



WASHINGTON STATE HOUSING FINANCE COMMISSION

****REVISED & AMENDED**
BOARD MEETING PACKET**

OCTOBER 23, 2025



Public Engagement at Commission Meetings

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

Sharing Your Thoughts

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

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

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

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

During this period, which takes place at the end of the business meeting, the Commissioners listen to public concerns and comments on any topic related to the work of the Commission. Anyone who wishes to speak can take this opportunity. The starting time for the public comment period depends on the length of the Commission's other business.

The Commissioners may not respond to your comment or question during the meeting, but staff may follow up with you with your consent.

- **Zoom Chat**

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

Raising Your Hand

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

Community Standards

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

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

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Work Session** in the **27th Floor Board Room**, located at **1000 Second Avenue, Seattle, WA 98104-3601**, on Thursday, October 23, 2025, at 10:00 a.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 Mtg. Link](#), go to “Join” or “Join a Meeting” and enter:

**Meeting ID: 815 6869 2337
Passcode: 695244**

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. Housing Washington 2025 in Review** (Margret Graham / Anna Porkalob)
- II. Operationalizing New Business Objective Framework** (Nashika Stanbro)
- III. Promoting Community Based Organizations – Policy Experience** (Lisa Vatske / Keri Williams)
- ~~IV. Informational Report on Department of Commerce Activities~~** (If time allows)
- V. Executive Director’s Report** (If time allows)

Note: There will be a break after the conclusion of the work session. The Commission meeting will reconvene at 1 pm.



Housing
WA. ANNUAL
CONFERENCE

2025 IN REVIEW and WHAT'S AHEAD

Commission Meeting

October 23, 2025

Margret Graham
Communications Director

2025 IN REVIEW



Biggest Year Yet: 1209 Attendees

- 40 scholarships
- 15 free registrations for the BHI network

New Venue in Bellevue

"The conference was amazing (my first time there!), and I am genuinely grateful for the scholarship. Justice Housing Yakima is *very small and very grassroots*, and without this support, I would not have been able to attend."

2025 IN REVIEW

Energy and engagement



2025 IN REVIEW



Merged with Conference on Ending Homelessness



2025 IN REVIEW

Friend of Housing Awards



2025 IN REVIEW



82 total sponsors (*six brand new*) contributed \$336,500

PLATINUM



GOLD



SILVER



How it Gets Done: Many Teams!

- Contracted support team
 - Cheryl Engstrom, Catherine Fillippini, Marti Castillo
- Core team in Exec division
- Steering Committee for plenaries
 - Includes staff, Dept of Commerce and Housing Alliance
- Staff leadership and engagement
 - Track teams develop sessions
 - Staffing the conference itself



Conference Evolution

- Organizing sessions by audience
- Expanding homeownership content
- Merging with Homelessness conference

 Advocacy & Communications	 Homeownership	 Multifamily Management	 Multifamily Development	 General	 Ending Homelessness
SESSION 1 A Chance at Housing: Promoting Housing Inclusivity for Formerly Incarcerated People	SESSION 2 How Zillow is Leveraging Tech & Data to Expand Access to Housing	SESSION 3 From Feasibility to Stabilization: Management & Development Collaborating to Create Resilient Properties	SESSION 4 Getting it Right Early: Best Practice Recommendations for the Design & Construction of Affordable Housing	SESSION 5 Equitable Transit Oriented Development: Cultivating Public Investment for the Greater Good	SESSION 6 Low Barrier in Practice: Building Shared Understanding Across All Staff Levels



Conference Evolution

- Resetting our values
- Welcoming new partners
- Expanding the tent

“I reflect on my personal experience at Housing Washington [conferences] since 2008 and the evolution is simply and profoundly transformational. ...It feels much more like a community than an industry association and a representative community at that.”



Conference Evolution

What's Next?

- Consider adjusting tracks and topics
- Add another half day?
- Will we keep growing? New venues?
- More registration options?
- Virtual engagement and recording
- Strengthening ties with Homelessness Conference
- Bringing in more community members
- Convening throughout the year





Housing
WA. ANNUAL
CONFERENCE

THANK YOU!

Questions?
Conference feedback?

Operationalizing New Business Objective Framework

Nashika Stanbro
Diversity, Equity & Inclusion
October 2025

Evolving Our Goal & Objective Tracking Systems

Agenda

- Where we began
- Purpose and goals
- Current state
- Future state
- Next steps



Initial State of Objective and Goal Tracking

Challenges/Opportunities

- Difficulty aligning strategic goals with the budget cycle
- Competing priorities
- Business objectives that failed to tell the full story
- Lacked a consistent approach in goal and objective tracking

To advance and amplify the work we are doing in the affordable housing space by exploring a new framework for goal and objective tracking.

Goals

- Promote transparency and collaboration across the organization.
- Integrate goal and objective tracking systems to reduce competing priorities.
- Align goals and objectives with Mission, Vision, and Values.

New framework/four perspectives

- Financial Stewardship
 - Improve Funding and Financing Strategies
 - Promote Agency Financial Health and Sustainability
- Engagement
 - Drive Employee Engagement
 - Promote Community Engagement
- Internal Processes
 - Enhance Business Process Efficiency
 - Promote Sound Resource Stewardship
- Learning, Growth and Inclusion
 - Cultivate Workforce Development and Culture
 - Promote Emerging Initiatives

A new approach to developing business objectives

Key changes implemented

- Standardization of goal setting and tracking formats.
- Improved alignment with organizational strategy, budget and values.
- Revised quarterly report for Q1 business objectives with new framework.

Internal workgroup formed to develop new tracking system

- Phased approach
- Data-informed
- Improved visibility, collaboration, or performance.

Vision for goal tracking

Upcoming enhancements

- Consolidated goals and business objectives
- New reports for divisions
- New quarterly reports
- A dashboard, and more!

New success metrics

- Key performance indicators and other associated metrics

An example



AMC Division Quarterly Report

This dashboard highlights our division's quarterly performance and key metrics for fiscal year 2026.

Overview

Financial Stewardship

43%

Completion Rate (DO 1-4)

Engagement

27%

Completion Rate (DO 5-10)

Internal Processes

10%

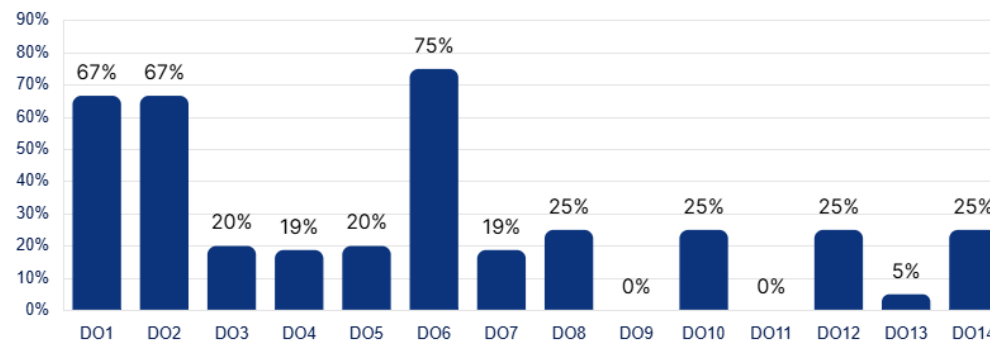
Completion Rate (DO 11-13)

Learning, Growth, & Inclusion

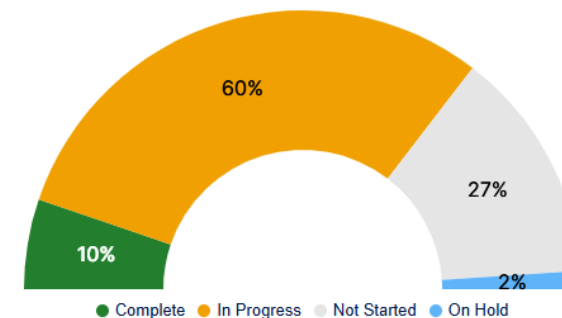
25%

Completion Rate (DO 14)

Division Objectives Progress



All Actions



Executive Summary - Q1

★ 100% of required 2024 Tax Credit annual reports have been reviewed 3 months ahead of schedule, demonstrating proactive regulatory compliance.

Next Steps



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

- **Next steps**
- **Call to action**
- **Thank you**
- **Questions?**





WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Community-Based Organizations (CBOs) in the Bond/4% Tax Credit Program

October 23, 2025

Lisa Vatske, Director, Multifamily Housing & Community Facilities Division
Keri Williams, Nonprofit & Community Outreach Lead

Agenda



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Values-Based Policy



Observations & Examples 2022-2025



CBO Supports



Accountability & Outcomes

2022 Policy Reset Built Around Values

TARGETS

- *Public Resource Alignment
- *Geographic Balance
- *Maintain/Preserve Existing Affordable Housing



SCORING

- *Racial Justice and Equity
- *Efficient Use of Resources



Value #1: Racial Justice and Equity

Finance more projects

- BY people of color
- FOR communities of color



Supported by Engagement – What We Heard

2020	2021	2022	2023	2023-2024
• Community Amenities Review Request	• Call to Action • Survey • CBO Collaboration	• First round with new Policy • Refine application process	• 4-5 points in “By and For” Section made threshold • UW Capstone Project - Metrics	• CBO Affinity Group Engagement

2023 Adopted Agency-Wide Values In Action

- **Sound Fiscal Stewardship:** *We commit to responsible investments in housing and community assets that prioritize racial equity and consider long-term sustainability.*
- **Accountability and Transparency:** *We are held accountable to our values by our staff, partners, and the communities we serve. As a public agency, we commit to transparency in how we use resources, share power, engage communities, and make decisions.*
- **Acknowledging and Addressing Power and Privilege:** *We recognize we have contributed to institutional racism, and we challenge White supremacy by applying anti racist practices to all aspects of our work.*
- **Respect and Humility:** *We acknowledge our blind spots and biases and commit to learning alongside our partners, each other, and the communities we serve.*
- **Equitable and Meaningful Engagement:** *We commit to creating opportunities to engage people in decision making processes that impact them, prioritizing historically excluded communities.*

Progress so far

Increased Credibility & Inclusivity

- Building Relationships with Trusted Messengers
- Cultivating Support from CBO network
- Increased Engagement and Participation



Values-Based Policy



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Centered around Communities Harmed by Housing Disparities

**Elevate and Amplify
Community Voices**



Characteristics of CBOs

- Geographic or identity-based
- Emphasis on lived experience among decision-makers
- Services/Advocacy Beyond Housing
- Importance to Community





39 CBOS have participated in 48 Projects

Housing Providers

- Development
- Property Management

Housing Support

- Financial/Rent Assistance
- Eviction Prevention
- Tenant Services

Advocacy

- Policy Development

Short Term Services

- Emergency/crisis care
- Limited term shelter

Ongoing Community Assistance

- Education/Childcare
- Housing

Projects that are By and For Community

Policy Section 4.4:

Overcoming Historic & Systemic Barriers (8 *points*)

Policy Section 4.5:

Potential Tenant Engagement (1-2 *Points*)

Applying Engagement (2-3 *Points*)

CBO Inclusion (5 *points*)

CBO Ownership (8 *points*)

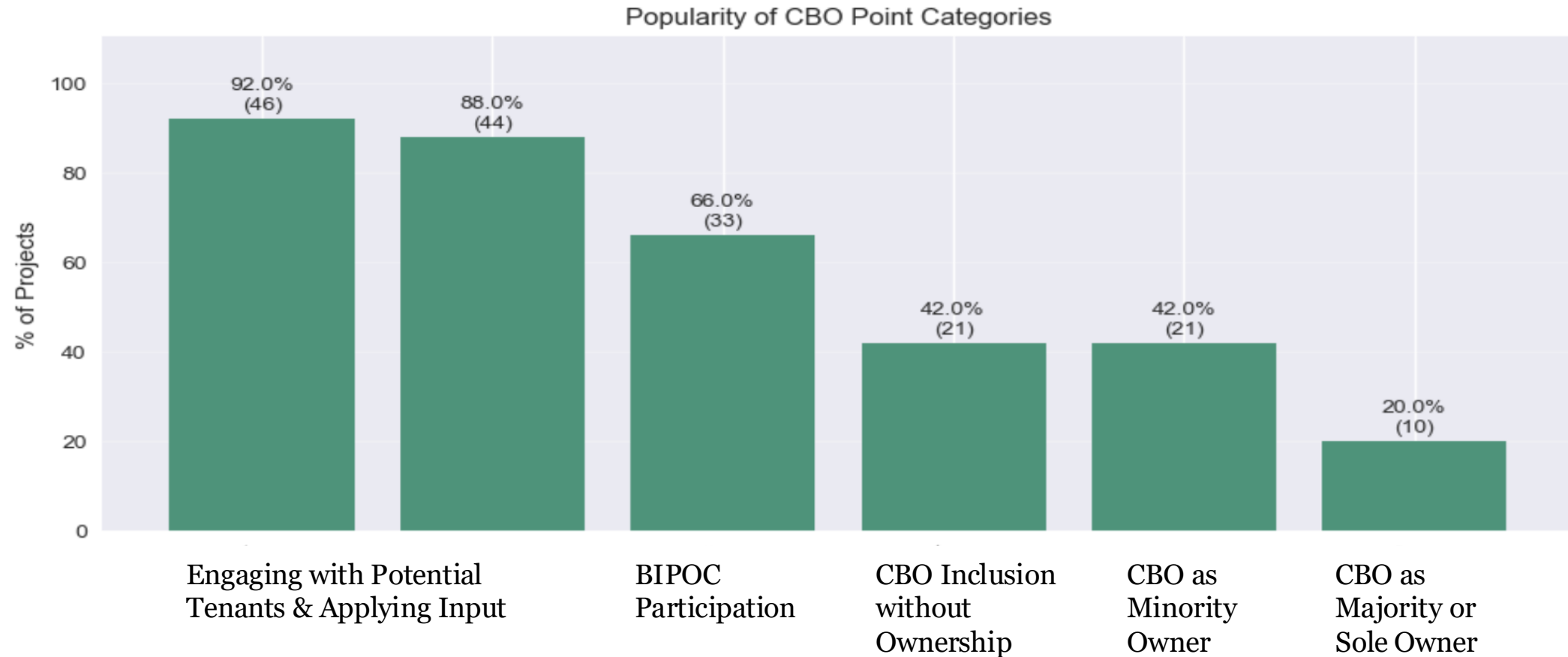
A large orange star graphic containing text.

=
26 of
approximately
68 possible
points*

Observations & Examples 2022-2025



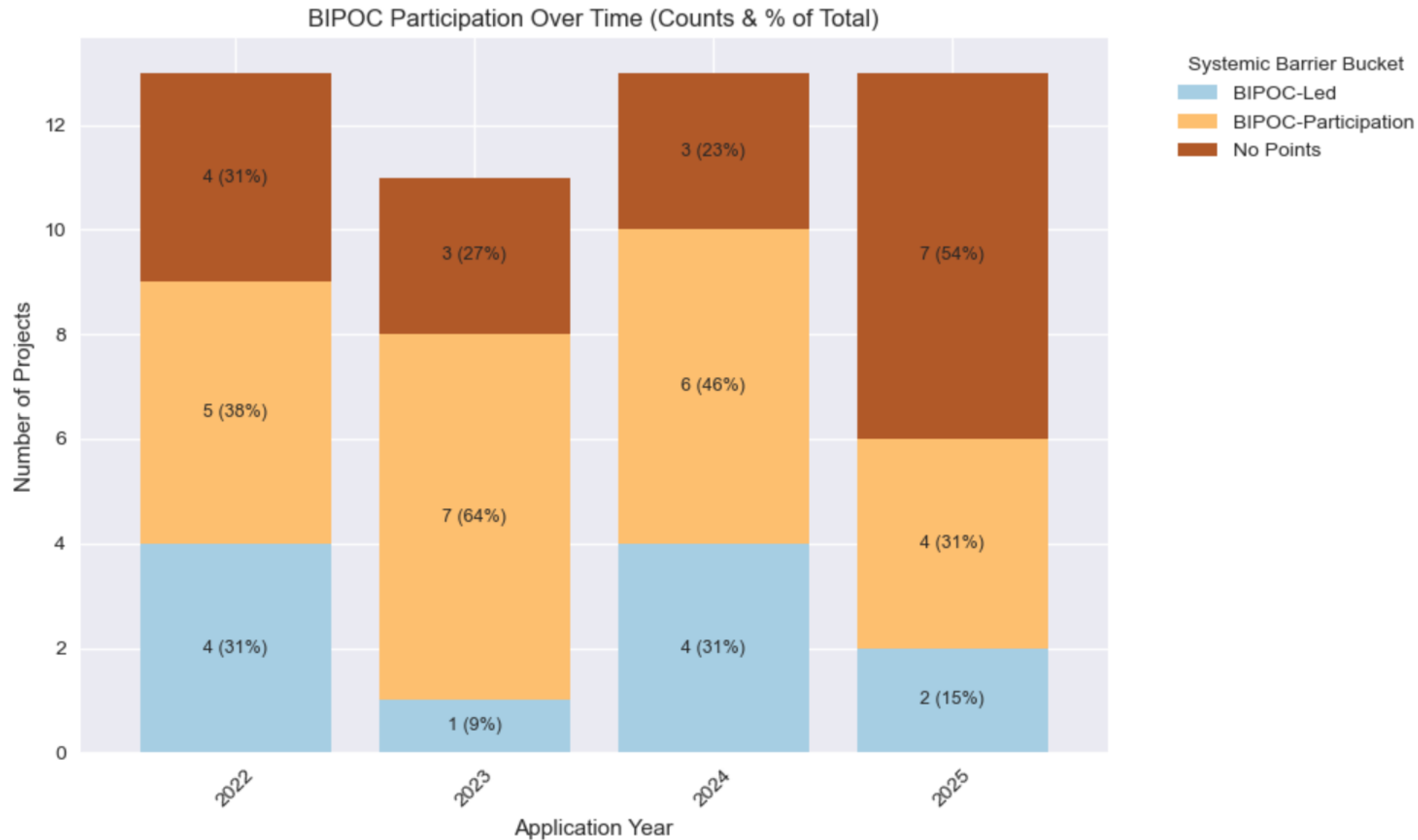
WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Observations & Examples 2022-2025



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



Observations & Examples 2022-2025

New Sponsors

- **Blackfish Capital**
- **Colas Development Group**
- **New Hope Community Development Institute**

Newly Prioritized Existing Sponsors

- El Centro de la Raza
- First A.M.E. Housing Association
- Imagine Housing
- Korean Women's Association
- Mid-Columbia Manor
- Seattle Chinatown International District Preservation & Development Authority
- Urban League of Metropolitan Seattle

Observations & Examples 2022-2025



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Overcoming Historic and Systemic Barriers

West 6th Project: Vancouver

- Black-owned Development Firm (**Colas Development**)
- Partnership with Indigenous Organization (**NAYA**)
- Cowlitz Tribe Contributions and Services



Observations & Examples 2022-2025



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

CBO as Majority Owner or Sole Sponsor Bryant Manor: Seattle

- Historic Community Based Developer (**First A.M.E. Housing**)
- Black-owned Development Consultant (**Lotus Development Partners**)
- Family-size housing in the Central Area (incl. 4 BR units)
- Early Learning Center (**Ashé**)



Observations & Examples 2022-2025

CBO as a Minority Partner in the Ownership Ovation at Paine Field and Rucker Avenue: Everett

- CBO in Multiple Properties
([Rise Up Academy](#))
- Multi-generational
Programming
- Capacity Building/Expansion



Observations & Examples 2022-2025



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

CBO Included with Capacity Building

Kendrick Landing: Tacoma

- Small CBO focusing on Supporting Single Parent families (**Next Chapter**)
- Referral to Units for clients
- Added staff capacity
- Increased service area



Observations & Examples 2022-2025



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

CBO Leading Potential Tenant Engagement Angle Lake Family Housing: SeaTac

- Early Partnership on Engagement with CBO (**The Arc of King County**)
- Design Charettes
- Two-Way Capacity Building



CBO Support



WASHINGTON STATE
HOUSING FINANCE
COMMISSION



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

HOMEOWNERSHIP MULTIFAMILY BEYOND HOUSING COMPLIANCE INVESTORS

CBO Partnerships

New! (Updated June 2025)

BACKGROUND

This webpage is for Community-Based Organizations (CBOs) interested in developing and owning affordable housing with support from the Washington State Housing Finance Commission (WSHFC). The Commission is focusing on building relationships with these CBOs as part of its [renewed commitment](#) to equity, transparency, and meaningful engagement. The Commission is beginning this work in the Bond/4% program by building relationships with CBOs who have expressed a desire for support. This webpage serves as a starting point for engagement, fostering connections, and providing resources specifically for CBOs.

This is a page in development—please check back often as we update it with new resources, policies, and opportunities for engagement.

We want to partner with you, support you, and hear from you!
Learn more about us and tell us more about yourself here: [Interest Form](#)

CBO-DEVELOPER PARTNERSHIPS

CBO-Developer partnerships are intended to improve the experience of residents living in 4% buildings and promote the capacity development of Community-Based Organizations, particularly residents and communities from BIPOC and marginalized backgrounds. Points are allocated based on the inclusion of a CBO in operations, cashflow, and decision making, as well as the ownership share of a CBO.

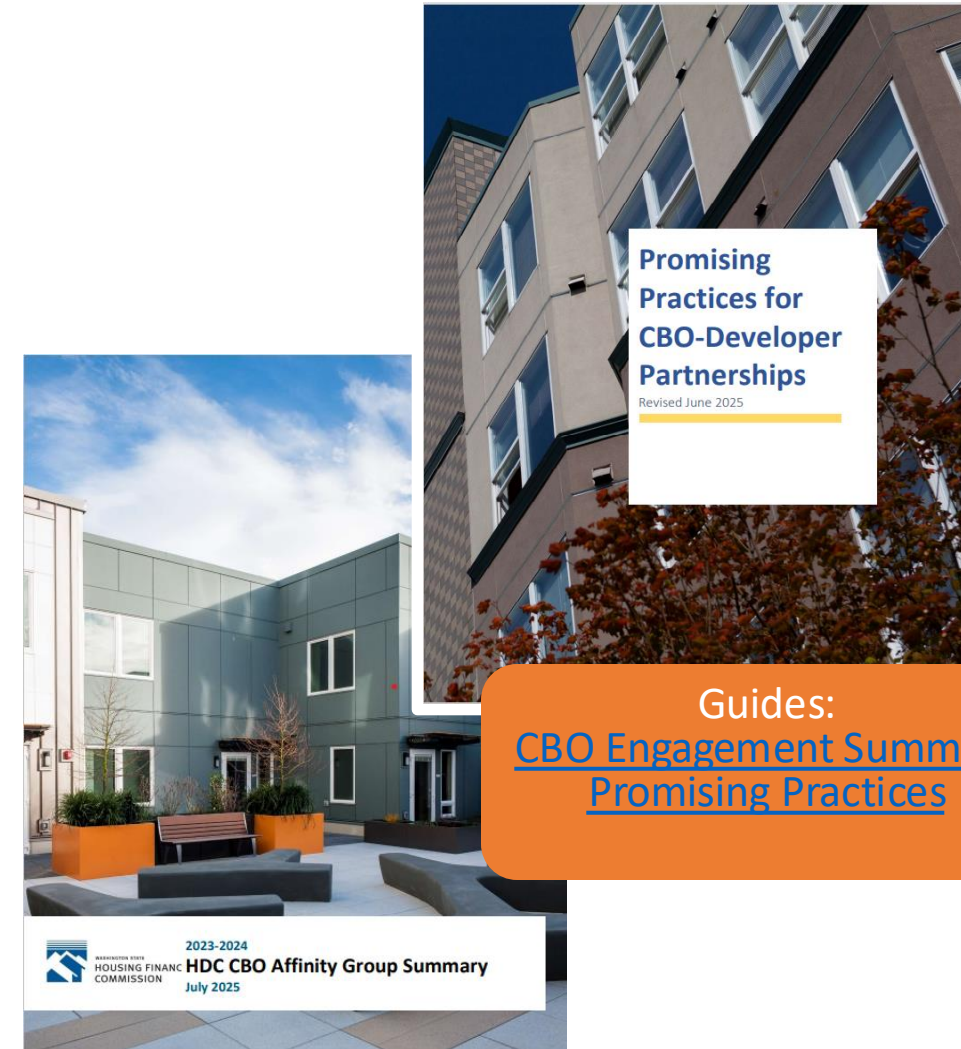
CBO

HELPFUL LINKS

These links are a helpful starting place for CBOs who may be interested in affordable housing development.

