launch Celebration on June 11. The event marked the official launch of the Ballmer Group-funded affordable housing initiative, with funding administration and oversight provided by the Commission. WAFAM aims to fund at least 10,000 affordable homes for families across the state. The fund's first project, Addison Grove, has successfully closed with WAFAM financing and nonprofit housing bonds. Several additional projects have already submitted letters of intent seeking funding.

Meanwhile, important discussions are ongoing with WAFAM partners to better understand the project pipeline and the potential implications of this \$1.5B public commitment to support affordable family sized housing. AMC is actively developing monitoring procedures and implementing technology enhancements to support effective program administration and oversight.

I participated in the following additional meetings and events:

- WCRA Criticized Credit Committee Meeting
- Housing Credit 40th Anniversary Leadership Circle Reception
- WA Starter Home Plan – Building on OR Construction Loan Guarantee
- Department of Housing – Programs Subcommittee
- Department of Housing Task Meeting
- BHI Network Policy Group Meeting
- Starter Home Production Plan – Financing product lender follow-up

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

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

Percentage of Goal reached YTD - 99.2%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	458	\$ 183,687,871	39.5%
Conventional FHLMC	340	\$ 138,063,515	30.3%
Government	2788	\$ 1,141,525,966	35.6%
Energy Spark	3	\$ 1,230,821	0.0%
Covenant Homeownership	941	\$ 361,064,839	100.0%
Total	4530	\$ 1,825,573,012	48.9%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	238	\$ 60,310,527	44.1%
Conventional FHLMC	26	\$ 6,631,481	23.1%
Government	166	\$ 46,914,068	35.5%
Total	430	\$ 113,856,076	39.5%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	3473	\$ 55,767,666	35.7%
Home Adv Needs Based 1%	4	\$ 39,779	25.0%
Opportunity	407	\$ 5,923,618	38.1%
HomeChoice	7	\$ 104,600	42.8%
Bellingham	6	\$ 415,000	0.0%
East King County	7	\$ 167,677	85.7%
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)	969	\$ 107,266,466	100.0%
Total	4895	\$ 170,133,006	48.8%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for June 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	\$520,325	\$2,546,124	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	\$161,050	\$588,950	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 - May 31, 2026

HOMEBUYER CLASS

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

Percentage of goal reached YTD: 97%

	Classes	Participants
Virtual:	90	517
In-Person:	74	283
Online Classes:	6,942	6,942
Total:	7,106	7,742

Classes not yet reporting participation: 1,466

Data lags 3 months due to data collection process

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

Classes:	58,479
Participants	246,703

PROGRAM TRAINING ATTENDEES

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

Percentage of goal reached YTD: 110%

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	1	56
May	1	39
June		
Total:	11	495

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	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	
26-67	Credit Exchange	Sea Mar Community Health Centers / Sea Mar South Park Housing	Sea Mar Community Health Centers	Seattle	King		\$27,902	\$2,148,440	77	39	0	38	0	0	0	0	0	0	
								King County Credit Allocated:	\$7,272,121	337	169	0	168	0	0	14	0	0	143
								King County Credit Available:	\$11,114,168										
								King County Balance:	\$3,842,047										

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	0	68
								King County Unranked Balance:	\$2,786,130	90	45	0	45	0	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	Scheduled for 6/25/26	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	120	0	0		
26-03	Application	Chaice Place	Spokane Housing Authority	Spokane	Spokane	162	\$30,957	\$2,631,345	85	0	43	42	0	0	85	17	0		
26-08	Scheduled for 6/25/26	Old Town Senior Housing	Mercy Housing Northwest	Bellingham	Whatcom	159	\$36,486	\$2,700,000	74	37	0	23	14	0	74	15	0		
								Total Metro Credit Allocated:	\$9,404,445	279	97	58	95	29	0	0	339	32	12
								Metro Credit Available:	\$6,717,748										
								Metro Balance:	(\$2,686,697)										