- STRATEGIC PLANNING RESOURCES
 - SMARTIE Goals — Alpha Group
 - Monitoring and Evaluation Worksheet - Design Kit
 - Logic Modeling
 - Community Toolbox
 - University of Wisconsin Course
 - Strategic Planning in Nonprofits (SPiN)
- LEARN ABOUT LIHTC
 - The Low Income Housing Tax Credit: How It Works and Who It Serves — Urban Institute
 - LIHTC Basics — Novogradac
 - LIHTC Lexicon — Novogradac
 - What Happens to LIHTC Properties at Year 15 and Beyond? — HUD User
- HELPFUL LINKS
 - Nonprofit Association of Washington
 - Resources for Housing Professionals — Housing Development Center NW
 - Housing 101 — Enterprise Community Partners
 - Housing Development Finance Training Series — Grow America
 - Affordable Housing Finance 101 — Shelterforce
- Housing WA YouTube Channel
 - Affordable Housing 101
 - 2022: Advancing Equitable Development Partnerships
 - 2023: Expanding Access to Capital for More Diverse & Community-Led Development

[Webpage](#) &
Interest Form



Promising Practices for CBO-Developer Partnerships

Revised June 2025

Guides:

[CBO Engagement Summary](#)
[Promising Practices](#)



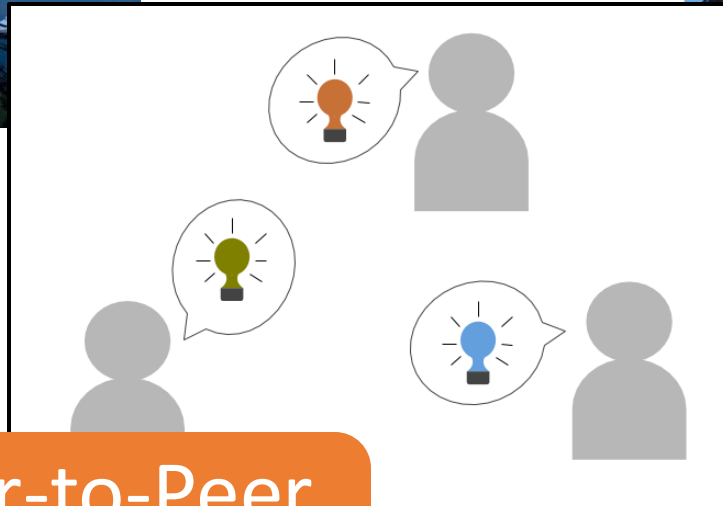
WASHINGTON STATE
HOUSING FINANCE
COMMISSION

2023-2024
HDC CBO Affinity Group Summary
July 2025

CBO Support



Events



Peer-to-Peer
Learning



October 2025 CBO Announcements



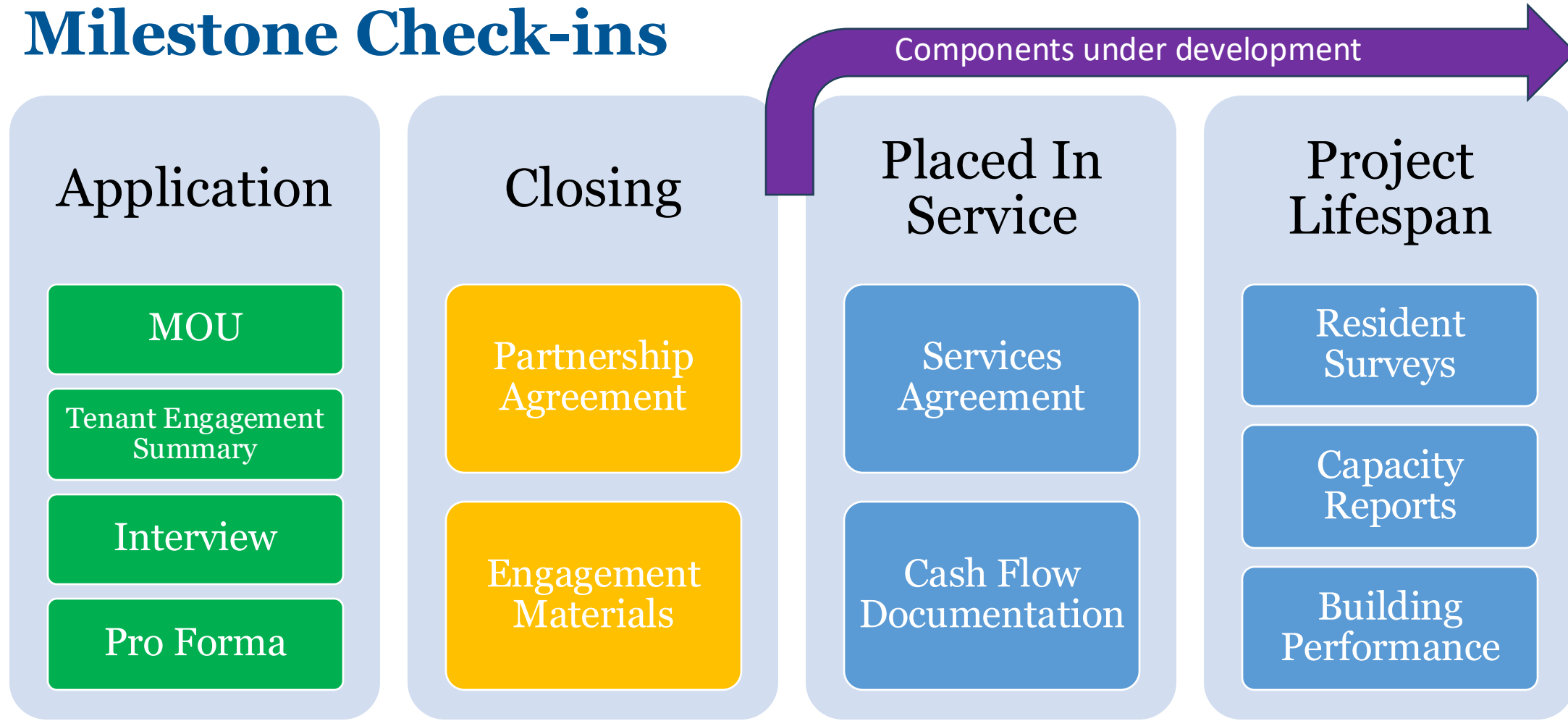
Outreach

Accountability & Outcomes



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Milestone Check-ins



Outcomes to Measure

For CBOs:

- Capacity to meet mission (housing or housing-adjacent services)
- Numbers of member/ clients/ constituency
- Financial benefit/growth

For Residents:

Housing Stability
Quality of Experience in Affordable
Rental Housing
Access to Opportunity
Experience of
Discrimination/Stigma

For Developers:

- Relationships with Neighborhood/NIMBY Issues encountered
- Capacity to Understand and Address Discrimination against Socially Disadvantaged Communities
- Resident Satisfaction
- Unit turnover
- Stability of Operations



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Questions?

Lisa Vatske lisa.vatske@wshfc.org
Keri Williams keri.williams@wshfc.org



Opening doors to a better life

MEMO

DATE: October 21, 2025
TO: Board Commissioners
FROM: Steve Walker
RE: Executive Director's Report

This memo summarizes the activities of each division, along with highlights of my own activities from August 25, - October 20, 2025. Should you have any questions, please contact Tera to arrange a call with me or a division director.

Multifamily & Community Facilities

- Lisa attended the annual NCSHA conference and was discussion leader for the multifamily meet-up as well as moderating a panel on HFA's and CDFI's.
 - Staff are participating in a Boston University sponsored - Washington State Policy Academy on Aging and Serious Mental Health Conditions. This effort is focused on bringing together the key policy makers at the State level that have a role in supporting seniors and mental health issues. The first session focused on identifying gaps in services. The three major areas that arose are 1) transitions of care; 2) community outreach; and 3) community-based workforce development. The second session which will be held in December and will focus on prioritizing the top issues to do more coordination around.
 - Staff met with Homesight and Civic Commons regarding ongoing investment and outcomes from the Field Order 15 fund. Currently, the Commission has invested \$1 million in Program related investments to support pre-development, and additional capital would be used to pair pre-development and land acquisition into a Phase 2. This fund supports single family development and emerging developers.
-

Homeownership

Covenant Homeownership

- As of October 20, 2025, we have 858 confirmed closed loans and an additional 95 loans in the pipeline with CHA reservations in 24 counties.

Homeownership Assistance Fund

- The Washington HAF Program is finalizing the final few grant applications. We will begin closing the program with the U.S. Department of the Treasury in the next few weeks, well in advance of the mandatory closure of September of 2026. We are also working with the State Auditors to complete the Fiscal Year 2025 audit of the program and expect that to conclude shortly. We also expect this to be the final monthly update on the Washington HAF Program and are preparing a final presentation for the Commissioners.

Other Updates

- In September, we had \$209 million in new reservations assisting 543 households.
- At the NCSHA conference, Lisa DeBrock presented on the Meeting the Needs of Today's Home Buyer's panel on October 7th.

Asset Management & Compliance

Compliance Monitoring

- 100% of the required 2024 Tax Credit annual reports have been reviewed. All 2024 Bond annual reports are closed out for the calendar year.
- Inspections: Our Inspection Contractor has completed 95% of the 2025 onsite inspections.
- ETO Projects: The Eventual Tenant Ownership (ETO) project continues to advance, with 18 units successfully conveyed to tenants at the Spokane Tribe. Chrystal White is actively managing project plans and approvals and coordinating with Pacifica to secure the release of the homes from the regulatory agreement. In early October, she also conducted a site tour in Yakima and the surrounding area.

Business Directives

- Staffing: We are happy to share that Brett Pickett joined us last Monday, October 20, as our new Portfolio Analyst! Brett comes to us from the Vermont Housing Finance Agency and recently relocated from Vermont. He brings valuable experience and insight to the role, and we are thrilled to have him on board.

Community Engagement and Education

- AMC Trainings: We had a successful three-day Virtual Tax Credit Fundamentals training presented and supported by several Portfolio Analysts on October 14–16, with 97 attendees.

Asset Management Initiative

- Following the hiring of the new Asset Management Analyst, the work on Asset Management Initiative will begin. As previously presented, the goal of this initiative is to optimize the long-term performance and sustainability of our tax credit and bond properties. We are excited to get started on this important work.

Rent Stabilization

- Asset Management & Compliance division, and the Multifamily division are collaborating to further develop policies and procedures aimed at incorporating the recommendations from last year's Rent Stabilization work with Dept of Commerce and engagement work with Athena Group into the Commission's allocation and monitoring policy and procedures. This initiative is part of a broader effort to promote housing stability and predictability for renters. New strategies and policies are expected implemented for 2027. This allows sufficient time for stakeholder feedback, detailed planning, and necessary updates to operational systems.

Finance

- We are currently working on the next Single-Family bond issuance, 2025 series 2. This will be a mixture of tax-exempt debt supporting our House Key program and taxable debt supporting our Home Advantage program. Total bond amount is expected to be approximately \$64 million, and pricing is scheduled to take place November 4th.
- Work on the FY 2025 is wrapping up, with the final report expected to be published before the end of the month. This will be the earliest the report will be available in recent history, and a huge shout out to Finance staff and our partners at Eide Bailly for their hard work meeting this tight deadline.

Executive Director's Update

- I attended the NCSHA Annal Conference, which entailed the Board of Directors

meeting, the Executive Director's Forum, and the Annual Business meeting and HFA Board Member Roundtable. I was re-elected to the NCSHA Board of Directors.

- The Commission received an award – under the category of Empowering New Home Buyers - for our Covenant Home Ownership program.

I participated in the following meetings and events:

- Evergreen Housing Investment Credit Committee; Governor's Housing Subcabinet monthly meeting; meeting with State Senator Alvarado and a meeting with Senator Bateman.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION WORK SESSION 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, October 23, 2025, at 1:00 p.m., to consider the items in the agenda below.

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

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

**Meeting ID: 815 6869 2337
Passcode: 695244**

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 two below for instructions.

- I. Chair: Call to Order**
- II. Steve Walker: Roll Call**
- III. Chair: Approval of the Minutes from the September 25, 2025 special meeting**
- IV. Steve Walker: Employee Recognition**
- V. Chair: Conduct a Public Hearing on the following:**
 - A. St Jude Havens Portfolio (El Estero & CJ Court), (OID # 23-50A-B)**
Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition and rehabilitation of two multifamily housing facilities in Spokane and Spokane Valley, Washington, to be owned by St Jude Havens LLC, a Washington limited liability company. Proceeds of the obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of two multifamily housing facilities, El Estero Apartments, consisting of 122 units located in Spokane, Washington, and Catherine Johnson Court, consisting of 36 units located in Spokane Valley, WA, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed \$20,000,000. (5 min.)

B. Copper View Apartments, (OID # 25-27A)

Bianca Pyko: The proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in West Richland, Washington, to be owned by Copper View 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 264-unit multifamily housing facility located in West Richland, WA, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed \$47,500,000. (5 min.)

C. Jacob Richardson: Recommend and present Projects for Allocation of Low-Income Housing Tax Credits from the 2025 funding round. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	\$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	\$2,703,887
25-16	Skyway Mixed Use	Seattle	King	\$1,529,520
25-18	Lexington & Concord	Seattle	King	\$2,539,132

VI. Consider and Act on the Following Action Items:

A. Resolution No. 25-84 for the 2025 Allocation of Credit for the Housing Tax Credit Program

Lisa Vatske: A resolution authorizing the Executive Director to make reservations and/or allocations of 2025 Housing Tax Credits. (5 min.)

TC #	Project Name	City	County	Annual Tax Credit Amount
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	\$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	\$2,703,887
25-16	Skyway Mixed Use	Seattle	King	\$1,529,520

25-18	Lexington & Concord	Seattle	King	\$2,539,132
-------	---------------------	---------	------	-------------

B. Resolution No. 25-67, 192 Shoreline Supplemental, OID # 21-33A

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 250-unit multifamily housing facility located at 19022 Aurora Avenue N., Shoreline, WA 98133, to be owned by Shoreline TWG LLLP, a Washington limited liability limited partnership. Proceeds of the obligations may also be used to pay all or a portion of the costs of issuing the obligations. The total estimated obligation amount is not expected to exceed \$48,000,000. The public hearing was held September 17, 2025. (10 min.)

C. Resolution No. 25-78, Cedar Flats, OID # 24-52A

Lisa Vatske: A resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations used to provide a portion of the financing for the acquisition, construction and equipping of a 276-unit multifamily housing facility located at 8012 170th Street East, Puyallup, WA 98375, to be owned by VBT Cedar Flats LLC, a Washington limited liability company. The estimated maximum obligation amount is not expected to exceed \$62,000,000. The public hearing was held August 28, 2025. (5 min.)

D. Resolution No. 25-79, Horizon House, OID # 25-56A

Lisa Vatske: A resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations to (i) refinance outstanding tax-exempt and/or taxable obligations, the proceeds of which financed capital improvements to the facilities of an existing continuing care retirement community, (ii) finance the demolition, replacement, construction, equipping, renovation and improvement of facilities of an existing continuing care retirement community, including the construction and equipping of a new approximately 33-story building with approximately 202 apartments and related common area facilities, and the renovation and improvement of existing residences and related facilities of the continuing care retirement community (iii) fund a debt service reserve fund and pay capitalized interest with respect to the obligations, and (iv) pay all or a portion of the costs of issuing the obligations. The project is located at 900 University Street, Seattle, WA 98101, owned and operated by Horizon House, a Washington nonprofit corporation and an organization described under section 501(c)(3). The estimated maximum obligation amount is not expected to exceed \$625,000,000. The public hearing was held August 28, 2025. (5 min.)

- E. Resolution Number 25-83, 35th and Pacific Family Housing, OID # 23-104A**
Lisa Vatske: A resolution approving the issuance of one or more series of tax exempt and taxable revenue obligation to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in Tacoma, Washington, to be owned by MHNW 29 35th and Pacific 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 an 80-unit multifamily housing facility in Tacoma, WA, and to pay all or a portion of the costs of issuing the Obligations. The estimated maximum obligation amount is not expected to exceed \$33,000,000. (5 min.)
- F. 2026 Board Meeting Dates for Board Vote/Approval**
Bob Peterson (5 mins)
- G. Program Related Investments (PRI) for Habitat for Humanity of WA State**
Lucas Loranger: Request approval for the modification of program terms and authorization for the issuance of a loan for the benefit of the Habitat of Whatcom County affiliate for \$830,000. (10 min.)

~~VII. Informational Report on Department of Commerce Activities. (if not accomplished during the Work Session) (10 min.)~~

VIII. Executive Director's Report (if not accomplished during the Work Session) (10 min.)

IX. Commissioner Reports

X. Chair: Consent Agenda (5 min.)

- A. Homeownership & Homebuyer Education Programs Monthly Activities Report**
- B. Multifamily Housing and Community Facilities Monthly Activities Report**
- C. Asset Management and Compliance Monthly Activities Report**
- D. Financial Statements as of September 30, 2025**
- E. Quarterly Program Status Reports from the period ending September 30, 2025**
 - 1. Homeownership Division**
 - 2. Multifamily and Community Facilities Division**
 - 3. Asset Management and Compliance Division**
 - 4. Administration, Human Resources and IT Divisions**
 - 5. Finance Division**

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

- A. Miscellaneous Correspondence and Articles of Interest**
- B. HFC Events Calendar**

XII. Chair: Public Comment

XIII. Executive Session (if necessary)

XIV. Adjourn

Nicole Bascomb-Green, Chair

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

WASHINGTON STATE HOUSING FINANCE COMMISSION MINUTES

September 25, 2025

The Commission meeting was called to order by Vice Chair Lowel Krueger, presiding as Chair, at 1:00 p.m. in the Board Room of the Washington State Housing Finance Commission at 1000 Second Avenue, Suite 2700, Seattle, Washington 98104 and via Zoom. Those Commissioners present were Bill Rumpf, Ken Larsen, and Pedro Espinoza; and present via Zoom were Vice Chair Krueger, Albert Tripp, Alishia Topper (joined the meeting at 1:04 p.m.), Ken Larsen, Michone Preston, Mike Pellicciotti, and Tedd Kelleher (joined the meeting at 1:04 p.m.).

Approval of the Minutes

The August 28, 2025 Commission meeting minutes were approved as distributed.

Public Hearing: Tacoma/Pierce County Habitat for Humanity, OID #25-75A

The Vice Chair opened a public hearing for Tacoma/Pierce County Habitat for Humanity, OID #25-75A at 1:03 p.m.

Ms. Bianca Pyko, Senior Bond/Housing Analyst, Multifamily Housing & Community Facilities (MHCF) Division, stated that this is a public hearing for the proposed issuance of one or more series of tax-exempt and/or taxable revenue obligations to finance a portion of the costs for the acquisition of an existing facility located at 4820 & 4824 South Tacoma Way, Tacoma, Washington 98409 to be owned and operated by Tacoma/Pierce County Habitat for Humanity, a Washington nonprofit public benefit corporation and an organization described under section 501(c)(3) of the IRS Tax Code (the “Code”). Proceeds of the obligations will be for the acquisition of an existing facility, and to pay all or a portion of the costs of issuing the obligations. The estimated maximum obligation amount is not expected to exceed \$1,700,000.

September 25, 2025

Page | 1

Ms. Pyko added that Tacoma/Pierce County Habitat for Humanity (“Tacoma Habitat”) has created and preserved affordable homeownership for income qualified households earning roughly 30-80% of Area Median Income (AMI) since 1985. She added further that the bonds will be used to finance the purchase of the building Tacoma Habitat currently leases to allow it to continue to serve as their storefront, operations and community hub, consolidating programming, counseling, volunteer and construction support functions. Tacoma Habitat also offers amenities and services to the community through the Habitat store. Kitsap Bank will serve as lender for this project.

Ms. Pyko then introduced Ms. Sherrana Kildun, CEO, Tacoma/Pierce County Habitat for Humanity.

Ms. Kildun stated that Tacoma Habitat now has the opportunity to purchase the building they have been leasing for the past ten years which houses both their administrative offices and their retail store. She stated that Habitat Tacoma has been serving the Tacoma/Pierce County communities for over 40 years and has built and sold over 320 houses for first-time homeowners throughout Pierce County.

She added that Tacoma Habitat also is purchasing homes from the Pierce County Housing Authority and renovating and selling these homes to income-qualified buyers. She stated that Habitat Tacoma currently own 53 of those homes and has sold ten homes, with a goal of selling 80 homes in the next couple months.

Ms. Kildun mentioned that Tacoma Habitat helps provide critical home repairs to about 50 seniors throughout Pierce County every year. Also, Habitat Tacoma is also a HUD-certified housing counseling organization, serving over 135 families who are interested in stepping into homeownership, either through Habitat or in the open market, and for those that are struggling to pay their existing mortgage through foreclosure prevention and counseling. She mentioned further that Tacoma Habitat is an active hub of community outreach for affordable homeownership in Pierce County.

Ms. Kildun concluded that the retail store sells both gently used furniture and construction supplies but also collects recycled paint for the state recycling program and has a recycling area for scrap metal, for sustainability and environmental purposes.

There were no comments or written testimony from members of the public, and the public hearing was closed at 1:07 p.m.

**Public Hearing:
Project(s) for
Allocation of Low-
Income Housing
Tax Credits in the
2025 funding round**

The Vice Chair opened a public hearing at 1:07 pm on the recommended allocation of 9% Low-Income Housing Tax Credits (“LIHTC”) for the following three projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
25-15	Franz Anderson	Olympia	Thurston	\$1,928,539
25-03	Lewis, Spruce, & Sixth	Yakima	Yakima	\$1,378,777
25-10	Catlin & Main	Kelso	Cowlitz	\$1,105,600

Mr. Jacob Richardson, Manager, MHCF Division, stated that these are the next three projects (of 11 total projects) for consideration for an allocation of 2025 9% LIHTCs. Four projects have already been considered and approved for allocation of LIHTCs with the remaining four LIHTC projects to be considered for allocation next month.

Franz Anderson

Mr. Richardson stated that Franz Anderson is to be located on 527 Franz Anderson Road SE in Olympia, Washington 98501 and is sponsored by the Low Income Housing Institute (LIHI). The project is in the Non-Metro credit pool and will have 71 total units, with a total credit request of \$1,928,539. A Total Development Cost (TDC) waiver for this project was submitted and approved.

Mr. Richardson then introduced the following staff from LIHI: Ms. Sharon Lee, Executive Director and Ms. Kalyssa Eversman, Housing Developer Associate & Project Manager.

Ms. Lee stated that LIHI is proposing another permanent supportive housing project in Olympia. The City of Olympia is a key partner for this development as it has already purchased the property and conveyed it to LIHI to build this housing to end homelessness in Thurston County. She stated further that this project is the first of the two phases. A tiny home village operated by LIHI is across from the site for both phases. She also thanked the following for their support: the Housing Trust Fund & Apple Health and Homes (Dept. of Commerce), Thurston County, and the Thurston County Regional Housing Council.

Ms. Eversman stated that this project would have 10 AHAAH vouchers available for residents and is permanent supportive housing for residents and those living on right of ways, with case management services offered onsite by LIHI and onsite medical services offered by Sea-Mar. She added the project site is located close to a wetland surrounded by nature. Also, a dog run park and a covered outdoor shelter will be available onsite as well, along with a communal laundry and a community room with a full-size kitchen.

Mr. Rumpf asked Ms. Eversman if there is long-term funding for this permanent supportive housing. Ms. Eversman replied that there is through the City, State, the Regional Housing Council, and the County. She also mentioned that the unit mix will serve persons making anywhere from 30 to 50% of local AMI.

Lewis, Spruce, & Sixth

Mr. Richardson stated that Lewis, Spruce, & Sixth is to be located at 316 North Lewis Street, 914 East Spruce Street, and 415 North 6th Avenue; all in Yakima, Washington 98902 and is sponsored by the Housing Authority of the City of Yakima (YHA). He added that this project will be in the Non-Metro credit pool,

and will have a combined total of 50 units, with a total credit request of \$1,378,777.

Mr. Richardson then introduced Ms. Isabel Garcia, Senior Developer, Office of Farmworker Housing (ORFH), representing the project sponsor, the YHA.

Ms. Garcia stated that ORFH is the leading developer for this project and that Lewis, Spruce, & Sixth is three scattered infill sites located in Yakima housing studio, one, and two-bedroom units in newly constructed buildings. The project will address the long waitlists occurring at YHA for affordable housing. She added that 13 of the 50 total units will be set aside for permanent supportive housing, to be serviced by project-based vouchers, and the remaining 37 units to serve persons making 60% or less of local AMI.

She mentioned that each site is located adjacent to existing housing operated/managed by the YHA and are located within a half mile of medical facilities, shops, and public transportation. Also, two of the three sites were already purchased by the YHA, and the third site on Lewis, was done through the Commission's Land Acquisition Program (LAP). She concluded that these three sites were consolidated in the financing for maintenance and operational efficiency.

Catlin & Main

Mr. Richardson stated that Catlin & Main is sponsored by the Lower Columbia Community Action Council (Lower Columbia CAC), located at 203 SW 3rd Avenue, in Kelso, Washington 98626, and is in the Non-Metro pool with 40 total units and a credit request amount of \$1,105,600. A TDC waiver for this project was submitted and approved.

Mr. Richardson then introduced Mr. Walter Zisette, Real Estate Development Director, Community Frameworks, presenting on behalf of the Lower Columbia CAC.

Mr. Zisette stated that the unit mix breakdown would be the following for the two buildings: ten units for persons making 30% or less of local AMI, 20 units for persons making 40% or less of local AMI, and the remaining ten units for persons making 60% or less of local AMI. Also, ten out of the 40 units would be set aside for eligible households utilizing either or both the HOME and AHAF funding sources.

He mentioned that the Lower CAC has been in existence in Cowlitz County for over 60 years, and Community Frameworks for 50, and stated that this is the first collaboration between Community Frameworks and the Lower Columbia CAC for any housing project. Also, for the community, there will be a public library in the ground floor of the “A” building, and a community center in the “B” building as well.

Mr. Zisette then acknowledged the funding partners: Housing Trust Fund (Dept. of Commerce), City of Kelso, a grant from PeaceHealth, and Enterprise Community Partners. He added that an application for Department of Commerce CHIP funds was also submitted.

There were no comments or written testimony from members of the public for any of the three projects, and the public hearing was closed at 1:22 p.m.

**Public Hearing:
Proposed Bond/Tax
Credit Policy
Changes for the
2026 Allocation
Round**

The Vice Chair opened a public hearing on the proposed Bond/Tax Credit Policy Changes for the 2026 LIHTC Allocation Round at 1:22 p.m.

Mr. Jason Hennigan, Manager, MHCF Division, along with Ms. Jackie Moynahan, MHCF Division Senior Policy Advisor, stated the proposed Bond/Tax Credit Policy changes for the 2026 Allocation Round are twofold: 1) Federal changes to the 50% Test by lowering this to be a 25% Test for bond issuances after December 31, 2025 along with transition projects that can issue 5% in 2026 to meet the lower test, and 2) clarifications to investor, energy, and major systems requirements, and the Community Based Organization (CBO).

Mr. Hennigan briefly summarized the changes that were included in more detail both as PowerPoint presentation slides and a table included in the board meeting packet.

The Federal changes are as follows: 1) Updates Sections 2.3, 3.17, and 3.30.2 of the Commission's Bond/Tax Credit Policies to reflect the new 25% threshold to qualify for LIHTCs; 2) maintains a cushion for bond requests of no more than 30% of aggregate basis but allowing flexibility up to 40% based on the Commission's evaluation of the project's permanent debt sizing under two criteria – whether the project can support permanent debt supporting the larger allocation and the project is unable to obtain recycled bonds; and 3) provides flexibility on how the Commission may use recycled bonds to be responsive to the Federal changes.

Mr. Hennigan then briefly explained how bond cap sizing works. Currently bond cap awards are hard capped at 55% of aggregate basis (50% + a 10% buffer). With the new 25% Test, bond cap awards will be calculated using a two-step process – 30% of aggregate basis plus land (25% + a 20% buffer), and a permanent debt amount of up to 40% aggregate basis. Also, some projects will need to take on taxable debt on a short-term basis for a portion of their construction financing, that would have been tax-exempt under the 50% Test.

He then briefly explained that recycled bonds are generated from bond prepayments, mostly from loans converting from the construction phase to the permanent phase. Recycled cap does not create any 4% LIHTC. Recycled cap is time constrained to no more than six months from the repayment date and the availability of recycled bonds is difficult to predict. To date, recycled bonds are prioritized for production. He added that staff expects the new 25% Test will result in more demand for recycled bonds for projects that can support permanent debt above the 30% level.

Mr. Hennigan then briefly summarized the remaining section changes in the Policies as follows:

Section 3.16.12 - Tax Credit Investor – Adds “syndicators” to the subsections and creates a Balance of State subsection to clarify requirements.

Section 4.5 – Projects that are By and For the Community – aligns process with prior years’ updates to clarify an interview is required and not of a supportive narrative.

Section 4.6 – Donation in Support of Local Nonprofit Programs – clarifies definition of organizations receiving the donations.

Energy Sections 4.8.2.1 NC Solar Option & 4.9.1 Solar Rehabilitation Option – clarifies requirement for projects with multiple buildings.

Energy Section 4.9.3 Electric Vehicle (EV) Charging Station Option – clarifies intent and requirements for residential parking spaces.

and,

Section 4.11 – Rehabilitation of Major Systems – clarifies options by replacing “other” with “Envelope” and highlights requirements that are needed.

Ms. Moynahan added that the five guidance items for the Bond/Tax Credit Program will be posted on the Commission’s website later in the afternoon after the Commission Meeting for the following:

- 1) 25% Test – context and support for applicants
- 2) Underwriting – mirrors 9% program guidance
- 3) Community-Based Organizations (CBO) – provides examples and clarifying process expectations
- 4) Energy – clarifies requirements and expectations and

5) Preservation – highlights sections of the Policies that support this activity.

Ms. Lisa Vatske, MHCF Division Director, commended MHCF staff for all their hard work on these updates to the Policies.

There were no comments or written testimony from members of the public, and the public hearing was closed at 1:34 p.m.

**Action Item:
Resolution No. 25-
76, 2025
Allocation(s) of
Credit for the
Housing Tax Credit
Program**

Ms. Lisa Vatske, Director, MHCF Division, stated that this is a resolution authorizing the Executive Director to make reservations and/or allocations of 2025 LIHTCs for the following three projects:

TC #	Project Name	City	County	Annual Tax Credit Amount
25-15	Franz Anderson	Olympia	Thurston	\$1,928,539
25-03	Lewis, Spruce, & Sixth	Yakima	Yakima	\$1,378,777
25-10	Catlin & Main	Kelso	Cowlitz	\$1,105,600

The public hearing for these projects was just held prior to the consideration of this resolution.

Mr. Rumpf moved to approve the resolution. Mr. Larsen seconded the motion. The resolution was approved by a vote of 8 to 0, with one abstention from Vice Chair Krueger, due to his employment as the Executive Director of the YHA.

**Action Item:
Resolution No. 25-
67, 192 Shoreline
Supplemental, OID
#21-33A**

This action item was pulled from the agenda.

Ms. Vatske stated the following overview of the 192 Shoreline project status:

“I want to provide some context and transparency on a very difficult and challenging situation that we have been navigating since May of this year. A project that we financed in December, 2021- 192 Shoreline, with TWG Development that is now currently built and providing housing for 250

households failed to use their tax-exempt debt allocation of \$48 million by the federally required deadline. They used a taxable construction loan which was extended due to project delays. When they went to convert the construction loan to the permanent phase, it was then realized that the tax-exempt bonds had not been drawn down within the required timeframe, which means that not only was the bond cap authority lost, but also the ability to access the tax credit equity was/is also lost.

At that point a series of discussions and negotiations took place, regarding potential consequences and solutions. This has never happened before in our state, and through inquiries, seemingly only a few other times nationally that we know of. Staff, alongside Pacifica and the borrower and borrower and bank counsel, worked diligently and thoroughly to model several scenarios to balance and weigh protecting the tenants, first and foremost, then the potential additional bond cap needed, with keeping the transaction intact versus letting the whole financing unravel. That could ultimately lead to the displacement of the newly housed tenants through the financing default and potential bankruptcy of the borrower.

After assessing the various scenarios, and appreciating the magnitude of this mistake and loss of resources by not being able to realize on the \$30 million of tax credit equity needed to convert the construction debt and the \$15 million of subordinate debt invested through the Amazon Equity fund, we entered into a supplemental bond volume cap allocation agreement – that:

- stipulates to the original bond issuance amount being lost,
- states the unexpected and significant use of this scarce, valuable and highly competitive Commission resources and the impact on the Commission's funding pipeline and its public and private partners
- addresses the policy and process in the Commission's allocation policy, Section 3.30, which required the project sponsor to provide reasons for the request, takes steps to minimize cost increases, identify other sources of funding to cover gaps, documents and provides updates on the sources and uses

- Agrees to allocate additional bond cap in the amount of \$47,414,457, with Commission approval of a new resolution
- And then states conditions intended to serve as a penalty and consequence for this error, basically following our debarment policy to minimize the impact of the loss of the resource on other affordable housing developers in Washington state: (1) the borrower is not allowed to apply or to utilize any Commission program for a 3 year period from the date of the agreement and (2) a road map for the 3 additional projects that were in the developer's pipeline, including an ELAP loan that the Commission had made.
- Additional oversight will be required for future projects by the developer and all current policies, including meeting any future policies regarding good standing. will be required after the 3-year period.
- TWG waives any right to file a lawsuit against the Commission.

Again, I want to emphasize the unique, unprecedented and difficult nature of this situation. The importance and priority of protecting the existing tenants living in the building and protecting the integrity of the financing structure in order to enable this housing to remain affordable as originally contemplated has been our main objective in considering the additional issuance of this debt and bringing this resolution forward to you all next month.

The main lessons learned include the importance of the borrower and financing team fully understanding the underlying requirements and funding mechanisms being used- and to fully draw down the tax-exempt financing piece within the federally required timeframe. In addition, it is important and validates our need to build out a clear and transparent good standing policy, which we are currently in the process of doing.”

Vice Chair Krueger thanked Ms. Vatske for the explanation and update for this project.

**Action Item:
Resolution No. 25-
77, The Bush
School, OID #25-
54A**

Ms. Vatske stated that this is a resolution approving issuance of one or more series of tax-exempt and/or taxable revenue obligations to (i) finance the construction, renovation, furnishing, improvement and equipping of nonprofit educational facilities (including the demolition of an existing facility), and (ii) pay all or a portion of the costs of issuing the obligations, located at 3400 E. Harrison Street, Seattle, Washington 98112. The project is owned and to be owned and operated by The Bush School, a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Code. The estimated maximum obligation amount is not expected to exceed \$50,000,000. The public hearing was held July 24, 2025.

Ms. Vatske concluded that a bank commitment letter was issued by Wells Fargo Bank for an amount not to exceed \$46 million.

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

**Action Item:
Approval of
Proposed Bond/Tax
Credit Policy
Changes for the
2026 Allocation
Round**

Ms. Vatske stated that this is the consideration and approval of proposed Bond/Tax Credit Policy changes for the 2026 Allocation Round. The public hearing was just held which summarized the changes to the Policies for 2026 in a presentation by Mr. Hennigan and Ms. Moynihan, and in detail in the PowerPoint presentation slides and the table that was included in the board meeting packet.

Mr. Larsen moved to approve the proposed Bond/Tax Credit Policy changes for the 2026 LIHTC Allocation Round. Mr. Espinoza seconded the motion. The motion was unanimously approved.

**Informational
Report on
Department of
Commerce
Activities**

Mr. Kelleher mentioned the following items from the Department of Commerce (“Commerce”):

Commerce still has several staff vacancies to fill including the Assistant Housing

Director. Mr. Kelleher also mentioned that he is the current Interim Co-Assistant Director of the Housing Division at Commerce.

Mr. Kelleher mentioned that the state economic revenue forecast that came out yesterday was not unexpected, with a \$900 million shortfall announced. He added that this was on top of the significant shortfalls that had to be addressed in the last legislative session through a combination of significant cuts and revenue enhancements. He added that it will be even more difficult to do a second round of reductions, so Commerce is currently undertaking that process.

Mr. Kelleher stated that Commerce has submitted a legislative decision package and agency request legislation for consideration by the Governor's Office, which is currently being reviewed and will be posted on the OFM website soon. The Governor will make the final decisions about what to accept by the end of the year.

He then mentioned that with respect to the potential federal shutdown on October 1, that a short-term Federal government shutdown will not have a significant impact and will not impact Commerce's grants and pass-through monies. Also, Commerce has the ability to move funds around, for a significant period of time before it would make an actual impact on Commerce's contract agreements and staffing levels.

Executive Director's Report

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

Multifamily & Community Facilities:

Excited to announce that Ben Brown, MHCF's former intern has joined the Commission as a Development analyst, continuing to support the energy, preservation, and multifamily financing efforts. MHCF will be hosting another HDC intern this year who will be helping to continue to support the Commission's energy and sustainability efforts.

On September 12, the Sustainable Energy Trust (SET) Loan Committee approved a loan of \$1,000,000 to partially fund the Giving Grid Portfolio. This loan will provide for the development of 1.8 Megawatts of solar capacity, with energy savings from the projects being passed on to several rural school districts. The full portfolio will generate a combined \$10 million in energy savings over the solar system's 30-year lifetime. School districts that will benefit from these projects include Davenport, Tekoa, Pullman, Lind-Ritzville, Freeman, Palouse, Reardan, and Sprague.

The Commission recently approved (and are close to closing) the first series of construction loans to two non-profit borrowers through its Community Land Trust Program. The homes will be sold under a land- lease model ensuring affordability in perpetuity.

1.) Kulshan Community Land Trust: LaFreniere Court

The project features an 18-unit townhome development in Bellingham. The energy efficient homes will be conveniently located to public transportation, Bellingham Public Schools, City Sprouts Farm, and Downtown Bellingham.

2.) Olympic Housing Trust: Dundee Hill

The project features five green built, Northwest-modern townhomes. There will be two 2-bedroom units, and three 3-bedroom units situated next to the neighborhood's community garden.

Homeownership:

Covenant Homeownership:

As of September 22, 2025, there are 770 confirmed closed loans and an additional 100 loans in the pipeline with CHA reservations in 24 counties.

Homeownership Assistance Fund (HAF):

The Washington HAF Program worked its way through the more than 700 applications it received as of the April 7, 2025 application deadline and only a few applicants remain to be processed. Homeownership is finalizing the final few applications and then will turn to program closure. Homeownership is also working with the State Auditor's Office (SAO) to complete the Fiscal Year 2025 audit of the HAF program and expect that to conclude shortly.

As of September 16, 2025, the Commission has provided 6,758 HAF grants totaling over \$142 million.

Other updates:

In August 2025, the Homeownership Division had \$206 million in new loan reservations assisting 539 households.

Asset Management & Compliance (AMC):

Compliance Monitoring:

Eventual Tenant Ownership (ETO) Projects - Chrystal White from AMC Division staff continues to work on project plans and approvals.

New information shared this past month shows that Spokane Homes conveyed all but seven units. AMC is working to get the homes released from the regulatory agreements. Chrystal is continuing to monitor progress and plans to conduct a site tour in October for locations in Yakima and the surrounding area. This rollout aims to improve how AMC receives and tracks inquiries from residents, property staff, and stakeholders.

Business Directives:

Staffing – AMC is excited to announce that we have hired a new Asset Management Analyst! This is one of the new positions created to support the Asset Management Initiative. AMC is excited about how this role will help strengthen asset management practices and enhance overall portfolio

performance. AMC is pleased to share that one of their own Portfolio Analysts, Allie Delano, has accepted the position. Congratulations, Allie!

AMC is also excited to announce that Brett Pickett has accepted the offer to fill the Portfolio Analyst position left vacant by Allie's position change. Brett is coming to the Commission from the Vermont Housing Finance Agency and will be joining the Commission in late October. Plus, AMC has hired William Phillips Nichols as the new Asset Management Intern, who will be supporting Allie and the team with ongoing projects and initiatives.

Finance:

Division Directors and Finance Division staff met with representatives from Moody's earlier in the month to discuss the Commission, its programs, and future challenges, as the next step in obtaining an issuer rating. Additional financial and programmatic data was provided to Moody's following the meeting, which they are currently analyzing. Finance expects to receive the rating sometime next month.

Diversity, Equity, & Inclusion (DEI):

Community Engagement:

The Community Engagement (CE) Team successfully completed the IAP2 (International Association for Public Participation) Fundamentals of Public Participation course, marking a milestone in their professional development journey.

Business Objectives:

Starting in October, quarterly objective reporting will transition to an automated Smartsheet system.

Phase One will establish a centralized organizational hub for business objectives

and divisional reporting.

Phase Two will refine the system based on user feedback and desired reporting outcomes.

Strategic Plan:

The Accountability Tracker Team is finalizing the strategic plan tracking tool.

Executive Director's Update:

Lt. Governor Heck, Senator Bateman (Chair of the Housing Committee), and the Governor's Office recently hosted a housing supply roundtable. The event brought together representatives from across the housing ecosystem—including the Commission, the Department of Commerce, developers, labor lobbyists, local government officials, realtors, and members of the broader building industry. Participants were invited to share actionable ideas to help address housing supply challenges in preparation for the upcoming short legislative session.

Mr. Walker met with a delegation from Salt Lake City (SLC) that visited last week, including the Salt Lake County Mayor, and council members from both jurisdictions. Mr. Walker participated in a roundtable discussion focused on the region's approaches to housing, affordability, and strategies for addressing homelessness.

Mr. Walker then asked the State Treasurer & WSHFC Commissioner, Mr. Pellicciotti, to give a brief update and some context on the State's current budget deficit.

Mr. Pellicciotti stated that to add to Mr. Kelleher's remarks during his Department of Commerce report, that while the current biennium budget for 2025-27 was balanced to address a \$16 billion budget shortfall that was approved by the Legislature and the Governor, the latest revenue forecast from the State Economic Revenue Forecast Council shows little change, but challenges lie

ahead due to national tariffs and employment numbers. He concluded his remarks by saying the Council will have another revenue forecast projection towards the end of the current calendar year.

Mr. Walker then stated that he looks forward to seeing Commissioners and staff at the annual Housing Washington Conference being held in Bellevue, next week.

Mr. Rumpf commented that he hopes something tangible occurs as a result of the roundtable meeting that Mr. Walker mentioned, especially for market rate housing. Mr. Walker and Mr. Kelleher added that in the past three years, a number of land use actions have been approved by the Legislature.

Mr. Walker mentioned that Commerce was represented at this roundtable meeting, and that proposals and ideas are developing regarding permitting and preapprovals to reduce bottlenecks and delays in production of housing. Mr. Kelleher concurred and added that local governments need to actually follow through on implementing the legislation that has been approved by the Legislature.

Commissioners' Reports

Mr. Tripp mentioned that he was in attendance at the grand opening of Catholic Charities' newest project in Colville. He stated that the facility looked great and was thankful to represent the Commission at this event.

Mr. Larsen attended the Pacific Northwest Lenders Conference in Boise, Idaho, which is a tri-state conference with Washington, Oregon, and Idaho. He got to see a panel with WSHFC Homeownership Director, Ms. Lisa DeBrock, representing Washington State, and Idaho Housing. He stated that he was impressed with how Washington was portrayed at this conference, and commended Ms. DeBrock.

Consent Agenda

The consent agenda was approved as distributed.

**Public Comment
Section**

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

Adjournment

The meeting was adjourned at 2:09 p.m.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt revenue obligations (the "Obligations") to finance a portion of the costs for the acquisition and rehabilitation of two multifamily housing facilities in Spokane and Spokane Valley, Washington, to be owned by St Jude Havens LLC, a Washington limited liability company. The Obligations may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, October 23, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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

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

Webinar/Meeting ID: 815 6869 2337
Passcode: 695244

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

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

Project:	El Estero Apartments
Project Address:	2303 E. Upriver Drive; 2240, 2230, 2140, 2134, 2120, 2110 E. North Crescent Avenue Spokane, WA 99207
Total Estimated Project Cost:	\$22,077,367
Estimated Maximum Obligation Amount:	\$12,500,000

Project:	Catherine Johnson Court
Project Address:	6321 E. 4th Avenue Spokane Valley, WA 99212
Total Estimated Project Cost:	\$12,239,916
Estimated Maximum Obligation Amount:	\$7,500,000

Total Aggregate Estimated Project Cost:	\$34,317,283
Estimated Aggregate Maximum Obligation Amount:	\$20,000,000

Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition and rehabilitation of two multifamily housing facilities, El Estero Apartments, consisting of 122 units located in Spokane, Washington, and Catherine Johnson Court, consisting of 36 units located in Spokane Valley, WA, and to pay all or a portion of the costs of issuing the Obligations. Each apartment unit will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the plan of finance for the proposed Obligations may be mailed or faxed to the attention of Bianca Pyko, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, October 22, 2025. 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 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 MHCF division at (206) 464-7139 or 1-(800) 767-HOME (in state) at least 48 hours in advance of the hearing.

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

Multifamily Housing Program

Project Name	St Jude Havens Portfolio (El Estero & Catherine Johnson Court)	
Developer	Catholic Housing Services of Eastern Washington	
Description	St Jude Havens Portfolio is the acquisition and rehabilitation of two existing communities known as El Estero Apartments and Catherine Johnson Court located in Spokane and Spokane Valley, Washington totaling 159 units at 30%, 50% and 60% AMI. El Estero consists of 121 units in seven garden style buildings as well as a community building that was built in 1981. Catherine Johnson Court consists of 36 units in a single three-story low-rise building that was built in 1996. The Projects will benefit from VASH Vouchers, HUD Section 811 Vouchers and Trueblood financing, which will allow the Project to provide deeper affordability to residents. The Project was awarded up to \$2,866,076 Home Electrification and Appliance Rebate Program (“HEAR”) funds from the State Energy Office through the Commission. The HEAR will be utilized during the rehabilitation to provide ductless mini-split heat pumps and necessary upgrading of wiring and/or electrical panels at both communities.	
Location	El Estero Apartments 2303 E. Upriver Drive; 2240, 2230, 2140, 2134, 2120, 2110 E. North Crescent Avenue Spokane, WA 99207 Catherine Johnson Court 6321 E. 4th Avenue Spokane Valley, WA 99212	
Project Type	Acquisition/Rehabilitation	
Units	Studio	9
	One Bedroom	59
	Two Bedroom	73
	Three Bedroom	18
	Total	159

Housing Tax Credits	Yes	
Income Set-Aside	100% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Cost Efficient Development	10
El Estero Apartments	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	2
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable	8
	Energy – Rehab	
	Rehab of Major Systems– Electrical, Heating, Ventilation and Air Conditioning	20
	Total Points	49
Evaluation Plan Scoring	Cost Efficient Development	10
Catherine Johnson Court	Commitments for Priority Populations – 20% Large Households and 10% Persons with Disabilities	2
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	2
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable	8
	Energy – Rehab	
	Rehab of Major Systems – Electrical, Heating, Ventilation and Air Conditioning	20
	Total Points	51
Estimated Obligation Amount (Not to exceed)	\$20,000,000	
Obligation Structure	Private Placement	
Lender	Columbia Bank	
Development Budget		
Acquisition Costs		\$7,520,000
Construction		\$19,566,923
Soft Costs		\$3,632,272
Financing Costs		\$2,361,340
Capitalized Reserves		\$345,257
Other Development Costs		\$891,491
Total Development Costs		\$34,317,283

Permanent Sources

Columbia Bank	\$4,527,788
Deferred Developer Fee	\$572,389
Sellers Note	\$5,591,588
Subordinate Debt – City of Spokane and Spokane County	\$1,908,412
Reserve Rollover	\$227,677
Trueblood	\$5,000,000
Home Electrification and Appliance Rebate Program	\$2,866,076
Tax Credit Equity at \$0.905 per credit x 10 years	\$13,623,353
Total Permanent Sources	\$34,317,283

Total Development Cost Limit

Project's Total Development Cost Limit	\$68,446,735
Total Development Cost (minus land and reserves)	\$33,972,026
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$975	\$477
One Bedroom	\$1,200	\$513-1,028
Two Bedroom	\$1,300-1,325	\$574-1,235
Three Bedroom	\$1,500	\$1,393

Action

Public Hearing for OID # 23-50A-B

Anticipated Closing Date

December 2025

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the "Obligations") to finance a portion of the costs for the acquisition, construction and equipping of a multifamily housing facility in West Richland, Washington, to be owned by Copper View Apartments, LLC, a Washington limited liability company. 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, October 23, 2025. Participants wishing to join telephonically in the United States, please dial either toll free number: 1-(888) 788-0099 or 1-(877) 853-5247. Participants wishing to attend in person may attend, in the 27th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601.

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

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

Webinar/Meeting ID: 815 6869 2337

Passcode: 695244

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

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

Project:	Copper View Apartments
Project Address:	A 12-acre parcel adjacent to Belmont Blvd northwest of its intersection with Kona Dr. West Richland, WA 99353
Total Estimated Project Cost:	\$84,607,816
Estimated Maximum Obligation Amount:	\$47,500,000

Proceeds of the Obligations will be used to provide a portion of the financing for the acquisition, construction and equipping of a 264-unit multifamily housing facility located in West Richland, WA, and to pay all or a portion of the costs of issuing the Obligations. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice and the provision of toll-free telephone access to the hearing are intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the Project and the proposed plan of financing with respect to the Obligations may be mailed or faxed to the attention of Bianca Pyko, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than

5:00 p.m. on Wednesday, October 22, 2025. Public testimony will be heard from all interested members of the public attending the hearing in person or via the telephone or internet. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

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

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

Multifamily Housing Program

Project Name Copper View Apartments

Developer Inland Group

Description Copper View Apartments is the new construction of a 264-unit multifamily housing facility located in West Richland, Washington. The Project will consist of 11 three-story garden style buildings that will serve individuals and families at 60% AMI with over 80% of units being two-bedroom or larger. Two of the units will not be income restricted and will be reserved for on-site management.

Inland Group is partnering with the United Way of Benton and Franklin Counties who will be a non-managing member in the ownership structure. The United Way of Benton and Franklin Counties will conduct community engagement and outreach activities to ensure potential residents and the community can provide input in the design process.

Location A 12-acre parcel adjacent to Belmont Boulevard northwest of its intersection with Kona Drive.
West Richland, WA 99353

Project Type New Construction

Units	One Bedroom	50
	Two Bedroom	130
	Three Bedroom	50
	Four Bedroom	34
	Total	264

Housing Tax Credits Yes

Income Set-Aside 100% at 60% AMI

Regulatory Agreement Term Minimum 40 years

Evaluation Plan Scoring	Cost Efficient Development	10
	Commitments for Priority Populations	2
	CBO Ownership	8
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	2
	Donation in Support of Local Nonprofit Programs	2
	Energy Efficiency, Healthy Living, & Renewable	12
	Energy – New Construction	
Total Points		43

Estimated Obligation Amount \$47,500,000
(Not to exceed)

Obligation Structure Private Placement

Lender Citi Community Capital

Development Budget

Acquisition Costs	\$5,407,059
Construction	\$53,582,511
Soft Costs	\$10,734,841
Financing Costs	\$7,245,624
Capitalized Reserves	\$975,822
Other Development Costs	\$3,427,354
Total Development Costs	\$81,373,211

Permanent Sources

Citi Community Capital	\$37,620,000
Deferred Developer Fee	\$7,796,544
Developer Equity	\$3,781,478
Tax Credit Equity at \$0.90 per credit x 10 years	\$32,175,189
Total Permanent Sources	\$81,373,211

Total Development Cost Limit

Project's Total Development Cost Limit	\$116,066,362
Total Development Cost (minus land and reserves)	\$75,043,865
Waiver	Not Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,500	\$1,145
Two Bedroom	\$1,750	\$1,367
Three Bedroom	\$2,000	\$1,573
Four Bedroom	\$2,250	\$1,747

Action

Public Hearing for OID # 25-27A

Anticipated Closing Date

December 2025



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
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	\$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	\$2,703,887
25-16	Skyway Mixed Use	Seattle	King	\$1,529,520
25-18	Lexington & Concord	Seattle	King	\$2,539,132

The public hearing will be held in person and by telephone starting at 1:00 p.m., Thursday, October 23, 2025. 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.