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	12		
26-01	Scheduled for 6/25/26	Alderwood Apartments	Trillium Housing Services	Yakima	Yakima	172	\$26,308	\$2,157,276	82	9	41	32	0	62	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	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		
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	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:	\$6,017,516										
								Non-Metro Balance:	(\$4,280,931)										

Non-Metro Preservation and Recapitalization Pool

26-12	Scheduled for 6/25/26	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	0	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:	\$36,452,153	1,253	446	298	427	132	101	14	441	39	313
Total Projects Above Line:	12	Total Credit Available for 2026:	\$26,840,895										
Application Success Percentage:	71%	FWD Commitment of 2027 LIHTC:	\$134,118										
		Total LIHTC Allocation for 2026:	\$26,975,013	948	368	195	349	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.

2026 King County Bond/Tax Credit Pre-Allocation Process for Publicly Funded Developments

Local Funders Make Commitments First

Beginning in 2024 the Commission introduced a new process to improve coordination and provide a more predictable process for applicants with developments in the public funders' pipelines. In King County, Bond/Tax Credit developments are required to have all necessary local funding commitments in place prior to applying to the Commission. The Commission and the public funders agreed to share an allocation framework to prioritize public investment to ensure developments can move towards readiness with limited resources.

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

2026 Invitation to Apply List

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

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

Development	Developer ¹	Public Funders ²	Projected Bond Cap	Units	Proposed Closing
Tier 1 – closing by mid-year; funding commitments secured; path to securing final building permits					
Tier 2 – closing by year-end; funding commitments secured; path to securing final building permits					
Bellwether Greenwood	Bellwether Housing	OH	\$10,000,000	53	July
Bothell Urban (Lot P)	BRIDGE Housing	ARCH, COM	\$28,424,741	201	December
Lake City Community Center	Mercy Housing Northwest	OH, COM	\$24,000,000	TBD	November
Mt. Baker Redevelopment – Phase 1	Mercy Housing Northwest	COM, OH	\$47,000,000	241	October
Sunbreak Apartments	Bellwether Housing	COM, OH	\$50,000,000	244	July
Tier 3- closing 2027; funding commitments secured; path to securing final building permits					
Altaire at East Main	SRM Development	ARCH, COM, KC	\$25,312,168	146	Q1 2027
Forest Edge	Imagine Housing	ARCH, COM	\$20,653,447	100	Q1 2027

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

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

2026 King County Allocation List

<i>Development</i>	<i>Developer</i>	<i>CBO</i>	<i>Public Funders</i>	<i>Bond Amount</i>	<i>Units</i>	<i>Closed</i>
<i>Altaire at Queen Anne</i>	<i>SRM Development</i>	<i>Urban League of Metro Seattle</i>	<i>OH</i>	<i>\$19,614,000</i>	<i>114</i>	<i>Jan</i>
<i>Kent Multicultural Village</i>	<i>Mercy Housing Northwest</i>	<i>Open Doors for Multicultural Families</i>	<i>COM, KC, SKHHP, ST</i>	<i>\$48,381,295</i>	<i>233</i>	<i>Feb</i>
<i>Prisma</i>	<i>Bellwether Housing</i>	<i>Hopelink</i>	<i>ARCH, COM, KC, ST</i>	<i>\$48,000,000</i>	<i>328</i>	<i>Jan</i>

2025 King County Allocation List

In 2025, the second year of the King County pre-allocation process, there were four financings closed, with developments located in Burien, Seattle, and on Vashon.

<i>Development</i>	<i>Developer</i>	<i>CBO</i>	<i>Public Funders</i>	<i>Bond Amount</i>	<i>Units</i>
<i>Beacon Hill Affordable TOD</i>	<i>Edge Developers</i>	<i>El Centro de la Raza</i>	<i>COM, KC, OH</i>	<i>\$22,500,000</i>	<i>70</i>
<i>Burien Family Housing</i>	<i>Mercy Housing Northwest</i>	<i>Mary's Place</i>	<i>COM, KC, SKHHP</i>	<i>\$14,879,340</i>	<i>46</i>
<i>Creekside</i>	<i>Shelter America Group</i>	<i>Vashon Youth & Family Services</i>	<i>COM, HTF</i>	<i>\$14,974,000</i>	<i>41</i>
<i>New Hope Family Housing</i>	<i>Low Income Housing Institute</i>	<i>New Hope CDI</i>	<i>COM, OH</i>	<i>\$27,700,000</i>	<i>92</i>

Pipeline List

These developments are at various points in their development and have received funding from some of the public funders, but they are not yet fully funded and ready to close. Their progress depends on securing additional funding and receiving local approvals.

Depending on the timing of local approvals and finding ways to become fully funded, it is possible that some of these developments could move into a Tier during the year.

<i>Development</i>	<i>Developer</i>	<i>Public Funders</i>	<i>Projected Bond Cap</i>	<i>Units</i>
<i>45th & Roosevelt TOD</i>	<i>Low Income Housing Institute</i>	<i>COM, OH, ST</i>	<i>TBD</i>	<i>TBD</i>
<i>African Diaspora Cultural Anchor Village</i>	<i>African Community Hsg. Dev.</i>	<i>KC</i>	<i>\$26,689,317</i>	<i>129</i>
<i>Beacon Crossing</i>	<i>Blue Ridge Cascade</i>	<i>OH</i>	<i>\$24,334,000</i>	<i>126</i>
<i>Filipino Community Village Phase 2</i>	<i>Filipino Community of Seattle</i>	<i>KC</i>	<i>\$19,250,000</i>	<i>56</i>

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: April & May 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	133	176								417	1,105	38%

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	12	0								62	73	85%

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: April & May 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	52	49	48								154	382	40%

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:
July 14-16, 2026 – Virtual
September 17, 2026 – Tacoma (in-person)



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

June 23, 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 May 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: *Lucas Loranger*
Lucas Loranger
Senior Finance Director

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

May 31, 2026

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
May 31, 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	\$ 10,519,284	\$ 4,167,625	\$ 6,351,659	(1) 152%
Money Market Accounts	30,142,002	57,801,147	(27,659,145)	(1) -48%
Investment Securities	48,382,255	65,761,209	(17,378,954)	(1) -26%
Interest Receivable	1,016,901	957,130	59,771	6%
Fees Receivables	18,306,730	16,414,703	1,892,027	(2) 12%
Prepaid Expenses & Other Receivable	7,431,856	4,151,221	3,280,635	(3) 79%
Furniture and Fixtures (net of depreciation)	571,763	552,811	18,952	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>120,627,602</u>	<u>154,904,289</u>	<u>(34,276,687)</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>\$ 125,191,108</u>	<u>\$ 159,395,203</u>	<u>\$ (34,204,095)</u>	<u>-21%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,106,824	\$ 6,743,834	\$ (4,637,010)	(4) -69%
Unearned Fee Income	43,349,203	70,643,190	(27,293,987)	(5) -39%
Accrued Payroll Payable	2,363,722	2,134,077	229,645	(6) 11%
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>54,107,623</u>	<u>86,179,604</u>	<u>(32,071,981)</u>	<u>-37%</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	571,763	552,811	18,952	3%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	66,830,459	67,604,619	(774,160)	-1%
<i>Total Net Position</i>	<u>67,600,374</u>	<u>68,280,058</u>	<u>(679,684)</u>	<u>-1%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 125,191,108</u>	<u>\$ 159,395,203</u>	<u>\$ (34,204,095)</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 Covenant Homeownership and Homeowner Assistance Fund (HAF) programs.

(2) The overall increase in fees receivable is primarily due to slower receipt of Commission fee payments on outstanding bonds, offset by reduced receivables related to DPA loans in the Homeownership 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 decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds and reversal of IHFA Fee accruals.