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

Webinar/Meeting ID: 815 6869 2337

Passcode: 695244

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

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 October 22, 2025. 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	Housing Hope - EUCC (AKA Rainbow Terrace)																								
Sponsor	Housing Hope Properties																								
Description	Housing Hope in partnership with Everett United Church of Christ (EUCC) have been working together to develop a new construction affordable senior housing project located in Downtown Everett that will create 66 units of housing for low-income seniors earning 30% and 50% of area median income. The project will also include 14 units for those at risk of and those exiting homelessness. The project will include community and amenity space on the first floor. The amenity space will include a community room and outdoor gathering space. There will also be office space for property management and a full-time service coordinator. This project will be close to public transportation, retail, medical, and recreational amenities.																								
Location	2624 Rockefeller Ave, Everett, WA 98201																								
Credit Pool	Metro																								
Project Type	New Construction without Federal Subsidies																								
Low-Income Housing Units	<table><tr><td>One Bedroom</td><td>60</td></tr><tr><td>Two Bedroom</td><td>6</td></tr><tr><td>Total</td><td>66</td></tr></table>			One Bedroom	60	Two Bedroom	6	Total	66																
One Bedroom	60																								
Two Bedroom	6																								
Total	66																								
Income Set-Asides	50% of units at 30% AMI 50% of units at 50% AMI																								
Scoring	<table><tr><td>Additional Low-Income Housing Set-Aside</td><td>60</td></tr><tr><td>Additional Low-Income Use Period (22 Years)</td><td>44</td></tr><tr><td>Housing Commitments for Priority Populations</td><td>20</td></tr><tr><td>Leveraging</td><td>10</td></tr><tr><td>Public Funding</td><td>2</td></tr><tr><td>Developer Fees</td><td>10</td></tr><tr><td>Location Efficient Project</td><td>2</td></tr><tr><td>Area Targeted by a Local Jurisdiction</td><td>2</td></tr><tr><td>Community Revitalization Plan</td><td>1</td></tr><tr><td>Located near a Job Center</td><td>1</td></tr><tr><td>Nonprofit Sponsor</td><td>5</td></tr></table>			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	Developer Fees	10	Location Efficient Project	2	Area Targeted by a Local Jurisdiction	2	Community Revitalization Plan	1	Located near a Job Center	1	Nonprofit Sponsor	5
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																								
Developer Fees	10																								
Location Efficient Project	2																								
Area Targeted by a Local Jurisdiction	2																								
Community Revitalization Plan	1																								
Located near a Job Center	1																								
Nonprofit Sponsor	5																								

Donation in Support of Local Housing Needs	5
Cost Containment Incentive	2
Total Points	164

Credit Request **\$1,824,058**

Development Budget

Acquisition Costs	\$1,807,245
Construction	\$27,694,197
Soft Costs	\$4,414,592
Financing Costs	\$1,818,017
Capitalized Reserves	\$413,059
Other Development Costs	\$1,508,642
Total Development Costs	\$37,655,752

Permanent Sources

Permanent Loan	\$1,592,678
State HOME	\$1,055,003
Housing Trust Fund	\$3,944,997
2024 County-AHBH/1590	\$6,211,487
2025 County-AHBH/1590	\$4,047,810
County HOME 2025	\$2,025,400
County HOME 2026	\$1,054,917
City HOME 2025	\$250,000
Commerce - CHIP	\$1,000,000
Deferred Developer fee	\$604,155
Tax Credit Equity at \$0.8700 per credit x 10 years	\$15,869,305
Total Sources	\$37,655,752

Total Development Cost Limit

Project's Total Development Cost Limit	\$28,876,734
TDC less Land, Offsite Infrastructure, and Reserves	\$35,460,693
Waiver	Required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
One Bedroom	\$ 1,700	\$ 785 - 1,349
Two Bedroom	\$ 2,100	\$ 933 - 1,611



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: Housing Hope

Reviewed by: Yasna Osses

Date: 9/5/2025

Recommendation: Approve as Requested

Rationale:

The Housing Hope housing exceeds the 2025 Balance of King limits by **22.8%**, or **\$6,583,938**.

The more significant cost drivers for this project (as described below) were outside of the developer's control given this specific project's intent. As such, I recommend approval of this cost waiver.

Materials: Federal funding, Building America, Buy America(BABA) requirements have impacted the pricing of materials, due to the limit in choosing suppliers. Also, a city requirements for additional enhanced structural engineering, framing and roofing materials have increased the costs in materials.

Design:

The Senior project has higher costs per square foot due to the smaller unit sizes.

Labor shortage:

Skilled workers and subcontractors are limited, driving up costs as developers compete for available workforce.

Mitigating costs:

The Sponsor has worked closely with KCA and SMR to implement strategies to reduce the total development costs. Retaining the existing basement and reducing the size of the project will result in an estimated savings of \$1.5 million.

Robert L Peterson Jr.

Robert L Peterson Jr. (Oct-14, 2025 15:42:07 PDT)

Signature: _____

Total Development Cost Limit Waiver Request

Date of Waiver Request:	10/9/2025	Program Type:	9% Credit
Project Name:	EUCC - Housing Hope		
Project City, County:	Everett, Snohomish		
Sponsor Organization:	Housing Hope Properties		
Project Contact:	Brian Lloyd - Beacon Development Group		
Development Phase:	Pre-Application		

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

Approval Date: NO Approved TDC:

2. Please fill out all forms in this workbook:

Square Footage
Sources and Uses
LIHTC Eligible Basis
LIHTC Calculation
Financing Terms

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.

The EUCC Housing Hope, a senior-focused project in the urban core of Everett's CBD, includes one 4-story multifamily residential building totaling approximately 54,688 SF. The 66 total dwelling units offer 60 units of 1 bedroom / 1 bath (550 SF), and 6 units of 2 bedroom / 1 bath (700 SF) configurations. Community amenities and administration will provide supportive services and include spaces such as lobby, staff offices, meeting, health consultation space (occasional services for on-site residents), multipurpose room with residential-grade kitchen for life-skills programs attended by the residents, study, central laundry, package/mail room, property maintenance and office, and storage / mechanical spaces.

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.

We have the preliminary construction cost estimate from our General Contractor, Kirtley Cole Associates, LLC (KCA). The budget is based on the project Architect's (SMR) schematic design. Owner's contingency is \$1,867,969 (7% of hard cost) and GC's contingency is at \$321,349.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$ 37,655,752
- Land	\$ 1,782,000
- Offsite Infrastructure	\$ -
- Capitalized Reserves	\$ 413,059
Total Development Cost	\$35,460,693

6. Calculation of Project's TDC limit:

Which limits is this project subject to?

Metro

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	0	60	6	0	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$373,087	\$435,186	\$460,929	\$544,989	\$587,691
Max Cost by Unit Type	\$0	\$26,111,180	\$2,765,575	\$0	\$0
Project's Total Development Cost Limit:	\$28,876,755				
\$ Amount Above TDC Limit	\$6,583,938				
% Above TDC Limit	22.80%				

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.	Labor, shortage issues or other	\$658,394	Labor is in high demand. It is often difficult to get workers/subs when needed.
2.	Materials	\$2,633,575	HOME dollars in the project triggers BABA requirements as well as unstable costs due to tariffs. As well as a city required set back that requires additional structural engineering, framing & roofing materials.
3.	Design	\$1,645,985	Senior Project has additional costs per sqft due to smaller unit size.
4.	Site-related	\$469,185	Existing Conditions- Church Demo and Site Remediation. Needing to build out the basement versus filling it in.
5.	Infrastructure	\$127,345	Removing a power pole and site sewer work
6.	Sewer/Stormwater	\$275,000	Replacement of existing sewer system as it is too old to reuse
7.	Other	\$329,199	The increasing interest rate environment is having a negative impact on project. Projects are experiencing greater interest cost and decreased borrowing ability.
8.	Commercial Wage Rates	\$445,255	Portion of the work needs to be done at the commercial wage rate.
9.	Select from List		
	Total	\$6,583,938	
	Amount Project exceeds Limit	\$6,583,938	

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.

Labor, Shortage Issues, or Other - Labor availability remains a significant challenge in today's construction market. With demand surging across housing and infrastructure projects, skilled workers and subcontractors are often booked well in advance, making it difficult to secure reliable labor when needed. This shortage not only delays project timelines but also drives up costs as developers compete for limited workforce resources.

Materials - The inclusion of HOME dollars in the project activates Build America, Buy America (BABA) requirements, which can significantly impact material sourcing and pricing. These federal mandates limit flexibility in choosing suppliers, leading to unstable costs, especially when compounded by ongoing tariff fluctuations. Additionally, a city-mandated setback introduces further complexity, requiring enhanced structural engineering and increased quantities of framing and roofing materials to accommodate the revised building envelope.

Design - Senior housing projects typically incur higher costs per square foot due to the smaller unit sizes required to meet accessibility, livability, and regulatory standards. These compact layouts reduce construction efficiencies, as fixed costs, such as plumbing, HVAC, and finishes, are spread across fewer square feet.

Site-Related - Existing site conditions have introduced significant cost implications. The demolition of the former church structure and required site remediation efforts have added complexity and expense to the project. Additionally, rather than filling in the existing basement, the decision to build it out has necessitated substantial structural modifications. This includes enhanced engineering design, increased framing requirements, and additional roofing materials to accommodate the new configuration.

Infrastructure - The removal of an existing power pole requires coordination with utility providers, potential service interruptions, and specialized labor, all of which contribute to increased expenses. Additionally, site sewer work involves excavation, rerouting, and compliance with municipal infrastructure standards, adding further complexity and cost to the project.

Sewer/Stormwater - The existing sewer system on site has been deemed too outdated and deteriorated to be reused, necessitating a full replacement. This scope of work includes the removal of old infrastructure and installation of new sewer lines. The replacement effort involves significant excavation, materials, labor, and coordination with local utilities, all of which contribute to increased project costs.

Mitigate Costs - Since our last cost estimate, we have worked closely with KCA and SMR to identify and implement strategies that significantly reduce the total development cost. One major decision was to retain the existing basement rather than fill it in, avoiding an estimated \$750,000 in expenses—more than double the cost of building out the basement. We also reduced the overall size of the project, scaling back from the original seven-story design. This adjustment not only streamlined construction but also prevented the triggering of Commercial Prevailing Wage requirements, resulting in an estimated savings of \$1.5 million. In terms of utility infrastructure, we opted to place the permanent power transformer at street level instead of installing a vault in the basement. This change eliminated the need for a three-hour rated vault room and a pull vault location, saving an additional \$500,000. These targeted decisions reflect our commitment to responsible budgeting while maintaining project integrity and compliance, we still aim to bring our overage to 15% throughout the bidding process.

--	--

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)
66	Mid-Rise (4-8 stories with elevator)
	High Rise (9+ stories with elevator)

Parking

0	Number of Structured Parking† Stalls (Residential Only)
---	--

x	New Construction
	Rehabilitation

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

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request.

** 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	Pathways Place		
Sponsor	HopeSource		
Description	Pathways is a permanent housing project that will have 20 units that will serve households experiencing homelessness. It will consist of two new 3 story buildings, the rehabilitation of an existing building and a new 2,000 square foot community clubhouse. The project location is in a neighborhood close to shopping and services.		
Location	1200 S Ruby Street Ellensburg, WA 98926		
Credit Pool	Non-Metro		
Project Type	New Construction/Rehabilitation without Federal Subsidies		
Low-Income Housing Units	Studio	32	
	One Bedroom	30	
	Two Bedroom	16	
	Total	78	
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	25	
	Leveraging	10	
	Public Funding	2	
	Project-Based Rental Assistance (PBRA)	2	
	Developer Fees	10	
	Location Efficient Project	2	
	Nonprofit Sponsor	5	
	Donation in Support of Local Housing Needs	5	
	Energy Consumption Model	2	
	Cost Containment Incentive	6	

Credit Request**\$2,703,887****Development Budget**

Acquisition Costs	\$1,815,000
Construction	\$17,930,576
Soft Costs	\$4,213,682
Financing Costs	\$1,490,091
Capitalized Reserves	\$2,637,900
Other Development Costs	\$654,791
Total Development Costs	\$28,742,040

Permanent Sources

City of Ellensburg	\$750,000
Community Projects Funding	\$1,616,279
Connecting Housing to Infrastructure (CHIP)	\$829,857
State Apple Health and Home (AHAH)	\$1,014,350
HOME/NHTF	\$1,985,650
Sponsor loan	\$300,000
Kittitas County	\$750,000
Tax Credit Equity at \$0.795 per credit x 10 years	\$21,495,904
Total Sources	\$28,742,040

Total Development Cost Limit

Project's Total Development Cost Limit	\$28,633,510
TDC less Land, Offsite Infrastructure, and Reserves	\$24,641,392
Waiver	Not required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Studio	\$ 825	\$ 430 - 777
One Bedroom	\$ 1,200	\$ 458 - 830
Two Bedroom	\$ 1,500	\$ 568 - 1,012

9% Competitive Housing Tax Credit Program

Project Name	Skyway Mixed Use		
Sponsor	Low Income Housing Institute (LIHI)		
Description	This project will provide housing for 11 households in the workforce and 42 residents exiting homelessness. The Low Income Housing Institute will provide full time case management support for the residents. The ground floor of this project will include a 5,800 square foot early learning center featuring four classrooms, a parent resource room and offices which will be operated by the organization Akin.		
Location	12712-12724 Renton Ave. S Seattle, WA 98178		
Credit Pool	King County		
Project Type	New Construction without Federal Subsidies		
Low-Income Housing Units	Studio	8	
	One Bedroom	19	
	Two Bedroom	16	
	Three Bedroom	11	
	Total	54	
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		35
	Leveraging		10
	Public Funding		2
	Project-Based Rental Assistance (PBRA)		3
	Developer Fees		10
	Location Efficient Project		2
	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
Cost Containment Incentive	2
Total Points	183

Credit Request **\$1,529,520**

Development Budget

Acquisition Costs	\$1,853,961
Construction	\$24,027,519
Soft Costs	\$4,570,214
Financing Costs	\$1,698,315
Capitalized Reserves	\$457,000
Other Development Costs	\$1,882,103
Total Development Costs	\$34,489,112

Permanent Sources

King County 2022	\$2,500,000
Direct Appropriations	\$700,000
Direct Appropriations	\$3,000,000
Wyncote Foundation	\$1,000,000
King County 2023	\$2,100,000
HTF 2024	\$5,000,000
South King Housing Partners	\$2,800,000
KC 2024	\$5,000,000
Tax Credit Equity at \$0.8100 per credit x 10 years	\$12,389,112
Total Sources	\$34,489,112

Total Development Cost Limit

Project's Total Development Cost Limit	\$29,230,444
TDC less Land, Offsite Infrastructure, and Reserves	\$32,234,429
Waiver	Required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
Studio	\$ 1,470	\$ 733
One Bedroom	\$ 1,570	\$ 790 - 1,354
Two Bedroom	\$ 1,930	\$ 944 - 1,622
Three Bedroom	\$ 2,150	\$ 1,085



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: Skyway Mixed Use

Reviewed by: Yasna Osses

Date: 9/5/2025

Recommendation: Approve as Requested

Rationale:

The Skyway Mixed Use housing exceeds the 2025 Seattle limits by **10.28%**, or **\$3,003,971**.

The more significant cost drivers for this project (as described below) were outside of the developer's control given this specific project's intent. As such, I recommend approval of this cost waiver.

Commercial Wage rates: Federal funding in this project along with the Mixed use nature of this project, will necessitate using Davis Bacon Commercial wage rates.

Infrastructure:

Moving powerline and extending sewers. LIHI has been working with Seattle City light to determine the best way to bring power to the site. The placement of the power poles and power lines will increase design costs. A few of the parcels are on a septic system and will need sewer extensions on site.

Materials:

Overall cost increases accross the board and significant spikes in a handful of scopes, specifcally in concrete, gypsum, waterproofing, siding, plumbing and electrical divisions. LIHI is working closely with the Contractor Walsh construction on cost estimates to stay within the budget.

Signature: Lisa Vatske

Date: 10/13/2025

Total Development Cost Limit Waiver Request

Date of Waiver Request:	10/6/2025	Program Type:	9% Credit
Project Name:	Skyway Mixed Use		
Project City, County:	Seattle, King		
Sponsor Organization:	Low Income Housing Institute		
Project Contact:	Victoria Chow		
Development Phase:	Pre-Application		

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

Approval Date:

Approved TDC:

2. Please fill out all forms in this workbook:

- Square Footage
- Sources and Uses
- LIHTC Eligible Basis
- LIHTC Calculation
- Financing Terms

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.

Skyway Mixed-Use is a 54-unit new construction mixed-use building, with a 5,800 square-foot ground floor early learning center in the Skyway neighborhood of King County. It is located at 12712- 12724 Renton Ave. S, and the organization Akin will operate the 4-classroom early learning center. This project will serve individuals and families in the Skyway neighborhood by providing housing for those community members in need of affordable housing that may otherwise be displaced due to pressures of gentrification from Seattle and the surrounding King County cities. The project will limit rents to those earning no more than 30% and 50% of area median income, and the project will include 40 set-asides for households experiencing homelessness and 27 units that are 2-bedroom or larger for larger families.

The project is located in unincorporated King County, but the official address includes Seattle as the City, and some utilities are served by Seattle City Light. The zoning is in the Community Business Area, the commercial center of the Skyway neighborhood. The building will be five stories with an elevator. All these factors qualify the project for Urban Type Project determination, and thus move up to the Seattle TDC limit.

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 cost estimate, dated May 2025, is based on 100% Design Development drawings, with additional input from MEP consultants. The project is now in the process of going through permitting with King County. The cost estimate includes contingency.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost
- Land

\$	34,489,112
\$	1,797,683

- Offsite Infrastructure	\$	-
- Capitalized Reserves	\$	457,000
Total Development Cost		\$32,234,429

6. Calculation of Project's TDC limit:

Which limits is this project subject to?

Seattle

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	8	19	16	11	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$414,690	\$474,227	\$563,046	\$717,625	\$717,625
Max Cost by Unit Type	\$3,317,523	\$9,010,322	\$9,008,743	\$7,893,872	\$0
Project's Total Development Cost Limit:					\$29,230,459
\$ Amount Above TDC Limit					\$3,003,971
% Above TDC Limit					10.28%

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.	Commercial Wage Rates	\$973,589	Higher wage rate due to federal funding- Davis Bacon commercial
2.	Design	\$471,995	Increased architect costs due to switching design teams late into Schematic Design
3.	Infrastructure	\$800,000	Moving powerlines, and extending sewers
4.	Market Escalation	\$108,387	Increases in a substantial amount of scope and divisions.
5.	Other	\$400,000	Higher interest reserves for higher interest rates in recent years
6.	Site-related	\$250,000	Potential contaminated soil excavation
7.	Select from List		
8.	Select from List		
9.	Select from List		
	Total	\$3,003,971	
	Amount Project exceeds Limit	\$3,003,971	

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.

1. Federal funding in this project along with the mixed use nature of the project, will necessitate Davis Bacon commercial wage rates.
2. We had to switch architects as we were nearing the end of Schematic Design the first time. The first firm had less than ideal experience working in unincorporated King County, and missed several code requirements during the first pass of SD. Additionally,

the long estimated permitting timeline provided by the County (12-24 months), as well as complex code requirements have caused increases to the costs of design.

3. LIHI has had extensive meeting with Seattle City Light to determine the best way to bring power onto the site, with these discussions being ongoing until now. The dated placement of the power poles and powerlines in the area means that there will be costly design and logistical challenges related to power. The site is also on a septic system on a couple of parcels currently, and will need sewer extensions onsite.

4. LIHI has seen sharp rises in material and labor costs ever since the pandemic, and while the escalations have stabilized, overall cost increases across the board has been common in all localities. Many scopes have small increases, but there have been significant spikes in a handful of scopes, specifically in concrete, gypsum, waterproofing, siding, plumbing, and electrical divisions. LIHI has worked closely with Walsh Construction on their cost estimates to keep a realistic budget for the project.

5. Higher interest rates have led to much higher interest reserves on the construction loan than typically needed in the last 10 years.

6. One of the parcels was found to have petrol contamination onsite, causing the possibility of soil excavation costs during construction.

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)
☒	Mid-Rise (4-8 stories with elevator)
	High Rise (9+ stories with elevator)

Parking

	Number of Structured Parking [†] Stalls (Residential Only)
----------------------	--

☒	New Construction
☐	Rehabilitation

☐	State Prevailing Wages - Residential
☐	State Prevailing Wages - Commercial
☐	Davis Bacon Wages - Residential
☒	Davis Bacon Wages - Commercial
☐	No wage requirements

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request.

** 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	Lexington & Concord
Sponsor	YWCA Seattle King Snohomish
Description	Lexington & Concord is an 83-unit permanent supportive housing redevelopment in Seattle's Belltown neighborhood sponsored by YWCA Seattle King Snohomish. The project will replace the existing 59-unit YWCA-owned building, originally constructed in 1923, which has reached the end of its useful life. The new development will preserve and expand deeply affordable housing on a high-value infill site that has long served women and families exiting homelessness. All apartments will be reserved for low-income and extremely low-income households. Half of the units will serve households at or below 30% Area Median Income (AMI), and half will serve those at or below 50% AMI. The project will prioritize single women and women with children experiencing or exiting homelessness. YWCA will remain the long-term owner, operator, and service provider for the property. Residents will receive on-site supportive services delivered by YWCA's Resident Life Coaches, who offer individualized case management, health coordination, and community-building programs. Weekly health clinics will be provided through a partnership with Integrative Care Outreach, and services will be supported through a combination of public and private funding sources. Located in a high-cost downtown area where few new affordable units are being built, Lexington & Concord ensures the long-term preservation of affordable housing opportunities in the heart of Seattle. All existing residents will receive permanent relocation assistance under an approved City of Seattle relocation plan. The redevelopment will replace outdated housing with modern, efficient, and accessible units. By combining deeply affordable housing with comprehensive on-site services, Lexington & Concord will strengthen YWCA's mission of providing safe, stable housing for women and families while maintaining affordability in one of Seattle's most

expensive neighborhoods.

Location	2402 Second Ave Seattle, WA 98121		
Credit Pool	King County		
Project Type	New Construction without Federal Subsidies		
Low-Income Units	One Bedroom	45	
	Two Bedroom	31	
	Three Bedroom	7	
	Total	83	
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	35	
	Leveraging	10	
	Public Funding	2	
	Developer Fees	10	
	Location Efficient Project	2	
	Area Targeted by a Local Jurisdiction	2	
	Transit Oriented Development	1	
	Located in a High/Very High Opportunity Area	1	
	Nonprofit Sponsor	5	
	Donation in Support of Local Housing Needs	5	
	Energy Consumption Model	2	
	Cost Containment Incentive	3	
	Total Points	182	
Credit Request	\$2,539,132		
Development Budget			
Acquisition Costs	\$4,412,000		
Construction	\$41,133,112		
Soft Costs	\$6,610,260		
Financing Costs	\$2,790,843		
Capitalized Reserves	\$565,654		
Other Development Costs	\$2,642,513		

Total Development Costs	\$58,154,382
--------------------------------	---------------------

Permanent Sources

City of Seattle Office of Housing	\$27,000,000
State Housing Trust Fund (HTF)	\$5,000,000
King County	\$1,000,000
YWCA Land Financing	\$4,333,500
Tax Credit Equity at \$0.82 per credit x 10 years	\$20,820,882

Total Sources	\$58,154,382
----------------------	---------------------

Total Development Cost Limit

Project's Total Development Cost Limit	\$43,818,016
TDC less Land, Offsite Infrastructure, and Reserves	\$52,436,678
Waiver	Required

Project Operations

Unit Size	Market Rents	Proposed Rent Range
One Bedroom	\$1,900	\$400 - \$1,244
Two Bedroom	\$2,750	\$450 - \$1,492
Three Bedroom	\$3,600	\$550 - \$1,575



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: Lexington & Concord

Reviewed by: Kate Rodrigues

Date: 10/13/2025

Recommendation: Approve as Requested

Rationale:

Lexington & Concord exceeds the 2025 Seattle/King County TDC limit by 19.67%, or \$8,618,631.

The more significant cost drivers for this project were outside of the developer's control given the downtown location, site conditions, and structural requirements. As such, I recommend approval of this cost waiver.

1) Demolition and Remediation. Removal of a 36,300 sf, 1930s apartment building containing asbestos and lead-based paint, along with an underground oil tank and contaminated soil, adds approximately \$0.95 million in unavoidable costs.

2) Downtown Site Constraints. The zero-lot-line site offers no on-site staging, requiring just-in-time deliveries, right-of-way use permits, and crane restrictions. Excavation and vibration monitoring above the Sound Transit tunnel contribute an estimated \$1.85 million in premiums.

3) Structural Podium. A two-level Type I concrete podium is required to support modular residential units, roughly doubling concrete and reinforcing quantities compared to a standard single-level podium, adding about \$1.43 million.

4) Materials and Systems. Market escalation, seismic and fire-safety requirements, and downtown design standards add roughly \$1.7 million in additional cost.

5) Sewer and Stormwater. Limited infiltration capacity and utility tie-in requirements add detention systems, monitoring, and right-of-way restoration estimated at \$0.8 million.

Proportional soft-cost loadings—including GC fee, insurance, bonding, and contingency—add another \$2.6 million. To manage overall costs, the development team selected modular construction to shorten the construction schedule, improve cost predictability, and reduce exposure to labor and material escalation. Given the project's constrained site and proximity to the Sound Transit tunnel, few other cost-saving options were feasible. Modular construction offered the most effective and reliable means of maintaining design quality while limiting further cost increases.

Approved by: Lisa Vatske

Signature: Lisa Vatske

Date: 10/13/2025

Total Development Cost Limit Waiver Request

Date of Waiver Request:	9/12/2025	Program Type:	9% Credit
Project Name:	Lexington & Concord		
Project City, County:	Seattle, King		
Sponsor Organization:	YWCA Seattle King Snohomish		
Project Contact:			
Development Phase:	Closing - Final Bids		

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

Approval Date:	N/A	Approved TDC:	N/A
-----------------------	-----	----------------------	-----

2. Please fill out all forms in this workbook:

- Square Footage
- Sources and Uses
- LIHTC Eligible Basis
- LIHTC Calculation
- Financing Terms

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.

The Lexington-Concord Apartments is a proposed new construction multifamily housing development located in downtown Seattle, Washington. The project will consist of a two-story Type I concrete podium with five stories of modular residential units above, totaling approximately 78,000 square feet. It is designed to provide high-quality, energy-efficient housing in a highly constrained urban infill setting. The project will serve previously homeless, together with low- and moderate-income households, with units targeted to individuals and families. The property's central location provides residents with immediate access to public transit, employment centers, and community services.