(5) The decrease in unearned fee income is primarily due to the drawdown of Covenant Homeownership grant funds, plus reduced HAF program funds.

(6) The increase in accrued payroll payable is primarily due to an increase of staff hours and greater value of vacation and sick leave balances, resulting from cost of living and step wage increases.

* These balances are adjusted only at year-end.

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

	Current Period	Current Year to Date	Prior Year to Date	Variance	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,138,948	\$ 46,678,145	\$ 41,396,238	\$ 5,281,907	(1) 13%
Interest Earned & Realized Gain	975,188	11,867,453	14,153,297	(2,285,844)	(2) -16%
Other	27,847	421,166	236,132	185,034	(3) 78%
<i>Total Unadjusted Revenues</i>	<u>5,141,983</u>	<u>58,966,764</u>	<u>55,785,668</u>	<u>3,181,096</u>	<u>6%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,242,326	13,460,473	12,005,412	1,455,061	(4) 12%
Travel & Conferences	28,651	220,733	246,641	(25,908)	(5) -11%
Professional Fees	287,991	3,018,173	2,420,209	597,964	(6) 25%
Office Expense	342,340	3,078,038	2,862,054	215,984	8%
<i>Total Expenses</i>	<u>1,901,308</u>	<u>19,777,417</u>	<u>17,534,317</u>	<u>2,243,100</u>	<u>13%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(178,292)	(909,073)	1,909,674	(2,818,747)	-148%
Grant Revenue	675,121	8,531,003	57,088,145	(48,557,142)	-85%
<i>Expenses:</i>					
Grant Pass-Through	675,121	8,531,003	57,088,145	(48,557,142)	-85%
<i>Total Adjustments</i>	<u>(178,292)</u>	<u>(909,073)</u>	<u>1,909,674</u>	<u>(2,818,747)</u>	<u>-148%</u>
Excess of Revenues over Expenses	<u>3,062,383</u>	<u>38,280,274</u>	<u>40,161,025</u>	<u>(1,880,751)</u>	<u>-5%</u>
<i>Net Position</i>					
Total net position, beginning of period	64,537,991	29,320,100	28,119,033	1,201,067	4%
Current Increase (Decrease) - to Net position	<u>3,062,383</u>	<u>38,280,274</u>	<u>40,161,025</u>	<u>(1,880,751)</u>	<u>-5%</u>
Total net position, end of year	<u>\$ 67,600,374</u>	<u>\$ 67,600,374</u>	<u>\$ 68,280,058</u>	<u>\$ (679,684)</u>	<u>-1%</u>