The Lexington-Concord project qualifies as an Urban Type Project for purposes of the TDC limit. It is located in the downtown core of Seattle, a dense urban environment characterized by lot-line-to-lot-line construction, structured podium design, and adjacency to major public infrastructure. In particular, the site is directly above the Sound Transit light rail tunnel, requiring specialized design, construction coordination, and cost premiums that are unique to high-density urban development. The absence of on-site staging areas, reliance on street-use permits for deliveries, and need for enhanced structural and stormwater systems further reinforce its classification as an urban project.

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 Lexington-Concord project is currently in the schematic design / early design development phase. Preliminary pricing has been obtained from Truebeck Construction through a SD-level estimate that incorporates podium and modular construction systems, site-specific constraints, and downtown Seattle requirements. A formal bidding process has not yet occurred, but the development team has engaged with contractors and met with modular providers in Idaho to validate key cost drivers and ensure constructability.

The current development budget includes both contingency and cost escalation allowances in the approximate amount of 9% of the general contractor's current estimate.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$ 58,154,382
- Land	\$ 4,333,500
- Offsite Infrastructure	\$ 818,550
- Capitalized Reserves	\$ 565,654

Total Development Cost

\$52,436,678

6. Calculation of Project's TDC limit:

Which limits is this project subject to?

Seattle

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Number of Units**	0	45	31	7	0
Average Square Feet of Units		521	750	1078	
Appropriate Cost/Unit Limits	\$414,690	\$474,227	\$563,046	\$717,625	\$717,625
Max Cost by Unit Type	\$0	\$21,340,235	\$17,454,439	\$5,023,373	\$0
Project's Total Development Cost Limit:					\$43,818,047
\$ Amount Above TDC Limit					\$8,618,631
% Above TDC Limit					19.67%

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	\$950,000	Demolition & Environmental
2.	Site-related	\$1,850,000	Excavation, staging, geo support systems
3.			
4.	Sewer/Stormwater	\$800,000	Infrastructure, City requirements, detention, tie-ins
5.	Materials	\$1,700,000	steel impact, MEP requirements
6.	Structured Parking	\$1,430,000	two-levels Type 1 concrete podium
7.	Select from List	\$1,840,000	Construction Soft Cost
8.	Select from List	\$810,000	Development Soft Cost
9.	Select from List		
	Total	\$9,380,000	
	Amount Project exceeds Limit	\$8,618,631	

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.

The Following Impacts are used as Part of the TDC Waiver

Site-Related Cost - Demolition

The Lexington-Concord project will incur substantial costs associated with the removal of existing improvements prior to new construction. The site currently contains a 36,300sf, three-story apartment building, with 59 existing units constructed in the 1930s, which must be demolished. Demolition of older wood-frame, brick residential buildings in downtown Seattle typically falls in the \$18–\$24 per square foot range, reflecting not only building removal but also abatement of hazardous materials such as asbestos-containing materials and lead-based paint. The constrained, lot-line-to-lot-line site will also increase the demolition costs due to trucking restrictions, debris handling, and disposal requirements. Together, building demolition is expected to contribute \$0.75 – \$0.85 million (\$20 – \$23/SF). In addition, the site contains an underground oil storage tank that must be remediated. The removal of the tank and associated contaminated soil, as well as required testing and monitoring, will add approximately \$0.15 –\$0.2 million. Taken together, demolition of the existing buildings and

monitoring, will add approximately \$0.15 – \$0.2 million. Taken together, demolition of the existing buildings and remediation of the buried oil tank are projected to add approximately \$0.9 – \$1.05 million, or \$25 – \$29 per square foot of existing building, to project costs. For the purposes of this waiver request, the conservative minimum value of \$0.95 million is being used.

Site-Related Cost – New Construction

The premium attributed to site-related conditions at Lexington-Concord is estimated at \$1.75 million, or \$22 per square foot, and is the direct result of several unavoidable downtown constraints. First, because the project is constructed lot-line-to-lot-line, there is no on-site space for laydown or staging. All materials must be delivered on a just-in-time basis, requiring extensive street-use permits, traffic control, and off-hours deliveries. These logistics add an estimated \$0.5 to \$0.6 million in additional cost. Second, the absence of staging area also drives up crane-related expenses. Tower cranes or mobile cranes must be positioned within the right-of-way, with restricted swing radii and limited lift windows. These factors increase crane rental and mobilization costs by approximately \$0.4 to \$0.6 million. Third, the excavation and shoring requirements for a downtown infill site are more complex than those used in suburban or greenfield settings. Engineered support systems are being installed to protect adjacent structures and utilities, adding roughly \$0.5 to \$0.7 million to the construction budget. Finally, because the building is located directly above the Sound Transit light rail tunnel, the project must implement continuous engineering review, vibration monitoring, and protective design measures. These requirements, along with added coordination, contribute another \$0.2 to \$0.3 million in costs. Taken together, these premiums total between approximately \$1.6 million and 2.2million, or \$21 to 28/SF, with a defensible range of \$2.3–\$2.5 million. For the purposes of this waiver request, the average value of \$1.85 million is being used.

Sewer / Stormwater

The project will have sewer and stormwater costs above baseline assumptions due to the unique requirements of a dense, downtown Seattle infill site. First, Temporary Erosion and Sediment Control (TESC) compliance during construction is more intensive on a constrained urban parcel. Continuous monitoring, street sweeping, and covered storage are required to protect the right-of-way and adjacent properties. These measures are estimated at \$0.35 million (\$4.5/SF). Second, the site's lack of infiltration capacity requires detention systems and tie-ins to the existing city stormwater network. While originally scoped at a higher cost, careful value engineering and system adjustments are expected to reduce this premium to approximately \$0.4 million (\$5/SF). Finally, the City of Seattle's permitting, inspection, and utility connection fees for downtown projects of this scale will contribute an additional \$0.2 million (\$2.5/SF), including right-of-way restoration requirements. Taken together, sewer and stormwater compliance adds a conservative range of additional cost of \$0.75 – \$0.95 million (\$9–\$12/SF). For the purposes of this waiver request, the average value of \$0.8 million is being used.

Materials

The Lexington-Concord project is anticipated to incur material costs above current TDC assumptions due to both market escalation in commodity inputs and specialized requirements tied to seismic, fire safety, and downtown design standards. First, there has been continued escalation in steel, concrete, and modular factory-fabricated components beyond baseline state indices. These inputs are critical to the two-story concrete podium, the modular superstructure, and the extensive MEP systems. The incremental premium from escalation in these material categories is estimated at \$.80 – \$1.1 million (\$1–\$14/SF). Second, the project's location in a high seismic zone directly above the Sound Transit light rail tunnel requires enhanced structural materials. Reinforcing steel density, higher-strength concrete mixes, and vibration-resistant modular connection assemblies all will exceed typical specifications. These seismic-driven material requirements are likely to contribute approximately \$0.5 million (\$10/SF). Third, fire-rated assemblies, elevator shaft construction, and exterior cladding systems are elevated by both code and design review requirements in downtown Seattle. The City's design guidelines require upgraded cladding materials, while life safety systems mandate higher-cost assemblies. This would add an estimated \$0.4 million (\$5/SF). In total, the materials premium ranges between \$1.7 – \$2.00 million. These costs are unavoidable and stem from both commodity market conditions and the specific structural and code requirements of a downtown, transit-adjacent project. For the purposes of this exercise the minimum amount of the range at \$1.7 million is being used.

Structured Podium Deck

Even though the Lexington-Concord project will not include structured parking, it will consist of a two-level concrete podium structure, very similar to a structured parking facility. The two-story Type I concrete podium is required to support the modular residential units. Unlike typical 5-over-1 mid-rise structures that utilize a single-level podium, Lexington-Concord must carry the additional cost of doubling concrete and reinforcing volumes, along with the transfer slab and core walls required to bear modular loads. This premium is estimated at \$1.3 – \$1.5 million, or \$18–\$22/SF, above what a conventional stick-frame over one concrete podium level approach would require. For the purposes of this waiver request, the conservative minimum value of \$1.43 million is being

would require. For the purposes of this waiver request, the conservative minimum value of \$1.43 million is being used.

Construction Soft Cost

In addition to the direct construction cost premiums identified for Lexington-Concord, the project must also carry the corresponding soft construction costs that apply to the full construction budget. These costs are a standard and part of delivering an affordable multifamily project in Seattle and are proportionally increased when hard construction costs rise. The soft cost categories include the general contractor's fee, business & occupation (B&O) tax, liability insurance, payment and performance bonds, general conditions, sales tax, and owner contingency. Each of these items is assessed as a percentage of the overall construction contract and scales directly with the magnitude of hard construction costs. Based on the project's detailed budget, these soft construction loadings represent approximately 24.6% of the incremental hard cost impacts. Applied to the estimated \$7,480,000 in additional hard construction costs resulting from the podium design, site conditions, demolition, stormwater, and material premiums, the associated soft construction costs are calculated at \$1,840,000. These costs are not discretionary. They are a direct function of the increased construction budget and are required to ensure compliance with Washington State contracting laws, bonding requirements, and local tax obligations, as well as to provide adequate contingency against unforeseen project conditions. For the purposes of this waiver request, the Lexington-Concord project is documenting \$1.84 million in associated soft construction costs as an unavoidable addition to the total development cost.

Development Soft Cost

The increased net construction cost estimated above also creates upward pressure on the project's overall development-related soft costs. These costs are tied directly to the size of the construction contract and are not avoidable. They include, but are not limited to, architectural and engineering services, builder's risk coverage, owner's title insurance, permit and impact fees, construction loan fees and costs, bond issuance expenses, and construction-period interest. When applied proportionally to the increased construction budget, these development-related soft costs are estimated to add approximately \$.81 million to the overall development budget. This amount reflects the necessary increase in professional services, insurance, financing, and regulatory costs that scale directly with the higher construction contract value.

Cost Mitigation Steps

To address the higher construction costs associated with the Lexington-Concord project's downtown Seattle location, the development team selected modular construction as a deliberate cost-mitigation strategy. The residential levels will be factory-fabricated off-site while the concrete podium is built on-site, shortening the total construction schedule. This concurrent construction reduces general conditions, financing costs, and exposure to continued cost escalation.

Compared with conventional stick-frame construction, modular delivery provides greater cost predictability and material efficiency. Modular units are produced in a controlled factory environment, minimizing weather delays, material waste, and rework. This process reduces overall material waste and allows early bulk purchasing to lock in pricing ahead of market fluctuations. Quality control is enhanced through repetitive manufacturing, resulting in tighter building envelopes, improved energy performance, and reduced long-term maintenance costs. In contrast, stick-frame construction requires a larger on-site workforce, longer durations, greater material handling loss, and heightened exposure to Seattle's unpredictable labor market and downtown delivery restrictions.

The development team evaluated other potential cost-saving measures; however, given the zero-lot-line site, dense urban conditions, and Sound Transit tunnel directly below, no viable alternatives were identified. Modular construction ultimately offered the most practical, measurable, and sustainable means of controlling cost while maintaining design integrity, quality, and long-term performance.

9. Complete the following:

Number of Units by Building Type:

	Single Family Detached
	Townhouse/Duplex

X	New Construction
	Rehabilitation

	Walk-Up/Garden Style Apartments
	Low-Rise (2-3 stories with elevator)
83	Mid-Rise (4-8 stories with elevator)
	High Rise (9+ stories with elevator)

Parking

0	Number of Structured Parking† Stalls (Residential Only)
---	--

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

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request.

** 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.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
RESOLUTION NO. 25-84**

**A RESOLUTION of the Washington State Housing Finance Commission
authorizing the Executive Director to make reservations and/or
allocations of 2025 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 2025 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 2025 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
25-07	Housing Hope - EUCC (AKA Rainbow Terrace)	Everett	Snohomish	\$1,824,058
25-09	Pathways Place	Ellensburg	Kittitas	\$2,703,887
25-16	Skyway Mixed Use	Seattle	King	\$1,529,520
25-18	Lexington & Concord	Seattle	King	\$2,539,132

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

ADOPTED by the Washington State Housing Finance Commission at a special meeting duly noticed and called this 23rd day of October 2025.

WASHINGTON STATE
HOUSING FINANCE COMMISSION

By

Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-67

A RESOLUTION of the Washington State Housing Finance Commission making findings and determinations with respect to housing needs within Washington; approving a program to finance multifamily housing; authorizing the issuance of not to exceed \$48,000,000 of multifamily tax-exempt bonds in one or more series to finance all or a portion of the construction and equipping of a 250-unit multifamily housing facility Shoreline, Washington, to be owned by Shoreline TWG LLLP; approving the sale of the bonds to Cedar Rapids Bank and Trust Company; approving the form of a trust indenture, a loan agreement, a tax certificate and an amendment to regulatory agreement; and authorizing the officers and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON OCTOBER 23, 2025

PREPARED BY:

PACIFICA LAW GROUP LLP
401 Union Street, Suite 1600
Seattle, Washington 98101-2668

TABLE OF CONTENTS*

	<u>Page</u>
Section 1. Definitions.....	3
Section 2. Findings.....	3
Section 3. Multifamily Program	3
Section 4. Authorization of Bonds.....	4
Section 5. Approval of Documents.....	4
Section 6. Sale of the Bonds	5
Section 7. Executive Director	5
Section 8. Effective Date	6

EXHIBIT A – Purchase Offer

* This table of contents is not part of the resolution; it is included for the convenience of the reader only.

RESOLUTION NO. 25-67

A RESOLUTION of the Washington State Housing Finance Commission making findings and determinations with respect to housing needs within Washington; approving a program to finance multifamily housing; authorizing the issuance of not to exceed \$48,000,000 of multifamily tax-exempt bonds in one or more series to finance all or a portion of the construction and equipping of a 250-unit multifamily housing facility Shoreline, Washington, to be owned by Shoreline TWG LLLP; approving the sale of the bonds to Cedar Rapids Bank and Trust Company; approving the form of a trust indenture, a loan agreement, a tax certificate and an amendment to regulatory agreement; and authorizing the officers 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, now codified at RCW 43.180 et seq. (the “Act”); and

WHEREAS, the legislature of the State of Washington (the “State”) has declared it to be a public policy of the State and a recognized governmental function to assist in making affordable and decent housing available throughout the state; and

WHEREAS, the Commission has previously found and determined that many persons and households in the state continue to be unable to rent safe and sanitary housing in the areas in which they reside at an affordable cost to them; and

WHEREAS, the Act authorizes the Commission to participate fully in federal and governmental programs to secure for itself and the people of the State the benefits of such programs; 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, U.S. Bank Trust Company, National Association (the “Loan Originator”), offered to originate a qualified loan in the principal amount of not to exceed \$48,000,000 (the “Bond Loan”) to Shoreline TWG, LLLP, a Washington limited liability limited partnership (the “Owner”), to finance a portion of the construction and equipping of a 250-unit multifamily housing facility in Shoreline, Washington (the “Project”) to be owned and operated by the Owner and to pay costs of issuing the Bonds (as hereinafter defined), and to assign the Bond Loan to U.S. Bank Trust Company, National Association, in its separate capacity as trustee for the Bonds (the “Trustee”), on behalf of the Commission; and

WHEREAS, the Owner has requested that the Commission issue its Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025A and its Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025B (together, the “Bonds”), in the aggregate principal amount of not to exceed \$48,000,000, and use the proceeds thereof to finance a portion of the construction and equipping of the Project; and

WHEREAS, the Bonds will be sold to Cedar Rapids Bank and Trust Company (the “Purchaser”) pursuant to the bond purchase offer attached as Exhibit A (the “Purchase Offer”); and

WHEREAS, the Commission has given preliminary approval to the Project by Official Intent Declaration No. 21-33A, the Commission held a public hearing with respect to the Project

on September 17, 2025, and the Governor has or will have approved the Project and the Bonds prior to closing; 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 Commission: the Trust Indenture between the Commission and the Trustee (the “Indenture”); the Loan Origination and Financing Agreement among the Commission, the Owner, the Loan Originator and the Trustee (the “Loan Agreement”); a First Amendment to Regulatory Agreement between the Commission and the Owner (the “Regulatory Agreement”) and the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”).

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and households in the state 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 households. As a result, many persons and households are unable to rent safe and sanitary housing at a reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and households 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. Multifamily Program. The Commission hereby ratifies, affirms and adopts its program to finance the acquisition of multifamily mortgage loans on eligible

multifamily projects through the issuance of nonrecourse multifamily mortgage 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 Bonds. The Commission hereby authorizes the issuance and sale of its bonds to be designated “Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025A” and “Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025B,” in an aggregate principal amount of not to exceed \$48,000,000, pursuant to and in accordance with the provisions of the Act, the Code, and the Indenture.

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

The Indenture, Loan Agreement, Regulatory Agreement, and Tax Certificate are hereby approved in substantially the forms filed with the Commission. The Chair, Vice Chair, Secretary or the Secretary’s designee, Executive Director or the Treasurer of the Commission are each authorized to execute such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf including the final offering document, and to do all things necessary on its behalf to proceed with the issuance, sale and delivery of the Bonds as authorized herein. Only one signature is required to bind the Commission. Such officers, the Executive Director or the Secretary’s designee are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are in furtherance of the Program and which do not materially increase the obligations of the Commission as

described in such documents on file with the Commission. The Executive Director is hereby authorized to execute documents and certificates on behalf of the Commission as are required for the issuance, sale and delivery of the Bonds including, but not limited to, certificates required by the securities laws of various states and the United States of America. 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. Delivery the Bonds. The Commission hereby authorizes and approves the sale and delivery of the Bonds to the Purchaser in accordance with the terms and conditions set forth in the Purchase Offer attached hereto as Exhibit A.

Section 7. Executive Director. The Deputy Director or an alternate designee 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.

[Remainder of this page intentionally blank.]

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 23rd day of October, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A

Purchase Offer

October 22, 2025

The Commissioners
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025A and Washington State Housing Finance Commission Multifamily Housing Revenue Bonds (192 Shoreline Apartments Project), Series 2025B (collectively, the "Bonds")

Dear Honorable Commissioners:

Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation (the "Bank") is pleased to offer to purchase the above-referenced Bonds in an aggregate principal amount not to exceed \$47,414,457. The Bonds will be dated the date of closing, not expected to be later than November 10, 2025. Principal on the Bonds will accrue interest at a floating rate equal to 1.25% plus 30 day average SOFR, with principal payments commencing on December 1, 2030 and amortized over a period of 480 months. The Bonds will have a final maturity date that is 180 months after the closing date.

Our offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to the Bank, and to other conditions set forth in the Bank's Term Sheet and the loan documents.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned has executed this Purchase Offer Letter as of the date set forth above.

BANK:

CEDAR RAPIDS BANK AND TRUST
COMPANY, an Iowa state-chartered banking
corporation

By:  _____
Josh Burgett
Vice President

Multifamily Housing Program

Project Name	192 Shoreline		
Developer	TWG Development, LLC		
Description	New construction of a 250-unit multifamily housing facility in Shoreline. Units will be set-aside for households earning 50% of AMI. Twenty percent of the units will be set-aside for large households, and twenty percent of the units will be set-aside for persons with disabilities. The building will include an adult daycare facility and electric vehicle charging stations. NOTE: This project is complete and requires new bond cap in order to qualify for tax credits.		
Location	19022 Aurora Avenue N. Shoreline, WA 98133		
Project Type	New Construction		
Units	Studio	14	
	One Bedroom	146	
	Two Bedroom	40	
	Three Bedroom	43	
	Four Bedroom	7	
	Total	250	
Housing Tax Credits	Yes		
Income Set-Aside	70% at 50% AMI 30% at 60% AMI		
Regulatory Agreement Term	Minimum 40 years		
Evaluation Plan Scoring	Additional Low-Income Housing Set-Aside	10	
	Commitments for Priority Populations	20	
	Cost Efficient Development	7	
	Property Type	3	
	Location Efficient Projects	3	
	Area Targeted by Local Jurisdiction	2	
	Transit Development	3	
	Community Revitalization Plan	3	
	Nonprofit Sponsor	3	
	Donation in Support of Local Nonprofit	8	

Energy Efficiency Modeling and Audits	2
Solar Options	5
Energy Efficient Building	6
Electric Vehicle Charging Stations	1
Community Facilities	2
Total Points	78

Estimated Obligation Amount \$48,000,000
(Not to exceed)

Obligation Structure Private Placement

Construction Lender Bank of America

Permanent Lender Cedar Rapids Bank & Trust

Development Budget

Acquisition Costs	\$6,853,163
Construction	\$65,309,258
Soft Costs	\$15,991,584
Financing Costs	\$11,481,504
Capitalized Reserves	\$1,732,400
Total Development Costs	\$101,367,909

Permanent Sources

Tax-Exempt Perm Loan	\$40,000,000
Seller Note	\$1,299,130
Amazon Loan	\$15,000,000
Cash Flow – Operations	\$1,884,457
Deferred Developer Fee	\$9,307,179
Tax Credit Equity at \$0.9600 per credit x 10 years	\$33,877,143
Total Permanent Sources	\$101,367,909

Total Development Cost Limit

Project's Total Development Cost Limit	\$88,530,133
Total Development Cost (minus land and reserves)	\$83,038,392
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,650	\$1,022
One Bedroom	\$1,850	\$1,080-\$1,304
Two Bedroom	\$2,200	\$1,292-\$1,561
Three Bedroom	\$2,600	\$1,495-\$1,806
Four Bedroom	\$3,000	\$1,664

Action

Approval of Resolution No. 25-67

Anticipated Closing Date

October 2025

WASHINGTON STATE HOUSING FINANCE COMMISSION

RESOLUTION NO. 25-78

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt revenue note in a principal amount of not to exceed \$50,000,000, to finance the acquisition, construction and equipping of a multifamily housing facility in Puyallup, Washington, to be owned by VBT Cedar Flats LLC; approving the issuance and delivery of the note to Allianz Life Insurance Company of North America; 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 OCTOBER 23, 2025

PREPARED BY:

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

Table of Contents

	Page
Section 1. Definitions.....	2
Section 2. Findings.....	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Note	3
Section 5. Approval of Documents	4
Section 6. Issuance and Delivery of the Note	4
Section 7. Executive Director	5
Section 8. Effective Date	5
 Exhibit A Loan Commitment	

RESOLUTION NO. 25-78

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of a tax-exempt revenue note in a principal amount of not to exceed \$50,000,000, to finance the acquisition, construction and equipping of a multifamily housing facility in Puyallup, Washington, to be owned by VBT Cedar Flats LLC; approving the issuance and delivery of the note to Allianz Life Insurance Company of North America; 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 and 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, as amended, and codified at RCW 43.180 et seq. (the "Act"); and

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; 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, Allianz Life Insurance Company of North America ("Allianz") has offered to make a loan in a principal amount of not to exceed \$50,000,000 to the Commission (the "Funding Loan") to provide funds to finance the acquisition, construction and equipping of a

276-unit housing facility (the “Project”) located in Puyallup, Washington, to be owned by VBT Cedar Flats LLC, a Washington limited liability company (the “Borrower”); and

WHEREAS, the Commission will use the proceeds of the Funding Loan to acquire the 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 (Cedar Flats Apartments Project), Series 2025 (the “Note”) in the principal amount of not to exceed \$50,000,000; 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. 24-52A, the Commission held a public hearing on August 28, 2025, 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 Allianz; 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 Allianz, 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, Allianz, 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 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 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 (Cedar Flats

Apartments Project), Series 2025” in a principal amount of not to exceed \$50,000,000, 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 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 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 Allianz 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.

[Signature Page Follows]

ADOPTED at a special meeting duly noticed and called this 23rd day of October, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A

Loan Commitment



October 21, 2025

Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Subject: \$50,000,000 Washington State Housing Finance Commission Multifamily Revenue Note (Cedar Flats Apartments Project), Series 2025

Honorable Commissioners:

Allianz Life Insurance Company of North America(the “Funding Lender”) is pleased to offer to make a funding loan to the Washington State Housing Finance Commission (the “Commission”) to be evidenced by the Multifamily Revenue Note (Cedar Flats Apartments Project), Series 2025 (the “Governmental Note”), in a principal amount up to \$50,000,000 for The Cedar Flats Apartments project, at a price of par.

The Governmental Note will be dated the date of closing, anticipated to be no later than November 20, 2025 (“Loan Commencement Date”), with a maturity not to exceed December 1, 2055. Principal and interest payments are expected to be based on a forty-five year amortization with the full outstanding principal amount, if any, due at maturity. Additional prepayments of principal will be allowed, but no earlier than the fifteenth year after the project achieves stabilization and subject to certain other terms and conditions set forth in the Letter of Intent dated June 26, 2025 executed between R4 Capital Funding LLC and Southport Development, Inc., on behalf of and as a representative of VBT Cedar Flats LLC (“Borrower”) and the draft Funding Loan Documents among the Borrower, the Commission, U.S. Bank Trust Company, National Association, in its capacity as fiscal agent, and the Funding Lender, which the parties will execute in connection with closing (collectively, the “Commitment”). Interest will accrue at a fixed rate to be set shortly prior to closing, and not expected to exceed eight percent (8.00%).

Our offer is subject to an approving legal opinion, acceptable to the Funding Lender, of Pacifica Law Group LLP of Seattle, Washington, and to the other terms and conditions stated in the Commitment.



780 Third Avenue, 16th Floor, New York, NY 10017
o 646 576 7660 w www.R4cap.com



Respectfully submitted,

**ALLIANZ LIFE INSURANCE COMPANY OF NORTH
AMERICA, as Funding Lender**

By: R4 Capital Funding LLC, a Delaware limited
liability company, its attorney-in-fact

A handwritten signature in blue ink, appearing to be 'JDS' or similar, written over a light blue horizontal line.