- (1) The increase in fee income is primarily due to greater revenue from the Homeownership division's Home Advantage program. The Multifamily Housing and Community Facilities division also contributed with higher 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 4.37% in the prior period to a rate of 3.67% 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 total year-to-date 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: May 31, 2026
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	4.9%	\$ 1,432,048	\$ 29,108,776	\$ 30,540,824	\$ 29,184,174	\$ 1,356,650	4.6%
Issuance, Application, and Servicing Fees	31.3%	3,849,860	12,287,461	16,137,321	8,629,390	7,507,931	87.0%
Interest Earned & Realized Gain	-16.2%	(2,285,844)	14,153,297	11,867,453	10,927,158	940,295	8.6%
Other Income	78.4%	185,034	236,132	421,166	333,619	87,547	26.2%
Total Unadjusted Revenues	5.7%	3,181,098	55,785,667	58,966,763	49,074,341	9,892,423	20.2%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	14.2%	1,324,106	9,354,054	10,678,160	11,930,261	(1,252,101)	-10.5%
Employee Benefits - Staff	4.9%	130,955	2,651,358	2,782,313	3,001,494	(219,181)	-7.3%
Conference, Education & Training	38.9%	29,110	74,857	103,967	216,146	(112,179)	-51.9%
Travel out of state - Staff	-3.2%	(2,515)	78,501	75,986	222,988	(147,002)	-65.9%
Travel in state - Staff	-56.3%	(52,504)	93,284	40,780	139,489	(98,709)	-70.8%
Accounting Fees	3.2%	4,304	135,444	139,748	143,447	(3,699)	-2.6%
Legal Fees	19.2%	106,035	550,957	656,992	651,761	5,231	0.8%
Financial Advisor Fees	-15.2%	(57,400)	376,900	319,500	385,363	(65,863)	-17.1%
Investment Management Fees	8.2%	15,423	187,980	203,403	199,837	3,566	1.8%
Office Rent/Conf. Room Rentals	5.1%	24,740	482,317	507,057	563,910	(56,853)	-10.1%
Furniture & Equipment Rental	29.6%	3,390	11,447	14,837	23,716	(8,879)	-37.4%
Advertising	6.4%	5,193	81,587	86,780	195,375	(108,595)	-55.6%
Publications/ Subscriptions/ Dues	6.2%	6,166	99,372	105,538	127,494	(21,956)	-17.2%
Deliveries	-18.9%	(234)	1,235	1,001	2,017	(1,016)	-50.4%
Insurance	8.3%	5,896	70,906	76,802	75,163	1,639	2.2%
Meeting Expense	20.2%	24,044	119,060	143,104	149,558	(6,454)	-4.3%
Equipment & Building Maintenance	-79.3%	(37,864)	47,746	9,882	53,438	(43,556)	-81.5%
Software Maint. Support & Other Info Svcs	17.4%	256,590	1,474,591	1,731,181	2,207,492	(476,311)	-21.6%
Non-capitalized Equipment/Supplies	-31.2%	(48,831)	156,671	107,840	73,482	34,358	46.8%
Postage	-21.6%	(176)	815	639	977	(338)	-34.6%
Printing	-41.9%	(3,749)	8,958	5,209	6,750	(1,541)	-22.8%
State Services	101.5%	2,760	2,719	5,479	6,391	(912)	-14.3%
Supplies	-56.2%	(29,966)	53,274	23,308	39,666	(16,358)	-41.2%
Telephone	11.0%	9,175	83,442	92,617	75,284	17,333	23.0%
Contract Services	45.3%	529,601	1,168,929	1,698,530	1,288,573	409,957	31.8%
Depreciation	-0.7%	(1,152)	167,916	166,764	138,380	28,384	20.5%
Total Expenses	12.8%	2,243,097	17,534,323	19,777,417	21,918,452	(2,141,035)	-9.8%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-147.6%	(2,818,747)	1,909,674	(909,073)	-	(909,073)	NA
Grant Revenue	-85.1%	(48,557,142)	57,088,145	8,531,003	6,978,591	1,552,412	22.2%
<i>Expenses:</i>							
Grant Pass-Through	-85.1%	(48,557,142)	57,088,145	8,531,003	6,978,591	1,552,412	22.2%
	-147.6%	(2,818,747)	1,909,674	(909,073)	-	(909,073)	NA
Excess of Revenues over Expenses- adjusted	-4.7%	(1,880,746)	40,161,018	38,280,273	27,155,889	11,124,385	41.0%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	-4.7%	\$ (1,880,745)	\$ 40,161,018	\$ 38,280,273	\$ 27,155,889	\$ 11,124,385	41.0%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

May 31, 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 April 30, 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

April 30, 2026

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
April 30, 2026
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance	
			Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 2,295,964	\$ 4,162,415	\$ (1,866,451)	(1) -45%
Money Market Accounts	44,927,106	54,143,117	(9,216,011)	(1) -17%
Investment Securities	44,059,668	64,374,623	(20,314,955)	(1) -32%
Interest Receivable	1,070,329	950,528	119,801	(2) 13%
Fees Receivables	19,254,658	14,530,362	4,724,296	(3) 33%
Prepaid Expenses & Other Receivable	7,545,811	4,291,604	3,254,207	(4) 76%
Furniture and Fixtures (net of depreciation)	586,623	569,809	16,814	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>123,996,970</u>	<u>148,120,901</u>	<u>(24,123,931)</u>	<u>-16%</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>\$ 128,560,476</u>	<u>\$ 152,611,815</u>	<u>\$ (24,051,339)</u>	<u>-16%</u>
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 2,821,962	\$ 6,018,065	\$ (3,196,103)	(5) -53%
Unearned Fee Income	49,058,261	68,782,379	(19,724,118)	(6) -29%
Accrued Payroll Payable	2,371,275	2,117,513	253,762	(7) 12%
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>60,539,372</u>	<u>83,576,460</u>	<u>(23,037,088)</u>	<u>-28%</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	586,623	569,809	16,814	3%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	63,753,218	63,407,377	345,841	1%
<i>Total Net Position</i>	<u>64,537,993</u>	<u>64,099,814</u>	<u>438,179</u>	<u>1%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 128,560,476</u>	<u>\$ 152,611,815</u>	<u>\$ (24,051,339)</u>	<u>-16%</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 2.68% to 3.31% 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 grant and compliance 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 and reversal of IHFA Fee accruals.

(6) The decrease in unearned fee income is primarily due to the drawdown of Covenant Homeownership grant funds, plus reduced HAF program funds.

(7) Increase in accrued payroll payable is due to an increase in staff hours by approximately 8% as well as a payable for vacation payouts for two retiring staff members at the end of the month.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: April 30, 2026
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 4,069,832	\$ 42,539,197	\$ 36,501,362	\$ 6,037,835	(1) 17%
Interest Earned & Realized Gain	1,056,132	10,892,266	12,845,694	(1,953,428)	(2) -15%
Other	(41,025)	393,319	219,974	173,345	(3) 79%
Total Unadjusted Revenues	5,084,939	53,824,782	49,567,031	4,257,751	9%
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,238,705	12,218,146	10,905,706	1,312,440	(4) 12%
Travel & Conferences	30,335	192,082	241,046	(48,964)	(5) -20%
Professional Fees	371,442	2,730,182	2,158,033	572,149	(6) 27%
Office Expense	270,283	2,735,699	2,613,692	122,007	5%
Total Expenses	1,910,765	17,876,109	15,918,478	1,957,631	12%
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(201,181)	(730,780)	2,332,228	(3,063,008)	-131%
Grant Revenue	371,609	7,855,882	51,414,239	(43,558,357)	-85%
<i>Expenses:</i>					
Grant Pass-Through	371,609	7,855,882	51,414,239	(43,558,357)	-85%
Total Adjustments	(201,181)	(730,780)	2,332,228	(3,063,008)	-131%
Excess of Revenues over Expenses	2,972,993	35,217,893	35,980,781	(762,888)	-2%
Net Position					
Total net position, beginning of period	61,565,000	29,320,100	28,119,033	1,201,067	4%
Current Increase (Decrease) - to Net position	2,972,993	35,217,893	35,980,781	(762,888)	-2%
Total net position, end of year	\$ 64,537,993	\$ 64,537,993	\$ 64,099,814	\$ 438,179	1%