By: _____
James D. Spound, President



Multifamily Housing Program

Project Name	Cedar Flats		
Developer	Southport Financial Services		
Description	This project is a proposed 276-unit multi-family project comprised of two, three and four bedroom units. The project will be rent restricted with income set asides at 60% of the AMI. The project site is located near Puyallup and the surrounding neighborhood is residential. Southport Financial Services will be working with the Metropolitan Development Counsel as the community-based organization focused on community engagement. The current action is the first of two steps to fully financing the project by the Commission. See note below on Page 2.		
Location	8012 170th E. Street Puyallup, WA 98375		
Project Type	New Construction		
Units	Two Bedroom	164	
	Three Bedroom	76	
	Four Bedroom	36	
	Total	276	
Housing Tax Credits	Yes		
Income Set-Aside	100% at 60% AMI		
Regulatory Agreement Term	Minimum 40 years		
Evaluation Plan Scoring	Cost Efficient Development		8
	Commitments for Priority Populations		2
	CBO Inclusion		5
	Community Engagement Process		2
	Application of Community Engagement		2
	Donation in Support of Local Nonprofit Programs		2
	Energy Efficiency, Healthy Living, & Renewable Energy – New Construction		11
	Total Points		32

Maximum Obligation Amount not Expected to Exceed \$50,000,000

Obligation Structure Private Placement

Lender R4 Capital

Development Budget

Acquisition Costs	\$5,550,000
Construction	\$72,929,775
Soft Costs	\$15,803,938
Financing Costs	\$11,820,000
Capitalized Reserves	\$2,550,000
Other Development Costs	\$3,252,487

Total Development Costs **\$111,906,200**

Permanent Sources

Tax Exempt Obligations	\$48,765,912
Pierce County	\$7,000,000
Construction Period NOI	\$1,750,000
Deferred Developer Fee	\$11,082,775
Tax Credit Equity at \$0.8500 per credit x 10 years	\$43,307,513

Total Permanent Sources **\$111,906,200**

Total Development Cost Limit

Project's Total Development Cost Limit	\$134,144,136
Total Development Cost (minus land and reserves)	\$104,006,200
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Two Bedroom	\$2,000	\$1,448
Three Bedroom	\$2,250	\$1,671
Four Bedroom	\$2,500	\$1,860

Action Approval of Resolution No. 25-78

Anticipated Closing Date October 2025

* Future anticipated Obligation to meet the 25% test are not expected to exceed \$12,000,000.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-79

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt and/or taxable nonrecourse nonprofit revenue bonds in an aggregate principal amount of not to exceed \$625,000,000 to finance the demolition, construction, renovation, improvement, furnishing and equipping of a continuing care retirement community owned and operated by Horizon House, to refinance a prior tax-exempt obligation, to fund a debt service reserve fund, to pay capitalized interest and working capital expenses related to the project, and to pay certain costs of issuing the bonds; approving the sale of the bonds to B.C. Ziegler and Company; approving the form of a bond trust indenture, loan origination and financing agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

APPROVED ON OCTOBER 23, 2025

PREPARED BY:

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

Table of Contents

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

RESOLUTION NO. 25-79

A RESOLUTION of the Washington State Housing Finance Commission authorizing the issuance of one or more series of tax-exempt and/or taxable nonrecourse nonprofit revenue bonds in an aggregate principal amount of not to exceed \$625,000,000 to finance the demolition, construction, renovation, improvement, furnishing and equipping of a continuing care retirement community owned and operated by Horizon House, to refinance a prior tax-exempt obligation, to fund a debt service reserve fund, to pay capitalized interest and working capital expenses related to the project, and to pay certain costs of issuing the bonds; approving the sale of the bonds to B.C. Ziegler and Company; approving the form of a bond trust indenture, loan origination and financing agreement and tax certificate; and authorizing the Chair, Vice-Chair, Treasurer, Secretary, or the Secretary's designee, and Executive Director of the Commission to execute such documents and other related documents.

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

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

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

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

WHEREAS, Horizon House, a Washington nonprofit corporation and an organization described in Section 501(c)(3) of the Code (the “Borrower”) has requested that the Commission issue bonds to assist it with (i) financing the construction of a 33-story west tower containing 202 independent living units, including demolition of existing facilities, and the renovation and improvement of existing facilities, all as a part of a continuing care retirement community, (ii) refunding the Commission’s Nonprofit Housing Revenue Bonds (Horizon House Project), Series 2022 (the “2022 Bond”), the proceeds of which were used to finance capital improvements to the Borrower’s facilities, (iii) the funding of a debt service reserve fund, (iv) the payment of capitalized interest and working capital expenses related to the bond-financed improvements, and (v) the payment of costs of issuing the Bonds (collectively, the “Project”); and

WHEREAS, it is desirable for the Commission to assist the Borrower through the issuance of its Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025A, Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-1, Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-2 and Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-3 (collectively, the “Bonds”); and

WHEREAS, the Bonds will be secured by the Horizon House Direct Note Obligation No. 5, Series 2025A and the Horizon House Direct Note Obligation No. 6, Series 2025B, to be issued pursuant to a Master Trust Indenture, as previously amended and as further amended by a Third Supplemental Master Trust Indenture (as so amended, the “Master Indenture”) between Borrower, in its capacity as the Obligated Group Representative on behalf of itself and any future

member of the Obligated Group, and U.S. Bank Trust Company, National Association, as the Master Trustee; and

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

WHEREAS, the Commission has previously given preliminary approval of the Project by Official Intent Declaration No. 25-56A, the Commission held a public hearing with respect to the Project on August 28, 2025, and the Governor has or will have approved the Project, the plan of finance and the Bonds; and

WHEREAS, the Commission has received a preliminary offer to purchase the Bonds from B.C. Ziegler and Company (the "Purchaser").

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

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

Section 2. Financing Program. The Commission hereby confirms and ratifies its program for the acquisition of loans for the financing and refinancing of eligible nonprofit housing facilities under the Act which are owned by organizations described under

Section 501(c)(3) of the Code through the issuance of nonrecourse revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bonds are in furtherance of the Act and the Plan.

Section 3. Authorization of the Bonds; Refunding. The Commission hereby authorizes the issuance and sale of its bonds to be designated “Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025A,” “Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-1,” “Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-2” and “Washington State Housing Finance Commission Nonprofit Housing Revenue and Refunding Revenue Bonds (Horizon House Project), Series 2025B-3” in an aggregate principal amount not to exceed \$625,000,000 pursuant to and in accordance with the provisions of the Act and the Code. The Commission further authorizes the issuance of additional series of bonds and the adjustment of the names of the Bonds, as is necessary to facilitate the sale of the Bonds and the accomplishment of the Project; provided that any such additional series of bonds shall be issued pursuant to the terms of Section 5 of this resolution.

The Commission hereby authorizes the refunding of its 2022 Bond with proceeds of the Bonds and other funds available to the Borrower.

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

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

Section 5. Sale of the Bonds. The Commission hereby authorizes and approves the sale of the Bonds to B.C. Ziegler and Company, an underwriter listed on its roster of approved underwriting firms as described in RCW 43.180.100, in accordance with the terms and conditions set forth in the Bond Purchase Contract. The Commission hereby delegates to the Executive Director the authority to execute the Bond Purchase Contract on behalf of the Commission in substantially the form filed with the Commission, subject to the following limitations: (a) the aggregate principal amount of the Bonds does not exceed \$625,000,000; (b) the interest rate on the Bonds does not exceed 7.00%; (c) the Bond Purchase Contract is executed prior to December 31, 2025; and (d) the final terms of the Bond Purchase Contract are otherwise in furtherance of the Act and the Plan.

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

Section 7. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or 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 23rd day of October, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Nonprofit Housing Program

Project Name	Horizon House
Developer	Horizon House
Description	Horizon House is a Life Plan Community located in Seattle, Washington established in 1961 and located in the First Hill neighborhood of downtown Seattle serving the elderly population. The community is located on 2.5 acres and offers independent and assisted living as well as dementia care. Horizon House offers residents many amenities including dining, 24-hour fitness, lounges, hobby areas and access to Seattle's downtown. Proceeds of this bond issue will be used to refinance outstanding tax-exempt and/or taxable obligations, finance the demolition, replacement, construction, equipping, renovation and improvement of facilities of the existing continuing care retirement community, including the construction and equipping of a new 33-story building with 202 apartments and related common area facilities, and the renovation and improvement of existing residences and related facilities of the continuing care retirement community.
Location	900 University Street Seattle, WA 98101
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit housing
Project Type	New construction, refinance of an existing debt, and addition to an existing nonprofit housing facility.
Estimated Obligation Amount (Not to exceed)	\$625,000,000
Total Estimated Project Costs	\$565,000,000
Obligation Structure	Public Sale

Underwriter

Ziegler

Action

Approval of Resolution No. 25-79

Anticipated Closing Date

November 2025

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 25-83

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 \$33,000,000 to finance the acquisition, construction and equipping of an 80-unit multifamily housing facility located in Tacoma, Washington, to be owned MHNW 29 35th and Pacific LLLP, a Washington limited liability limited partnership; approving the sale of the bonds to WaFd Bank 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 OCTOBER 23, 2025

PREPARED BY:

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

Table of Contents

	Page
Section 1. Definitions.....	2
Section 2. Findings.....	3
Section 3. Financing Program.....	3
Section 4. Authorization of the Bonds.....	3
Section 5. Approval of Documents	4
Section 6. Sale of the Bonds	4
Section 7. Executive Director	5
Section 8. Effective Date	5
 Exhibit A Purchase Offer	

To: Steve Walker
From: Lisa Vatske and Dan Rothman
Date: 10/20/2025
Re: 35th and Pacific TDC Waiver

35th and Pacific, a Bond/Tax credit project sponsored by Mercy Housing Northwest, exceeds the 2025 Balance of King County TDC limit by 25%, or ~\$9.8M. 35th and Pacific Family Housing is a 4-story, 80-unit family project in Tacoma. The project will serve families, and 25% of units will be set aside for households with a member with an intellectual or developmental disability (IDD). The project includes a ground floor community hub space, which includes a separate wing designed as a food access space, to serve residents of both the new building and the larger community room. The project is considered an Urban Type Project and is approved to use the Balance of King County TDC limits.

A majority of the cost drivers identified by Mercy Housing Northwest were attributed to site work and infrastructure costs.

- The project site is over 100,000 SF and is impacted by poor soils that create challenging geotechnical and environmental conditions. The project budget includes geopiers and structural fill under all paved surfaces, including the large surface parking area needed to meet parking requirements. Environmental remediation includes soil management, importing, and capping, as well as a vapor barrier and active ventilation, and a significant methane monitoring system.
- The City of Tacoma required the improvement of the street between the multifamily project and the Habitat project as a public right of way. The project also includes greater than typical site features including a large central plaza, garden, and trail.

The remaining amount this project is over the TDC limit was attributed to improving marketability, required redesign and design-build, and accessibility features.

- Marketability: The project includes in-unit cooling, in-unit laundry in three-bedroom apartments, and quartz countertops (which are highly durable and non-porous).
- Design-build contract: The design-build contract structure is more cost intensive in the beginning; however, contingency usage is typically much lower. This structure enabled the overall cost of the residential project to be less than anticipated and enabled the Mercy Housing Northwest to move quickly and value engineer early in the process, such as implementing the methane mitigation system and need to import significant clean soils.
- Accessibility features: 25% of units at the project will serve households with intellectual/developmental disabilities. The building includes larger than typical unit sizes to better accommodate mobility devices. The project will also include accessible features in the majority of units, not just in Type A units. These "Type B+" units are designed with some accessibility features but also with significant adaptability built in. The addition of SF and accessibility features drives additional cost to the project to best serve the population.

We recommend that Mercy Housing Northwest's request is approved as requested. The costs detailed in Mercy Housing Northwest's request were either design features that seek to improve health and safety outcomes for residents or were necessary for project feasibility.

Total Development Cost Limit Waiver Request

Date of Waiver Request:	12/6/2024	Program Type:	4% Credit
Project Name:	35th and Pacific Family Housing		
Project City, County:	3561 Pacific Ave, Tacoma, Pierce County		
Sponsor Organization:	Mercy Housing Northwest		
Project Contact:	Katie Randall		
Development Phase:	Pre-Application		

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

Approval Date: n/a Approved TDC:

2. Please fill out all forms in this workbook:

Square Footage
Sources and Uses
LIHTC Eligible Basis
LIHTC Calculation
Financing Terms

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.

35th and Pacific Family Housing is a 4-story, 80 unit family project in Tacoma. The project will serve families, and 25% of units will be set aside for households with a member with an intellectual or developmental disability (IDD). The project includes a ground floor community hub space, which includes a separate wing designed as a food access space, to serve residents of both the new building and the larger community room.

The project is considered an Urban Type Project and is proposing to use Balance of King County TDC limits based on the following qualifications:

1. Located within City limits
2. Located in or near a central commercial area - 0.4 miles from the City of Tacoma downtown core
3. Includes an elevator

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 current cost estimate is based on a September 2025 bid and includes no contingency.

5. Calculation of Project's Total Development Cost*

Total Residential Project Cost	\$ 51,461,124
- Land	\$ 893,923
- Offsite Infrastructure	\$ 941,500
- Capitalized Reserves	\$ 569,182
Total Development Cost	\$49,056,519

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**	0	37	24	19	0
Average Square Feet of Units					
Appropriate Cost/Unit Limits	\$387,605	\$448,729	\$476,790	\$591,595	\$634,297
Max Cost by Unit Type	\$0	\$16,602,964	\$11,442,962	\$11,240,303	\$0
Project's Total Development Cost Limit:	\$39,286,230				
\$ Amount Above TDC Limit	\$9,770,289				
% Above TDC Limit	24.87%				

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	\$ 1,362,498	Large site with challenging soils conditions requiring geopiers, full remediation now in budget
2.	Site-related	\$ 200,000	Methane Mitigation System
3.	Site-related	\$ 509,500	City of Tacoma required site improvements
4.	Design	\$ 566,966	Higher level finishes to respond to marketability challenges
5.	Design	\$ 1,955,760	Additional unit SF/accessibility features to serve IDD population
6.	Design	\$ 320,000	Unit Cooling - marketability requirement
7.	Infrastructure	\$ 3,032,206	Required development of right of way and utilities
8.	Other	\$1,023,366	Design Build Fees and required redesign fees
9.	Other	\$799,993	Environmental Consultant and Legal Fees
	Total	\$9,770,289	
	Amount Project exceeds Limit	\$9,770,289	

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.

Cost drivers for this project are based on 4 components: a large and challenging site with required environmental

Cost drivers for this project are based on 4 components: a large and challenging site with required environmental remediation and shifting of utilities that were intended to be offsite on site, marketability, required redesign and design-build, and project design to best serve the intellectual/development disability population. Updates to cost drivers based on the most current estimate and deal structure include:

The overall residential cost has gone down since tax credit application, but since costs have shifted from offsite to onsite, the TDC has increased.

The project budget now includes the full and final cost of remediation, some of which has been budgeted outside the project previously.

Additionally, the budget now includes the full cost of development of the Harrison Street right of way as required by the City of Tacoma. Previously, the cost had been shared with Habitat, but the CHIP grant funding the work must come entirely to the Mercy project. The scope has been reduced somewhat now that Habitat is not moving forward. The City of Tacoma Land Use Code requires substantial landscaping and development of parking areas, building frontage, and areas around roadways and driveways.

Redesign of a portion of the building to reduce footprint and construction costs increased design fees; design-build is already a more fee-intensive contract structure, and one that realizes primary benefits in savings during construction.

Finally, the project has added unit cooling and slightly upgraded finishes on the advice of investors, who are increasingly looking to ease concerns about marketability of 60% units.

Community space is now included in the Commercial budget.

Site-related cost drivers

The project site is approximately 126,000 SF and includes poor soils that create challenging geotechnical and environmental conditions. The project has required significant involvement of an environmental consultant, including the design of a methane mitigation system, and environmental legal counsel. Presence of fill and contamination will require structural and environmental mitigation. This includes geopiers and structural fill under all paved surfaces, including the large surface parking area needed to meet parking requirements. Environmental remediation will likely include soil management, importing, and capping, as well as a vapor barrier and active ventilation, and a significant methane monitoring system. The City of Tacoma also required the improvement of Harrison Street as a public right of way, even once the Habitat for Humanity project was put on hold. The overall scope of utility work decreased, but more was moved to an onsite cost as a result of the changes to the Habitat project. Mercy property continues to include greater than typical site features including a large central plaza, garden, and trail.

The team is working to contain site costs by designing to the site conditions, including making best efforts to balance the civil grading design to minimize contaminated soil export, and making many site furnishings add-alternates in the hope of taking advantage of Design-Build efficiencies during construction. We also used building structural systems

hope of taking advantage of Design Build efficiencies during construction. We also used building structural systems that are more cost-effective but might lead to more minor cracking in exposed concrete floors.

Resident Quality of Life and Marketability

The project includes in-unit cooling, in-unit laundry in three-bedroom apartments, and quartz countertops. The project also includes higher-quality roof systems to aid in long-term maintenance costs. While these elements drive up front costs, they are in response to community engagement and investor feedback about important elements for resident quality of life and marketability of 60% AMI units.

Redesign Fees and Design Build

The project opted to use a design-build contract structure, with more involvement of the general contractor up front. This structure reaped benefits for the project, including enabling the overall cost of the residential project to go down since tax credit application even while maintaining features like unit cooling (the biggest driver of cost increase since application is the categorization of site work as onsite vs offsite). It also enabled the team to move quickly and to identify opportunities for VE such as reducing the building footprint. However, additional design fees were incurred for the VE path as well as to respond to late-coming environmental feedback, such as the methane mitigation system and need to import significant clean soils. Design-build is also a more expensive system in terms of fees up front. However, we anticipate that contingency usage will be much lower than typical because of the design-build structure, and have structured our additive alternates to take advantage of project savings.

Unit Design for IDD Population

25% of units at the project will serve households with intellectual/developmental disabilities. In order to best serve this population, the building includes larger than typical unit sizes (on average by approximately 100SF/unit) to better accommodate mobility devices. The project will also include accessible features in the majority of units, not just in Type A units. The addition of SF and accessibility features drives additional cost to the project to best serve the population. To balance the need for units to accommodate universal design while managing costs, instead of designing all units to Type A standards, the project includes "Type B+" units which are designed with some accessibility features but also with significant adaptability built in.

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)
☒	Mid-Rise (4-8 stories with elevator)
☐	High Rise (9+ stories with elevator)

☒	New Construction
☐	Rehabilitation

☒	State Prevailing Wages - Residential
☐	State Prevailing Wages - Commercial
☐	Davis Bacon Wages - Residential
☐	Davis Bacon Wages - Commercial
☐	No wage requirements

Parking

☐	Number of Structured Parking† Stalls (Residential Only)
--------------------------	--

*The Total Development Cost submitted in the Application may not exceed the Total Development Cost in the waiver request.

** 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.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

WSHFC Staff Use Only

Project Name: 35th and Pacific

Reviewed by: Dan Rothman

Date: 10/20/2025

Recommendation: Approve as Requested

Rationale:

See memo.

Reviewed by: Lisa Vatske

Approved by: Steve Walker

Signature: Steve Walker
Steve Walker (Oct 21, 2025 15:48:34 PDT)

Date: 21/10/25

RESOLUTION NO. 25-83

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 \$33,000,000 to finance the acquisition, construction and equipping of an 80-unit multifamily housing facility located in Tacoma, Washington, to be owned by MHNW 29 35th and Pacific LLLP, a Washington limited liability limited partnership; approving the sale of the bonds to WaFd Bank 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, WaFd Bank (the "Bank") has offered to originate two loans in an aggregate principal amount of not to exceed \$33,000,000 (the "Loans") to finance a portion of the costs of the acquisition, construction and equipping of an 80-unit multifamily housing facility located in

Tacoma, Washington (the “Project”), by MHNW 29 35th and Pacific LLLP, a Washington limited liability limited partnership (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 (35th and Pacific Apartments Project), Series 2025A and its Washington State Housing Finance Commission Multifamily Housing Revenue Bond (35th and Pacific Apartments Project), Series 2025B, with such additional series and designations as may be appropriate, in the aggregate principal amount of not to exceed \$33,000,000 (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. 25-104A, the Commission held a public hearing as required by federal tax law on August 28, 2025, 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 (35th and Pacific Apartments Project), Series 2025A” and “Washington State Housing Finance Commission Multifamily Housing Revenue Bond (35th and Pacific Apartments Project), Series 2025B” and with such additional series and designations as may be appropriate, in a

principal amount not to exceed \$33,000,000, 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 23rd day of October, 2025.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT A

Purchase Offer

WaFd Bank

October 21, 2025

The Commissioners
c/o Steve Walker, Executive Director
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Re: Washington State Housing Finance Commission Multifamily Housing Revenue Bonds (35th and Pacific Apartments Project) Series 2025A and Series 2025B (together, the "Bonds")

Dear Honorable Commissioners:

WaFd Bank ("Lender") is pleased to offer to purchase the above-referenced Bonds in an aggregate principal amount of up to \$27,820,000, at a price of par, with the understanding that the purchase proceeds will be used by the Commission to purchase a loan or loans being originated by Lender to MHNW 29 35th and Pacific LLLP, a Washington limited liability limited partnership (the "Borrower").

The Bonds will be dated the date of closing, anticipated to be October 29, 2025. The Series 2025A Bond in the principal amount of \$5,361,127 will mature no later than November 1, 2043 and the Series 2025B Bond in the principal amount of \$22,458,873 will mature no later than May 1, 2028, each subject to the conditions set forth in the loan documents.

The outstanding principal balance of the Bonds will accrue interest at a fixed rate to be specified in the Bonds prior to closing, subject to adjustment from time to time pursuant to the loan documents.

Lender's offer is subject to a legal opinion from Pacifica Law Group LLP of Seattle, Washington, acceptable to Lender, and to other conditions set forth in the draft loan documents most recently circulated by Lender's counsel.

Very truly yours,

WaFd Bank

By: 
Craig Chenoweth, Vice President

Multifamily Housing Program

Project Name	35th and Pacific Family Housing	
Developer	Mercy Housing Northwest	
Description	35th and Pacific Family Housing is the new construction of an 80-unit multifamily housing facility located in Tacoma, WA. The Project consists of a single five floor mid-rise elevator serviced building that will serve persons with disabilities as well as individuals and families at 30%, 50% and 60% AMI. The Project will include a large community room and outdoor spaces for residents as well as onsite residential services using Mercy Housing Northwest's Family Program Model which leverages relationships with partners to run programs for the entire community based around five key program areas: education/out of school time, housing stability, health and wellness, education and financial stability and community participation. In addition, the Project will provide supportive services and case management to meet the needs of residents. The project will also feature non-residential space that will serve as a Community Hub, including a gathering space for the neighborhood and a services space for Mercy Housing Northwest.	
Location	3561 Pacific Avenue Tacoma, WA 98418	
Project Type	New Construction	
Units	One Bedroom	37
	Two Bedroom	24
	Three Bedroom	19
	Total	80
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
	Systemic Barrier	5
	CBO Inclusion	5
	Community Engagement Process	2
	Application of Community Engagement	3
	Donation in Support of Local Nonprofit Programs	2
	Property Type	3
	Energy Efficiency, Healthy Living, & Renewable	11
	Energy – New Construction	
Total Points		33

Estimated Obligation Amount \$33,000,000.00
(Not to exceed)

Obligation Structure Private Placement

Lender WaFd Bank

Development Budget

Acquisition Costs	\$895,899
Construction	\$36,934,346
Soft Costs	\$8,631,090
Financing Costs	\$3,181,742
Capitalized Reserves	\$569,182
Other Development Costs	\$1,248,865
Total Development Costs	\$51,461,124

Permanent Sources

Housing Trust Fund	\$5,988,500
Deferred Developer Fee	\$1,849,287
Permanent Amortizing Loan	\$5,631,127
City of Tacoma	\$7,250,000
Pierce County	\$6,500,000
Connecting Housing Infrastructure Program	\$1,881,217
Mercy Loan Fund	\$893,923
Tax Credit Equity at \$0.86 per credit x 10 years	\$20,747,070
Total Permanent Sources	\$51,461,124

Total Development Cost Limit

Project's Total Development Cost Limit	\$39,286,230
Total Development Cost (minus land and reserves)	\$49,056,182
Waiver	Required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
One Bedroom	\$1,450	\$631 – 1,309
Two Bedroom	\$1,650	\$764 – 1,507
Three Bedroom	\$2,130	\$883 – 1,825

Action Approval of Resolution No. 25-83

Anticipated Closing Date October 2025

2026 Proposed Board Meeting Dates

MONTH	DATE	WORK SESSION
Jan	22	Yes
Feb	26	
March	26	
April	23	
May	18 & 19	Budget Planning Session
June	25	
July	23	Yes
Aug	27	
Sept	24	Yes
Oct	15 ¹	
Nov	19 ²	
Dec	10 ²	

¹ Scheduled early due to Housing Washington Conference

² Scheduled early due to the holidays



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Lucas Loranger

CC: EMT

Date: October 14, 2025

**Re: Request to Change Loan Structure for Habitat for Humanity of WA
State PRI Program**

BACKGROUND:

In 2015, the Commission created a \$5 million pilot PRI program to assist Habitat for Humanity affiliates statewide through their state service organization, Habitat for Humanity of Washington State (“Habitat - Washington”). Loans are made to Habitat-Washington, which in turn, loans funds to the local affiliates to provide liquidity for the purchase of land, materials and other eligible costs of producing additional homes. The loans are secured by seasoned mortgages owned by the affiliate totaling 125% of the loan amount. Due to the success of the program and needs of the affiliates, \$14 million in additional allocations have been made to the program over the years, which have benefited 17 different affiliates. All payments have been made timely, and the loans remain secured by local, performing, mortgage loans.

In order to meet the PRI Program requirements at the time the Habitat program was created, the program was structured such that loans to Habitat-Washington matured in ten years, but were amortized over a 25-year period with a balloon payment in the quarter-end following the 10th anniversary. However, with a balloon payment due after 10 years, Habitat-Washington then needs to either pay down the loan with cash on hand or refinance. We are approaching the first of the Habitat-Washington loans reaching its 10-year maturity date.

We are proposing to amend the terms of the Habitat program to allow for new loans to be made with a 15-year maturity and the full amortization of the loan over the 15 year term.

With this change, staff would amend the outstanding Habitat-Washington loans to extend their terms to 15 years and to give Habitat Washington to provide for their full payment or refinance at maturity.

Please see the original and proposed terms below. No other changes to the Habitat program are requested at this time.