(1) The increase in fee income is primarily due to greater revenue from the Homeownership division's Home Advantage program. The Multifamily Housing and Community Facilities division also contributed with higher 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 4.39% in the prior period to a rate of 3.70% 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 total year-to-date 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: April 30, 2026
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	6.2%	\$ 1,641,147	\$ 26,276,998	\$ 27,918,145	\$ 26,531,067	\$ 1,387,078	5.2%
Issuance, Application, and Servicing Fees	43.0%	4,396,688	10,224,364	14,621,052	7,844,900	6,776,152	86.4%
Interest Earned & Realized Gain	-15.2%	(1,953,428)	12,845,694	10,892,266	9,933,780	958,486	9.6%
Other Income	78.8%	173,345	219,974	393,319	303,290	90,029	29.7%
Total Unadjusted Revenues	8.6%	4,257,752	49,567,031	53,824,781	44,613,037	9,211,745	20.6%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	14.0%	1,192,217	8,496,476	9,688,693	10,845,692	(1,156,999)	-10.7%
Employee Benefits - Staff	5.0%	120,224	2,409,229	2,529,453	2,728,631	(199,178)	-7.3%
Conference, Education & Training	30.3%	22,493	74,271	96,764	196,497	(99,733)	-50.8%
Travel out of state - Staff	-17.7%	(13,706)	77,534	63,828	202,717	(138,889)	-68.5%
Travel in state - Staff	-64.7%	(57,753)	89,242	31,489	126,808	(95,319)	-75.2%
Accounting Fees	20.3%	23,441	115,383	138,824	140,530	(1,706)	-1.2%
Legal Fees	9.1%	47,003	516,207	563,210	592,510	(29,300)	-4.9%
Financial Advisor Fees	-12.4%	(40,579)	326,579	286,000	350,330	(64,330)	-18.4%
Investment Management Fees	8.9%	15,109	169,924	185,033	181,670	3,363	1.9%
Office Rent/Conf. Room Rentals	6.0%	25,903	431,362	457,265	512,646	(55,381)	-10.8%
Furniture & Equipment Rental	28.9%	2,816	9,759	12,575	21,560	(8,985)	-41.7%
Advertising	12.1%	9,046	75,023	84,069	177,613	(93,544)	-52.7%
Publications/ Subscriptions/ Dues	7.2%	6,447	89,668	96,115	115,903	(19,788)	-17.1%
Deliveries	-30.7%	(372)	1,213	841	1,833	(992)	-54.1%
Insurance	7.6%	4,854	64,289	69,143	68,330	813	1.2%
Meeting Expense	2.7%	3,149	115,056	118,205	141,870	(23,665)	-16.7%
Equipment & Building Maintenance	-82.7%	(38,924)	47,048	8,124	48,580	(40,456)	-83.3%
Software Maint. Support & Other Info Svcs	14.4%	191,759	1,332,387	1,524,146	2,006,811	(482,665)	-24.1%
Non-capitalized Equipment/Supplies	-34.4%	(53,923)	156,671	102,748	66,802	35,946	53.8%
Postage	0.0%	-	562	562	888	(326)	-36.7%
Printing	-71.1%	(5,141)	7,226	2,085	6,137	(4,052)	-66.0%
State Services	90.4%	2,459	2,719	5,178	5,810	(632)	-10.9%
Supplies	-61.5%	(32,367)	52,643	20,276	36,060	(15,784)	-43.8%
Telephone	7.0%	5,357	77,074	82,431	68,440	13,991	20.4%
Contract Services	51.2%	527,175	1,029,941	1,557,116	1,171,430	385,686	32.9%
Depreciation	0.6%	945	150,992	151,937	125,800	26,137	20.8%
Total Expenses	12.3%	1,957,632	15,918,481	17,876,110	19,941,898	(2,065,788)	-10.4%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-131.3%	(3,063,008)	2,332,228	(730,780)	-	(730,780)	NA
Grant Revenue	-84.7%	(43,558,357)	51,414,239	7,855,882	6,344,174	1,511,708	23.8%
<i>Expenses:</i>							
Grant Pass-Through	-84.7%	(43,558,357)	51,414,239	7,855,882	6,344,174	1,511,708	23.8%
	-131.3%	(3,063,008)	2,332,228	(730,780)	-	(730,780)	NA
Excess of Revenues over Expenses- adjusted	-2.1%	(762,888)	35,980,778	35,217,891	24,671,139	10,546,753	42.7%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	-2.1%	\$ (762,887)	\$ 35,980,778	\$ 35,217,891	\$ 24,671,139	\$ 10,546,753	42.7%

Events Calendar

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