Program Approval: July 2015

Investments to date: \$19 million

Total balance outstanding: \$16,242,372

Total loans currently under consideration: \$830,000

Summary of existing program terms:

- a. **Investment/Loan term:** Quarter-end following the 10th anniversary of funding.
- b. **Amortization method and period:** Amortization of the loan will be on a 25-year period with the remaining balance due at maturity.

Summary of proposed program terms:

- a. **Investment/Loan term:** Quarter-end following the 15th anniversary of funding.
- b. **Amortization method and period:** 15-year fully amortized on a quarterly basis.

PROPOSED ACTION:

Change the structure of the loan program from a 25 year fully amortizing loan with a 10-year balloon payment to a 15 year fully amortizing loan on a quarterly basis.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair

Steve Walker
Executive Director

Memorandum

To: Commissioners

From: Lucas Loranger

CC: EMT

Date: October 14, 2025

Re: Request to Approve \$830,000 in Funding for Whatcom County Habitat for Humanity Affiliate.

BACKGROUND:

In 2015, the Commission created a \$5 million pilot PRI program to assist Habitat for Humanity affiliates statewide through their state service organization, Habitat for Humanity of Washington State (“Habitat - Washington”). Loans are made to Habitat-Washington, which in turn, are loaned to local affiliates to provide liquidity for the purchase of land, materials and other eligible costs of producing additional homes. The loans are secured by seasoned mortgages owned by the affiliate totaling 125% of the loan amount. Due to the success of the program and needs of the affiliates, \$14 million in additional allocations have been made to the program over the years, which have benefited 17 different affiliates through 11 loans originated to Habitat-Washington. All payments have been made timely, and the loans remain secured by local, performing, mortgage loans.

We are currently on an annual cadence for issuing loans under this program and have been approached to provide funding for the Whatcom County Habitat for Humanity affiliate, their first loan under this program. As this is a revolving loan fund approved by the Commission with sufficient program availability for the proposed loan, we would not typically request board approval for an individual loan. However, with the CEO of Habitat-Washington now serving on the Board of Commissioners, we want to ensure there is appropriate separation and oversight over the loan making process. Below are the terms of the proposed loan to Habitat-Washington for the benefit of Whatcom County Habitat for Humanity for consideration.

Proposed Loan and Structure

- a. **Loan Amount:** \$830,000.00
- b. **Investment/Loan term:** Quarter-end following the 15th anniversary of funding.
- c. **Amortization method and period:** 15-year fully amortized on a quarterly basis.
- d. **Interest Rate:** 2.00%
- e. **Proposed closing date:** November 14, 2025

PROPOSED ACTION:

Approve loan #12 for \$830,000 for the benefit of the Whatcom County Affiliate under the program's new loan structure detailed within.

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

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

Percentage of Goal reached YTD -

30.7%

HOME ADVANTAGE

	Loans	\$ Volume	% Households of Color
Conventional FNMA	102	\$ 39,096,476	47.1%
Conventional FHLMC	139	\$ 55,988,860	30.9%
Government	928	\$ 378,851,994	33.8%
Energy Spark	1	\$ 408,000	0.0%
Covenant Homeownership	268	\$ 101,208,429	100.0%
Total	1438	\$ 575,553,759	46.8%

HOUSE KEY OPPORTUNITY

	Loans	\$ Volume	% Households of Color
Conventional FNMA	61	\$ 15,095,727	52.5%
Conventional FHLMC	5	\$ 993,558	0.0%
Government	34	\$ 9,674,347	38.3%
Total	100	\$ 25,763,632	45.0%

DOWNPAYMENT ASSISTANCE

	Loans	\$ Volume	% Households of Color
Home Adv 0%	1133	\$ 18,034,558	34.8%
Home Adv Needs Based 1%	3	\$ 29,779	33.3%
Opportunity	94	\$ 1,366,608	42.5%
HomeChoice	2	\$ 29,600	50.0%
Bellingham	0	\$ -	0.0%
East King County	0	\$ -	0.0%
Pierce County	0	\$ -	0.0%
Seattle	0	\$ -	0.0%
Tacoma	0	\$ -	0.0%
University of WA	0	\$ -	0.0%
Veterans	0	\$ -	0.0%
Clark County DPA	3	\$ 180,000	0.0%
Social Justice DPA (Non-Commission)	4	\$ 40,000	100.0%
Covenant (Non-Commission)	278	\$ 30,628,893	100.0%
Total	1517	\$ 50,309,438	47.4%

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

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Grant Amount/ Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2024 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	\$320,685	\$124,965	\$195,720	9/30/2025
HAF Counseling Pay-Per- Service Grant FY 2025 Default Housing Counseling. Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$5,411,060 2023 - 2025	\$5,411,060	\$0.00	12/31/2025
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS;	\$2,100,000 FY2025	\$1,670,901	\$429,099	12/31/2025 & None
HAF Application Assistance Post-HAF Application Assistance Service Area: Statewide	U.S. Department of the Treasury	AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS;	\$2,439,405 2023 - 2025	\$2,439,405	\$0.00	12/31/2025
PENDING King County VSHSL Counseling Navigator Service Area: King County	King County	WHRC; OIC; ECDLR; OIC; PARKVIEW; ULMS	\$189,581	0.00	\$189,581	12/31/2027

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

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

HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2025 - September 30, 2025

HOMEBUYER CLASS

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

Percentage of goal reached YTD: 31%

	Classes	Participants
Virtual:	67	415
In-Person:	50	229
Online Classes:	1,849	1,849
Total:	1,966	2,493

Classes not yet reporting participation: 269

Data lags 3 months due to data collection process

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

Classes:	53,339
Participants	259,454

PROGRAM TRAINING ATTENDEES

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

Percentage of goal reached YTD: 30%

Month	Classes	Attendees
July	1	44
August	1	32
September	1	41
October		
November		
December		
January		
February		
March		
April		
May		
June		
Total:	3	117

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

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

King County Pool (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-16	Application	Skyway Mixed Use	Low Income Housing Institute	Seattle	King	183	\$28,859	\$1,229,520	53	50%		50%		0	0	0	0	40
25-18	Application	Lexington & Concord	YWCA	Seattle	King	182	\$27,640	\$2,294,120	83	50%		50%		0	0	0	0	63
King County Credit Allocated:									167					0	0	0	0	103
King County Credit Available:																		
King County Balance:																		

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

25-08	Application	DESC Belmont	Downtown Emergency Service Center (DESC)	Seattle	King		\$18,084	\$2,170,051	120	50%		50%		0	0	0	0	90
25-02	Application	Sea Mar Community Health Centers/Lucy Lopez Apartments	Sea Mar	Kent	King		\$27,902	\$864,962	31	50%		50%		0	7	0	0	7
King County Unranked Balance:									151					0	7	0	0	97

Metro Pool (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-07	Application	Housing Hope - EUCC (AKA Rainbow Terrace)	Housing Hope Properties	Everett	Snohomish	164	\$27,637	\$1,824,058	66	50%		50%		0	0	66	0	14
25-05	Approved 8/28/25	Bridge Meadows Tacoma	Bridge Meadows	Tacoma	Pierce	161	\$33,333	\$2,000,000	60	50%		50%		0	12	60	0	0
25-11	Approved 8/28/25	South Yakima Senior Housing	HumanGood Affordable Housing	Tacoma	Pierce	160	\$27,619	\$1,712,360	62	50%		50%		0	0	62	13	0
25-06	Approved 7/24/25	Bellis Fair Senior Housing	Opportunity Council	Bellevue	Whatcom	160	\$37,000	\$2,368,000	64	25%	50%		25%	0	0	64	0	13
Total Metro Credit Allocated:									252					0	0	252	13	27
Metro Credit Available:																		
Metro Balance:																		

Metro Pool Unranked (Noncompetitive or Awaiting Other Funding Commitments)

25-14	Application	Claudia's Place	Housing Initiative, LLC	Vancouver	Clark		\$27,445	\$1,097,786	40	50%		50%		0	0	0	0	10
25-17	Application	Lincoln District Family Housing	Low Income Housing Institute (LIHI)	Tacoma	Pierce		\$28,164	\$2,027,840	72	50%	25%		25%	0	0	0	0	18
Metro Unranked Balance:									112					0	0	0	0	28

Non-Metro New Production (November 2024 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless
25-03	Scheduled for 9/25/2025	Lewis, Spruce, & Sixth	The Housing Authority of the City of Yakima	Yakima	Yakima	177	\$27,576	\$1,378,777	50	50%	10%		40%	0	0	0	0	13
25-09	Application	Pathways Place	Hopsource	Elensburg	Kittitas	173	\$27,640	\$2,155,920	78	50%				0	0	0	0	20
25-10	Scheduled for 9/25/2025	Catin and Main	Lower Columbia Community Action Council, Inc.	Kelso	Cowlitz	171	\$27,640	\$1,105,600	40	25%	50%	50%	25%	0	0	0	0	10
25-15	Scheduled for 9/25/2025	Franz Anderson PSH	Low Income Housing Institute	Olympia	Thurston	169	\$27,163	\$1,928,539	71	50%		50%		0	0	0	0	18
25-04	Approved 8/28/25	Farmview Family Housing	Housing Authority of Skagit County	Burlington	Skagit	167	\$29,091	\$872,727	30		25%	75%		23	0	0	0	0
Non-Metro New Production and Preservation Credit Allocated:									269					23	0	0	0	61
Non-Metro Credit Available:																		
Non-Metro Balance:																		

Non-Metro Preservation and Recapitalization Pool

Non-Metro Rehab Credit Allocated:																		

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

25-13	Application	Alderwood Apartments	Trillium Housing Services	Yakima	Yakima		\$23,865	\$2,004,625	84	10%	50%	40%		62	0	0	0	0
25-12	Application	Walla Walla Rehab Project	Catholic Housing Services of Eastern Washington	Walla Walla	Walla Walla		\$23,212	\$1,183,822	51		40%	30%	30%	0	0	51	0	0
Non-Metro Unranked Balance:									135					62	0	51	0	0

Statewide Allocation Round Totals:					Total Project Applications: 17					Total Credit Requested: \$28,518,707					85	43	303	13	316
					Total Projects Above Line: 11					Total Credit Available for 2025: \$15,995,611									
					Application Success Percentage: 65%					PWD Commitment of 2026 LIHTC: \$3,174,010									
										Total LIHTC Allocation for 2025: \$19,169,621					23	12	252	13	191

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

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



Washington State Housing Finance Commission

2025 Bond/Tax Credit Balance of State Allocation List

Opening doors to a better life

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

* - carry forward allocations
** - projects with an extended development timeline

King County Bond/Tax Credit Pre-Allocation Process

Local Funders Make Commitments First

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

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

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

2025 Invitation to Apply List – Updated February 13, 2025

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

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

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

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

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

Pipeline List – Updated February 13, 2025

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

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

2024 King County Allocation List

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

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

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: September 2025

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

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

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

Within the 12-month period, staff will:

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

Tax Credit Reports *

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	4	17	27	45	10	29	32	14				178	175	102%

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

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

Bond Reports **

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

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

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

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

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

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: September 2025

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

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

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

Project Inspections

Calendar Year 2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	1	1	64	52	47	39	46	44	39				333	349	95%

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

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

COMPLIANCE TRAININGS: The next Bond Compliance Workshop is scheduled for:
November 5-6, 2025



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

October 21, 2025

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

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

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

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

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Finance Director

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

September 30, 2025

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

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

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
----------------------------------	---

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

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
			<u>Amount</u>	<u>%</u>
<i>ASSETS</i>				
Cash and Cash Equivalents:				
Demand Deposits	\$ 2,490,531	\$ 8,856,915	\$ (6,366,384)	(1) -72%
Money Market Accounts	39,317,778	59,718,296	(20,400,518)	(1) -34%
Investment Securities	32,904,417	48,224,134	(15,319,717)	(1) -32%
Interest Receivable	939,937	894,722	45,215	5%
Fees Receivables	16,417,956	15,463,870	954,086	(2) 6%
Prepaid Expenses & Other Receivable	4,396,476	3,547,077	849,399	(3) 24%
Furniture and Fixtures (net of depreciation)	488,303	434,968	53,335	(4) 12%
Intangible Lease Asset (net of amortization)*	2,915,919	-	2,915,919	NA
Net Pension Asset*	1,340,892	1,894,532	(553,640)	-29%
<i>Total Assets</i>	<u>101,212,209</u>	<u>139,034,514</u>	<u>(37,822,305)</u>	<u>-27%</u>
Deferred Outflow of Resources (Pension & OPEB Contributions) *	<u>4,563,506</u>	<u>4,490,914</u>	<u>72,592</u>	<u>2%</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 105,775,715</u>	<u>\$ 143,525,428</u>	<u>\$ (37,749,713)</u>	<u>-26%</u>
<i>LIABILITIES</i>				
Accounts Payable and Other Liabilities	\$ 2,943,160	\$ 8,864,157	\$ (5,920,997)	(5) -67%
Unearned Fee Income	51,291,895	85,428,064	(34,136,169)	(6) -40%
Accrued Payroll Payable	2,232,697	2,046,111	186,586	(7) 9%
Lease Liability*	2,988,533	-	2,988,533	NA
Net Pension Liability *	3,299,341	3,454,593	(155,252)	-4%
<i>Total Liabilities</i>	<u>62,755,626</u>	<u>99,792,925</u>	<u>(37,037,299)</u>	<u>-37%</u>
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	<u>3,483,111</u>	<u>4,935,541</u>	<u>(1,452,430)</u>	<u>-29%</u>
<i>NET POSITION</i>				
Invested in Capital Assets	488,303	434,968	53,335	(4) 12%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	38,850,523	38,239,366	611,157	2%
<i>Total Net Position</i>	<u>39,536,978</u>	<u>38,796,962</u>	<u>740,016</u>	<u>2%</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 105,775,715</u>	<u>\$ 143,525,428</u>	<u>\$ (37,749,713)</u>	<u>-26%</u>

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The overall increase in fees receivable is primarily due to a notably slower collection of Commission fees on outstanding bonds, with an offset by a decrease in receivables related to the Citibank securitization program.
- (3) The increase in prepaids and other receivable balances is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (4) The increase in net capital assets reflects the purchase of new office furniture, audio and visual equipment, and network wiring, along with an offset from continued depreciation and amortization of capital assets.
- (5) The overall decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds and reduced accruals associated with the Idaho Master Servicing Agreement.
- (6) The overall decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, with a smaller offset from greater Covenant Homeownership grant funds.
- (7) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, and effects of the 3% COLA increase at the beginning of the fiscal year, as well as the step increases throughout the year.
- * These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: September 30, 2025
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance	
				Amount	%
<i>Revenues:</i>					
Fee Income	\$ 3,603,239	\$ 12,035,060	\$ 9,444,664	\$ 2,590,396 (1)	27%
Interest Earned & Realized Gain	1,078,563	3,318,886	4,278,594	(959,708) (2)	-22%
Other	21,503	68,709	64,414	4,295	7%
<i>Total Unadjusted Revenues</i>	<u>4,703,305</u>	<u>15,422,655</u>	<u>13,787,673</u>	<u>1,634,982</u>	<u>12%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,180,356	3,621,873	3,198,365	423,508 (3)	13%
Travel & Conferences	38,767	57,277	141,976	(84,699) (4)	-60%
Professional Fees	296,627	922,559	730,735	191,824 (5)	26%
Office Expense	266,510	846,407	762,645	83,762 (6)	11%
<i>Total Expenses</i>	<u>1,782,260</u>	<u>5,448,116</u>	<u>4,833,722</u>	<u>614,394</u>	<u>13%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	(34,134)	242,340	1,723,978	(1,481,638)	-86%
Grant Revenue	471,154	6,401,727	15,422,183	(9,020,456)	-58%
<i>Expenses:</i>					
Grant Pass-Through	471,154	6,401,727	15,422,183	(9,020,456)	-58%
<i>Total Adjustments</i>	<u>(34,134)</u>	<u>242,340</u>	<u>1,723,978</u>	<u>(1,481,638)</u>	<u>-86%</u>
Excess of Revenues over Expenses	<u>2,886,911</u>	<u>10,216,879</u>	<u>10,677,929</u>	<u>(461,050)</u>	<u>-4%</u>
Net Position					
Total net position, beginning of period	36,650,067	29,320,099	28,119,033	1,201,066	4%
Current Increase (Decrease) - to Net position	<u>2,886,911</u>	<u>10,216,879</u>	<u>10,677,929</u>	<u>(461,050)</u>	<u>-4%</u>
Total net position, end of year	<u>\$ 39,536,978</u>	<u>\$ 39,536,978</u>	<u>\$ 38,796,962</u>	<u>\$ 740,016</u>	<u>2%</u>

- (1) The increase in fee income is primarily due to increased revenue from the Multifamily Housing and Community Facilities division related to bond issuances and collection of tax credit fees, plus greater revenue from the Homeownership division's Home Advantage program.
- (2) The decrease in interest income is primarily due to the decrease in rates. For example, the LGIP rate has decreased from 5.23% in the prior period to a rate of 4.29% in the current period.
- (3) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2025, as well as annual step increases during the year.
- (4) 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.
- (5) Professional fees increase is primarily due to an increase in legal and consultant expenses.
- (6) The increase in office expenses is primarily due purchases of computer related equipment, new data warehouse projects, and higher rent, compared to the prior year.
- * 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: September 30, 2025
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to Actual	
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	12.8%	\$ 916,837	\$ 7,166,009	\$ 8,082,846	\$ 7,959,320	\$ 123,526	1.6%
Issuance, Application, and Servicing Fees	73.4%	1,673,559	2,278,655	3,952,214	2,353,470	1,598,744	67.9%
Interest Earned & Realized Gain	-22.4%	(959,708)	4,278,594	3,318,886	2,980,134	338,752	11.4%
Other Income	6.7%	4,295	64,414	68,709	90,987	(22,278)	-24.5%
<i>Total Unadjusted Revenues</i>	11.9%	1,634,983	13,787,673	15,422,654	13,383,911	2,038,744	15.2%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	14.9%	372,051	2,501,431	2,873,482	3,253,707	(380,225)	-11.7%
Employee Benefits - Staff	7.4%	51,457	696,934	748,391	818,589	(70,198)	-8.6%
Conference, Education & Training	0.3%	126	36,319	36,445	58,949	(22,504)	-38.2%
Travel out of state - Staff	-59.5%	(19,519)	32,809	13,290	60,815	(47,525)	-78.1%
Travel in state - Staff	-89.6%	(65,306)	72,848	7,542	38,042	(30,500)	-80.2%
Accounting Fees	28.7%	8,605	30,000	38,605	45,871	(7,266)	-15.8%
Legal Fees	46.3%	66,843	144,427	211,270	177,753	33,517	18.9%
Financial Advisor Fees	66.3%	57,723	87,000	144,723	105,099	39,624	37.7%
Investment Management Fees	24.7%	10,687	43,222	53,909	54,501	(592)	-1.1%
Office Rent/Conf. Room Rentals	31.3%	37,732	120,736	158,468	153,794	4,674	3.0%
Furniture & Equipment Rental	250.9%	3,141	1,252	4,393	6,468	(2,075)	-32.1%
Advertising	21.2%	4,953	23,335	28,288	53,284	(24,996)	-46.9%
Publications/ Subscriptions/ Dues	23.8%	5,468	22,984	28,452	34,771	(6,319)	-18.2%
Deliveries	-80.5%	(556)	691	135	550	(415)	-75.5%
Insurance	10.2%	1,829	17,974	19,803	20,499	(696)	-3.4%
Meeting Expense	-34.4%	(35,362)	102,925	67,563	88,055	(20,492)	-23.3%
Equipment & Building Maintenance	22.2%	382	1,718	2,100	14,574	(12,474)	-85.6%
Software Maint. Support & Other Info Svcs	8.6%	31,857	371,732	403,589	602,043	(198,454)	-33.0%
Non-capitalized Equipment/Supplies	260.1%	35,000	13,457	48,457	20,041	28,416	141.8%
Postage	-9.2%	(12)	130	118	266	(148)	-55.6%
Printing	-34.7%	(1,072)	3,091	2,019	1,841	178	9.7%
State Services	-11.8%	(183)	1,557	1,374	1,743	(369)	-21.2%
Supplies	-67.3%	(13,874)	20,613	6,739	10,818	(4,079)	-37.7%
Telephone	47.1%	8,569	18,181	26,750	20,532	6,218	30.3%
Contract Services	11.3%	47,966	426,086	474,052	351,429	122,623	34.9%
Depreciation	13.9%	5,890	42,269	48,159	37,740	10,419	27.6%
<i>Total Expenses</i>	12.7%	614,395	4,833,724	5,448,116	6,031,774	(583,658)	-9.7%
<i>Adjustments</i>							
<i>Revenues:</i>							
Unrealized Investments Gain/(Loss)	-85.9%	(1,481,638)	1,723,978	242,340	-	242,340	NA
Grant Revenue	-58.5%	(9,020,456)	15,422,183	6,401,727	1,903,255	4,498,472	236.4%
<i>Expenses:</i>							
Grant Pass-Through	-58.5%	(9,020,456)	15,422,183	6,401,727	1,903,255	4,498,472	236.4%
	-85.9%	(1,481,638)	1,723,978	242,340	-	242,340	NA
<i>Excess of Revenues over Expenses- adjusted</i>	-4.3%	(461,050)	10,677,927	10,216,878	7,352,137	2,864,742	39.0%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
<i>Excess of Revenues over Expenses (Net of Transfers)</i>	-4.3%	\$ (461,049)	\$ 10,677,927	\$ 10,216,878	\$ 7,352,137	\$ 2,864,742	39.0%



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Nicole Bascomb-Green
Chair
Steve Walker
Executive Director

September 24, 2025

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

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

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

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

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Finance Director

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

August 31, 2025

CONTENTS

(See Accountant's Compilation Report)

Financial Statements:

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

Accompanying Information to Financial Statements:

Detailed Statement of Activities	5
----------------------------------	---

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

			Variance	
	Current Year	Prior Year	Amount	%
ASSETS				
Cash and Cash Equivalents:				
Demand Deposits	\$ 3,530,688	\$ 9,335,812	\$ (5,805,124)	(1) -62%
Money Market Accounts	31,525,715	63,767,333	(32,241,618)	(1) -51%
Investment Securities	33,569,738	43,747,946	(10,178,208)	(1) -23%
Interest Receivable	1,037,469	1,066,660	(29,191)	-3%
Fees Receivables	18,178,338	17,704,342	473,996	3%
Prepaid Expenses & Other Receivable	4,294,229	3,549,286	744,943	(2) 21%
Furniture and Fixtures (net of depreciation)	504,430	448,714	55,716	(3) 12%
Intangible Lease Asset (net of amortization)*	2,915,919	-	2,915,919	NA
Net Pension Asset*	1,340,892	1,894,532	(553,640)	-29%
Total Assets	96,897,418	141,514,625	(44,617,207)	-32%
Deferred Outflow of Resources (Pension & OPEB Contributions) *	4,563,506	4,490,914	72,592	2%
Total Assets and Deferred Outflows	\$ 101,460,924	\$ 146,005,539	\$ (44,544,615)	-31%
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 3,245,948	\$ 7,789,448	\$ (4,543,500)	(4) -58%
Unearned Fee Income	49,556,008	91,968,513	(42,412,505)	(5) -46%
Accrued Payroll Payable	2,237,913	1,982,431	255,482	(6) 13%
Lease Liability*	2,988,533	-	2,988,533	- NA
Net Pension Liability *	3,299,341	3,454,593	(155,252)	-4%
Total Liabilities	61,327,743	105,194,985	(43,867,242)	-42%
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	504,430	448,714	55,716	(3) 12%
Committed - Housing Washington *	198,152	122,628	75,524	62%
Unrestricted	35,947,488	35,303,671	643,817	2%
Total Net Position	36,650,070	35,875,013	775,057	2%
Total Liabilities, Deferred Inflows and Net Position	\$ 101,460,924	\$ 146,005,539	\$ (44,544,615)	-31%

- (1) Fluctuations in these accounts are considered in aggregate. The decrease is primarily due to the drawdown of funds for the Homeowner Assistance Fund (HAF) program.
- (2) The increase in prepaids and other receivable balances is primarily due to greater receivables related to principal and interest advanced on GNMA securities serviced by IHFA.
- (3) The increase in net capital assets reflects the purchase of new office furniture, audio and visual equipment, and network wiring, along with an offset from continued depreciation and amortization of capital assets.
- (4) The overall decrease in accounts payable and other liabilities is primarily due to lower payables related to interest earned on HAF program funds.
- (5) The overall decrease in unearned fee income is primarily due to the drawdown of funds from the HAF program, established in Section 3206 of the American Rescue Plan Act of 2021, with a smaller offset from greater Covenant Homeownership grant funds.
- (6) The increase in accrued payroll payable is primarily due to higher vacation and sick leave balances, and effects of the 3% COLA increase at the beginning of the fiscal year, as well as the step increases throughout the year.

* These balances are adjusted only at year-end.

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

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 3,975,165	\$ 8,431,821	\$ 6,524,320	\$ 1,907,501 (1)	29%
Interest Earned & Realized Gain	1,095,054	2,240,324	2,966,936	(726,612) (2)	-24%
Other	15,863	47,207	50,467	(3,260)	-6%
<i>Total Unadjusted Revenues</i>	<u>5,086,082</u>	<u>10,719,352</u>	<u>9,541,724</u>	<u>1,177,628</u>	<u>12%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	1,268,498	2,441,517	2,106,982	334,535 (3)	16%
Travel & Conferences	3,798	18,509	21,914	(3,405) (4)	-16%
Professional Fees	337,115	625,932	476,432	149,500 (5)	31%
Office Expense	315,289	579,897	453,436	126,461 (6)	28%
<i>Total Expenses</i>	<u>1,924,700</u>	<u>3,665,855</u>	<u>3,058,765</u>	<u>607,090</u>	<u>20%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Unrealized Gain/(Loss) on Investments	559,838	276,474	1,273,021	(996,547)	-78%
Grant Revenue	2,163,570	5,934,555	10,642,418	(4,707,863)	-44%
<i>Expenses:</i>					
Grant Pass-Through	<u>2,163,570</u>	<u>5,934,555</u>	<u>10,642,418</u>	<u>(4,707,863)</u>	<u>-44%</u>
<i>Total Adjustments</i>	<u>559,838</u>	<u>276,474</u>	<u>1,273,021</u>	<u>(996,547)</u>	<u>-78%</u>
Excess of Revenues over Expenses	<u>3,721,220</u>	<u>7,329,971</u>	<u>7,755,980</u>	<u>(426,009)</u>	<u>-5%</u>
<i>Net Position</i>					
Total net position, beginning of period	32,928,850	29,320,099	28,119,033	1,201,066	4%
Current Increase (Decrease) - to Net position	<u>3,721,220</u>	<u>7,329,971</u>	<u>7,755,980</u>	<u>(426,009)</u>	<u>-5%</u>
Total net position, end of year	<u>\$ 36,650,070</u>	<u>\$ 36,650,070</u>	<u>\$ 35,875,013</u>	<u>\$ 775,057</u>	<u>2%</u>

- (1) The increase in fee income is primarily due to increased revenue from the Multifamily Housing and Community Facilities division related to bond issuances and collection of tax credit fees.
- (2) The decrease in interest income is primarily due to the decrease in rates. For example, the LGIP rate has decreased from 5.40% in the prior period to a rate of 4.38% in the current period.
- (3) The increase in salary and benefits expenses reflects a 3% cost of living wage increase for all staff on July 1, 2025, as well as regular annual increases during the year.
- (4) The decrease in travel and conference fee expenses is primarily due to lower conference/training registration fees and in-state travel fees, plus a slight offset by an increase in out-of-state travel expenses.
- (5) Professional fees increase is primarily due to an increase in legal and consultant expenses.
- (6) The increase in office expenses is primarily due purchases of computer related equipment and higher rent, compared to the prior year.
- * 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: August 31, 2025
(See Accountant's Compilation Report)

	Variance-YTD vs. PY Actuals		Prior YTD	YTD	YTD	Variance-YTD Budget to Actual	
	%	Amount	Actual	Actual	Budget	Amount	%
Revenues:							
Program Fees	12.1%	\$ 572,676	\$ 4,722,917	\$ 5,295,593	\$ 5,306,213	\$ (10,620)	-0.2%
Issuance, Application, and Servicing Fees	74.1%	1,334,825	1,801,403	3,136,228	1,568,980	1,567,248	99.9%
Interest Earned & Realized Gain	-24.5%	(726,612)	2,966,936	2,240,324	1,986,756	253,568	12.8%
Other Income	-6.5%	(3,260)	50,467	47,207	60,658	(13,451)	-22.2%
Total Unadjusted Revenues	12.3%	1,177,629	9,541,724	10,719,351	8,922,607	1,796,745	20.1%
Expenses:							
Salaries & Wages - Staff & Temp. Svcs	18.0%	296,025	1,643,365	1,939,390	2,169,138	(229,748)	-10.6%
Employee Benefits - Staff	8.3%	38,510	463,617	502,127	545,726	(43,599)	-8.0%
Conference, Education & Training	-54.2%	(3,091)	5,700	2,609	39,299	(36,690)	-93.4%
Travel out of state - Staff	84.5%	5,328	6,303	11,631	40,543	(28,912)	-71.3%
Travel in state - Staff	-56.9%	(5,642)	9,912	4,270	25,362	(21,092)	-83.2%
Accounting Fees	-50.5%	(1,515)	3,000	1,485	24,394	(22,909)	-93.9%
Legal Fees	52.9%	54,296	102,685	156,981	118,502	38,479	32.5%
Financial Advisor Fees	96.1%	55,723	58,000	113,723	70,066	43,657	62.3%
Investment Management Fees	25.9%	7,406	28,547	35,953	36,334	(381)	-1.0%
Office Rent/Conf. Room Rentals	33.5%	26,443	78,887	105,330	102,529	2,801	2.7%
Furniture & Equipment Rental	176.8%	1,871	1,058	2,929	4,312	(1,383)	-32.1%
Advertising	29.5%	2,480	8,399	10,879	35,523	(24,644)	-69.4%
Publications/ Subscriptions/ Dues	23.7%	3,457	14,572	18,029	23,181	(5,152)	-22.2%
Deliveries	-70.4%	(233)	331	98	367	(269)	-73.3%
Insurance	16.3%	1,851	11,358	13,209	13,666	(457)	-3.3%
Meeting Expense	2209.8%	64,638	2,925	67,563	26,208	41,355	157.8%
Equipment & Building Maintenance	-18.5%	(318)	1,718	1,400	9,716	(8,316)	-85.6%
Software Maint. Support & Other Info Svcs	-6.9%	(19,123)	276,255	257,132	401,362	(144,230)	-35.9%
Non-capitalized Equipment/Supplies	770.1%	38,037	4,939	42,976	13,360	29,616	221.7%
Postage	-33.7%	(32)	95	63	178	(115)	-64.6%
Printing	-96.8%	(2,992)	3,091	99	1,227	(1,128)	-91.9%
State Services	-11.6%	(181)	1,555	1,374	1,162	212	18.2%
Supplies	4.1%	264	6,442	6,706	7,212	(506)	-7.0%
Telephone	51.0%	6,764	13,251	20,015	13,688	6,327	46.2%
Contract Services	11.8%	33,591	284,199	317,790	234,286	83,504	35.6%
Depreciation	12.4%	3,535	28,560	32,095	25,160	6,935	27.6%
Total Expenses	19.8%	607,092	3,058,767	3,665,856	3,982,501	(316,645)	-8.0%
Adjustments							
Revenues:							
Unrealized Investments Gain/(Loss)	-78.3%	(996,547)	1,273,021	276,474	-	276,474	NA
Grant Revenue	-44.2%	(4,707,863)	10,642,418	5,934,555	1,268,838	4,665,717	367.7%
Expenses:							
Grant Pass-Through	-44.2%	(4,707,863)	10,642,418	5,934,555	1,268,838	4,665,717	367.7%
	-78.3%	(996,547)	1,273,021	276,474	-	276,474	NA
Excess of Revenues over Expenses- adjusted	-5.5%	(426,010)	7,755,978	7,329,969	4,940,106	2,389,864	48.4%
Less transfer to Commission Fund	NA	-	-	-	-	-	NA
Excess of Revenues over Expenses (Net of Transfers)	-5.5%	\$ (426,009)	\$ 7,755,978	\$ 7,329,969	\$ 4,940,106	\$ 2,389,864	48.4%

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

**Homeownership Division
Fiscal Year 2025 – 2026
Quarter Ending: June 30, 2026**

Financial Stewardship Perspective

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

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

Associated Metrics: 4300 low and moderate-income households purchase an affordable home using Home Advantage/House Key by June 30, 2026. Implement special purpose credit programs changes, if needed.

First Quarter:

- Please see the quarterly report for number of Home Advantage and House Key loans purchased.
- The homeownership division implemented HB 1696 to the Covenant homeownership Downpayment Assistance Program, which included increased income limits and future DPA loan forgiveness. Please see quarterly report for Covenant program numbers and statistics.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter:

- Continue to meet weekly with our seller servicer consultant.

- Homeownership staff submitted Fannie Mae form 1010 as the first step in the application process. We are reviewing all policies and procedures and finalizing drafts for submission.
- Homeownership staff continues to perform post closing and servicing Quality Control audits to meet investor guidelines.

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.

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

Associated Metrics:

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

First Quarter:

- Homeownership staff conducted 3 lender Home Advantage trainings, 4 Advanced DPA trainings and 3 Backoffice staff trainings.
- Dietrich Schmitz presented the CHA program at the Kent the Redeemer Church on July 13, 2025.
- Dietrich Schmitz presented the CHA program at the Bethlehem Baptist Church on July 10, 2025.
- Homeownership staff manned a table at the Emoja Fest event on August 2 & 3, 2025.
- Dietrich Schmitz met with Pastor Hicks on the CHA program on September 5, 2024. communities and participated in the Emoja Fest.
- Lisa DeBrock presented our programs on a panel at the Pacific NW Mortgage Bankers regional conference on September 9, 2025.

- Kat Komin manned a table with informational resources at the Latinos Unidos event on September 20, 2025.

4. 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.

First Quarter:

- 1849 Homebuyer education classes sponsored including on-line classes with 2493 attendees.
- 82 (22.47%) of the 365 instructor participants held a Commission sponsored HBE class within twelve months of attending training.

Internal Processes Perspective

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

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter:

- Homeownership completed contract with new reservation system provider and meets weekly with HOTB to implement new system.
- Staff continues to work on program setup within the system including data transmission and transfer of current and legacy reservation data.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter:

- During the first quarter of Fiscal Year 2026, Grant staff prepared a Request for Qualifications to be released in the 2nd Quarter. Every effort

was made to expand the opportunities for varied non-profit counseling providers to participate in alignment with being able to provide consistently excellent services to the homeowners throughout the state of Washington.

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.

7. 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.

First Quarter:

- In the first quarter of Fiscal Year 2026, the Grant staff worked closely with the Department of Commerce to adapt to the new policies and procedures under the Foreclosure Fairness Act as amended in the 2025 legislative session.
- Grant staff also worked closely with non-profit partners and the Department of Commerce to maximize the impact of additional funding received during the 2025 legislative session. Also in that quarter, the Washington HAF Program obligated all of its funding and is working towards closure.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter:

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

WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
COVENANT HOMEOWNERSHIP DPA LOAN PRODUCTION
July 1, 2025 - Sept 30, 2025

COUNTY	COVENANT DPA PURCHASED AMOUNT TOTAL	# PURCHASED COVENANT DPA LOANS	AVERAGE PURCHASED LOAN AMOUNT	AVERAGE PURCHASE PRICE	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	NUMBER COVENANT DPA LOANS "CLOSED"	AVERAGE "CLOSED" DPA LOAN AMOUNT
Adams								
Asotin								
Benton	\$ 549,718	6	\$ 91,620	\$ 396,583	\$ 77,685	1.7	6	\$ 91,582
Chelan	\$ 115,000	1	\$ 115,000	\$ 500,000	\$ 84,012	2.0	1	\$ 115,000
Clallam	\$ 237,288	3	\$ 79,096	\$ 325,000	\$ 57,953	3.0	3	\$ 87,648
Clark	\$ 316,206	3	\$ 105,402	\$ 484,605	\$ 77,804	2.0	4	\$ 111,683
Columbia								
Cowlitz								
Douglas								
Ferry								
Franklin	\$ 604,763	7	\$ 86,395	\$ 378,286	\$ 82,016	1.9	7	\$ 86,103
Garfield								
Grant	\$ 290,413	4	\$ 72,603	\$ 319,625	\$ 73,371	1.5	4	\$ 74,167
Grays Harbor							1	\$ 74,509
Island								
Jefferson								
King	\$ 10,124,515	86	\$ 117,727	\$ 514,479	\$ 102,800	2.0	94	\$ 118,593
Kitsap	\$ 736,184	7	\$ 105,169	\$ 456,286	\$ 100,740	2.3	5	\$ 99,523
Kittitas							1	\$ 102,000
Klickitat								
Lewis	\$ 200,114	2	\$ 100,057	\$ 410,000	\$ 75,356	2.5	2	\$ 100,057
Lincoln								
Mason	\$ 174,600	2	\$ 87,300	\$ 377,500	\$ 75,429	2.5	3	\$ 84,741
Okanogan								
Pacific								
Pend Oreille								
Pierce	\$ 11,748,071	102	\$ 115,177	\$ 494,915	\$ 93,426	2.4	95	\$ 114,922
San Juan								
Skagit	\$ 224,205	2	\$ 112,103	\$ 535,000	\$ 95,675	2.5	1	\$ 112,205
Skamania								
Snohomish	\$ 1,482,165	12	\$ 123,514	\$ 543,579	\$ 105,632	2.8	15	\$ 122,468
Spokane	\$ 780,431	10	\$ 78,043	\$ 333,395	\$ 68,610	2.5	14	\$ 79,116
Stevens	\$ 81,194	1	\$ 81,194	\$ 350,000	\$ 87,495	5.0		
Thurston	\$ 1,314,321	11	\$ 119,484	\$ 546,939	\$ 101,803	2.7	12	\$ 116,472
Wahkiakum								
Walla Walla	\$ 66,686	1	\$ 66,686	\$ 275,000	\$ 63,440	1.0	1	\$ 66,686
Whatcom	\$ 252,184	2	\$ 126,092	\$ 553,750	\$ 109,395	2.0	3	\$ 121,948
Whitman								
Yakima	\$ 1,330,835	16	\$ 83,177	\$ 363,563	\$ 67,598	3.5	15	\$ 85,633
TOTAL	\$ 30,628,893	278	\$ 110,176	\$ 479,220	\$ 93,231	2.4	287	\$ 95,560

**WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
DOWNPAYMENT ASSISTANCE PRODUCTION (ACTIVE/INACTIVE)
July 1, 2024 - June 30, 2025**

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

ACTIVE PROGRAMS						
		July 1, 2024 - June 30, 2025		Historical Totals - Active Programs		
DPA PROGRAM	Launch Date	Number of Loans	Dollars Lent	Number of Loans Total	Total Dollars Loaned	Average Loan Amount
Bellingham DPA	February 2016	0	\$ -	48	\$ 1,779,887	\$ 37,081
Home Advantage DPA	July 2012	1133	\$ 18,034,558	58,025	\$ 661,304,916	\$ 11,397
Home Advantage Needs Based	July 2014	3	\$ 29,779	2,272	\$ 21,232,922	\$ 9,345
HomeChoice	June 1997	2	\$ 29,600	1,623	\$ 20,734,558	\$ 12,775
House Key Opportunity	August 2012	94	\$ 1,366,608	4,617	\$ 51,427,990	\$ 11,139
East King County (ARCH) DPA	September 2005	0	\$ -	84	\$ 2,419,891	\$ 28,808
Community Land Trust DPA	September 2004	0	\$ -	124	\$ 1,550,721	\$ 12,506
Seattle DPA	June 2004	0	\$ -	424	\$ 21,715,651	\$ 51,216
Pierce County DPA	July 2015	0	\$ -	19	\$ 447,300	\$ 23,542
Tacoma DPA	June 2014	0	\$ -	68	\$ 1,332,601	\$ 19,597
Veterans DPA	December 2006	0	\$ -	84	\$ 617,029	\$ 7,346
Univ of WA DPA (non-Commission funds)	May 2019	0	\$ -	23	\$ 1,834,530	\$ 79,762
Clark County DPA	March 2023	3	\$ 180,000	46	\$ 2,666,505	\$ 57,968
Total		1235	\$ 19,640,545	67,457	\$ 789,064,501	



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

Active and Inactive DPA Totals	75,625	\$ 831,381,995
---------------------------------------	---------------	-----------------------

WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOME ADVANTAGE LOAN PRODUCTION
July 1, 2025 - September 30, 2025

COUNTY	HOME ADV LOAN AMOUNT	NUMBER OF HA LOANS	AVERAGE LOAN AMOUNT	AVERAGE PURCHASE PRICE	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	# HA DPA LOANS 0% INT RATE	HA DPA LOAN AMOUNT	AVERAGE HA DPA LOAN	# HA NEEDS BASED DPA 1% INT RATE	# HA NEEDS BASED LOAN AMOUNT	AVE NEEDS BASED DPA AMOUNT
Adams	\$ 954,393	3	\$ 318,131	\$ 324,000	\$ 98,269	4.0	33.3%	3	\$ 34,743	\$ 11,581			
Asotin	\$ 920,159	3	\$ 306,720	\$ 314,633	\$ 88,453	3.7	0.0%	3	\$ 33,447	\$ 11,149			
Benton	\$ 32,238,252	88	\$ 366,344	\$ 379,896	\$ 105,490	2.4	53.4%	81	\$ 1,152,638	\$ 14,230			
Chelan	\$ 6,412,645	16	\$ 400,790	\$ 419,935	\$ 109,356	2.7	50.0%	15	\$ 233,018	\$ 15,535			
Ciallam	\$ 5,683,704	15	\$ 378,914	\$ 403,663	\$ 101,889	3.1	40.0%	12	\$ 187,944	\$ 15,662			
Clark	\$ 26,900,338	61	\$ 440,989	\$ 459,462	\$ 125,272	2.8	22.9%	56	\$ 987,650	\$ 17,637			
Columbia	\$ 873,878	3	\$ 291,293	\$ 296,667	\$ 68,966	3.7	0.0%	3	\$ 34,742	\$ 11,581			
Cowlitz	\$ 17,173,967	47	\$ 365,404	\$ 373,652	\$ 111,559	2.8	17.1%	47	\$ 674,536	\$ 14,352			
Douglas	\$ 3,898,269	10	\$ 389,827	\$ 399,990	\$ 104,102	2.8	50.0%	10	\$ 155,620	\$ 15,562			
Ferry	\$ 162,000	1	\$ 162,000	\$ 180,000	\$ 57,994	1.0	0.0%						
Franklin	\$ 13,236,962	37	\$ 357,756	\$ 379,230	\$ 104,483	2.6	64.8%	30	\$ 427,468	\$ 14,249			
Garfield	\$ -						0.0%						
Grant	\$ 15,087,990	45	\$ 335,289	\$ 348,162	\$ 102,552	2.7	40.0%	40	\$ 543,530	\$ 13,588			
Grays Harbor	\$ 9,953,490	31	\$ 321,080	\$ 327,619	\$ 97,573	2.6	25.8%	30	\$ 385,328	\$ 12,844	1	\$ 9,779	\$ 9,779
Island	\$ 4,033,921	9	\$ 448,213	\$ 473,389	\$ 121,749	2.9	22.2%	8	\$ 141,139	\$ 17,642			
Jefferson	\$ 756,052	2	\$ 378,026	\$ 385,000	\$ 95,448	1.5	0.0%	2	\$ 26,117	\$ 13,059			
King	\$ 67,985,741	153	\$ 444,351	\$ 510,425	\$ 114,913	2.2	79.0%	71	\$ 1,352,484	\$ 19,049			
Kitsap	\$ 29,776,104	70	\$ 425,373	\$ 449,227	\$ 116,151	2.4	25.7%	59	\$ 996,056	\$ 16,882			
Kittitas	\$ 4,718,113	12	\$ 393,176	\$ 402,489	\$ 103,083	2.3	8.3%	12	\$ 183,917	\$ 15,326			
Klickitat	\$ 247,435	1	\$ 247,435	\$ 252,000	\$ 62,153	1.0	0.0%	1	\$ 7,423	\$ 7,423			
Lewis	\$ 13,639,382	37	\$ 368,632	\$ 381,141	\$ 107,494	2.5	16.2%	35	\$ 510,256	\$ 14,579			
Lincoln	\$ 1,045,890	3	\$ 348,630	\$ 356,667	\$ 100,379	5.7	0.0%	3	\$ 41,525	\$ 13,842			
Mason	\$ 10,323,174	29	\$ 355,972	\$ 369,322	\$ 100,664	2.6	27.6%	26	\$ 374,352	\$ 14,398			
Okanogan	\$ 3,515,161	12	\$ 292,930	\$ 321,729	\$ 97,646	3.0	33.3%	10	\$ 105,069	\$ 10,507			
Pacific	\$ 1,376,642	4	\$ 344,161	\$ 351,125	\$ 122,718	2.5	50.0%	4	\$ 54,542	\$ 13,636			
Pend Oreille	\$ 491,862	2	\$ 245,931	\$ 248,000	\$ 81,452	3.5	0.0%	2	\$ 19,108	\$ 9,554			
Pierce	\$ 128,206,581	292	\$ 439,064	\$ 486,301	\$ 114,435	2.5	59.3%	185	\$ 3,435,515	\$ 18,570			
San Juan	\$ 484,030	1	\$ 484,030	\$ 499,000	\$ 138,696	3.0	0.0%	1	\$ 19,361				
Skagit	\$ 11,006,689	24	\$ 458,612	\$ 479,008	\$ 117,969	2.5	50.0%	23	\$ 398,312	\$ 17,318			
Skamania	\$ 772,744	2	\$ 386,372	\$ 393,500	\$ 131,457	3.5	0.0%	2	\$ 29,447	\$ 14,724			
Snohomish	\$ 40,621,591	81	\$ 501,501	\$ 529,484	\$ 129,228	2.5	35.8%	69	\$ 1,396,729	\$ 20,242			
Spokane	\$ 47,934,637	140	\$ 342,390	\$ 355,474	\$ 101,304	2.7	22.8%	126	\$ 1,688,655	\$ 13,402	1	\$ 10,000	\$ 10,000.00
Stevens	\$ 2,411,559	8	\$ 301,445	\$ 316,875	\$ 97,142	3.0	12.5%	7	\$ 78,207	\$ 11,172			
Thurston	\$ 21,925,365	53	\$ 413,686	\$ 455,930	\$ 112,122	2.5	35.8%	39	\$ 657,950	\$ 16,871	1	\$ 10,000	\$ 10,000
Wahkiakum	\$ -						0.0%						
Walla Walla	\$ 2,888,354	8	\$ 361,044	\$ 374,813	\$ 100,075	2.1	37.5%	7	\$ 94,751	\$ 13,536			
Whatcom	\$ 14,578,096	33	\$ 441,760	\$ 462,470	\$ 120,695	2.3	24.2%	30	\$ 494,160	\$ 16,472			
Whitman	\$ 1,738,259	6	\$ 289,710	\$ 298,917	\$ 93,296	2.2	16.6%	5	\$ 65,927	\$ 13,185			
Yakima	\$ 31,580,330	96	\$ 328,962	\$ 350,196	\$ 92,373	3.3	78.2%	76	\$ 1,012,892	\$ 13,328			
TOTAL	\$ 575,553,759	1438	\$ 400,246	\$ 429,582	\$ 110,130	2.6	45.5%	1133	\$ 18,034,558	\$ 15,918	3	\$ 29,779	\$9,926

*Primary Mortgage.

WASHINGTON STATE HOUSING FINANCE COMMISSION
HOMEOWNERSHIP PROGRAMS
HOUSE KEY OPPORTUNITY/CASH WINDOW/OPEN MARKET AND OPPORTUNITY DPA PRODUCTION
July 1, 2025 - September 30, 2025

COUNTY	HOUSE KEY LOAN AMOUNT	% OF TOTAL LOAN AMOUNT	NUMBER OF HK LOANS	AVERAGE LOAN AMOUNT	AVERAGE ACQUISITION COST	AVERAGE HOUSEHOLD INCOME	AVERAGE FAMILY SIZE	PROGRAM MINORITY %	GENERAL MINORITY POPULATION**	NUMBER OF OPPORTUNITY DPA LOANS	OPPORTUNITY DPA LOAN AMOUNT	AVERAGE OPPORTUNITY DPA LOAN	HUD AREA MEDIAN INCOME LIMIT
Adams									59.60%				\$ 47,900
Asotin									6.08%				\$ 60,100
Benton	\$ 256,975	1.00%	1	\$ 256,975	\$ 270,500	\$ 62,332	3.0	100.0%	23.70%	1	\$ 15,000	\$ 15,000	\$ 70,300
Chelan	\$ 445,900	1.73%	2	\$ 222,950	\$ 295,000	\$ 59,932	3.5	100.0%	30.33%	2	\$ 25,000	\$ 12,500	\$ 56,700
Clallam	\$ 328,932	1.28%	1	\$ 328,932	\$ 335,000	\$ 101,607	3.0	0.0%	15.02%	1	\$ 15,000	\$ 15,000	\$ 56,300
Clark	\$ 2,474,009	9.60%	9	\$ 274,890	\$ 336,373	\$ 82,157	3.3	33.3%	15.99%	7	\$ 104,980	\$ 14,997	\$ 73,900
Columbia									11.71%				\$ 60,000
Cowlitz	\$ 488,938	1.90%	2	\$ 244,469	\$ 252,000	\$ 59,011	1.0	0.0%	12.65%	2	\$ 28,280	\$ 14,140	\$ 58,100
Douglas									29.51%				\$ 56,700
Ferry									26.76%				\$ 43,600
Franklin									60.00%				\$ 70,300
Garfield									5.27%				\$ 69,700
Grant	\$ 482,780	1.87%	2	\$ 241,390	\$ 249,089	\$ 59,283	2.5	0.0%	43.18%	2	\$ 27,000	\$ 13,500	\$ 56,900
Grays Harbor	\$ 175,038	0.68%	1	\$ 175,038	\$ 184,250	\$ 40,800	2.0	0.0%	19.20%	1	\$ 13,200	\$ 13,200	\$ 56,800
Island	\$ 190,950	0.74%	1	\$ 190,950	\$ 201,000	\$ 44,071	2.0	0.0%	17.79%	1	\$ 15,000	\$ 15,000	\$ 74,200
Jefferson	\$ 190,000	0.74%	1	\$ 190,000	\$ 233,363	\$ 43,172	2.0	0.0%	10.32%	1	\$ 15,000	\$ 15,000	\$ 65,200
King	\$ 6,343,638	24.62%	25	\$ 253,746	\$ 420,405	\$ 75,290	1.4	68.0%	31.50%	23	\$ 339,081	\$ 14,743	\$ 89,600
Kitsap	\$ 148,300	0.58%	1	\$ 148,300	\$ 410,000	\$ 50,320	1.0	100.0%	20.33%	0			\$ 74,600
Kittitas	\$ 223,850	0.87%	1	\$ 223,850	\$ 235,000	\$ 57,173	3.0	0.0%	13.18%	1	\$ 15,000	\$ 15,000	\$ 65,800
Klickitat									17.83%				\$ 46,900
Lewis									12.39%				\$ 57,800
Lincoln	\$ 353,525	1.37%	2	\$ 176,763	\$ 180,875	\$ 52,228	3.5	50.0%	6.67%	2	\$ 26,260	\$ 13,130	\$ 60,300
Mason	\$ 571,037	2.22%	2	\$ 285,519	\$ 301,497	\$ 77,275	5.0	0.0%	15.82%	2	\$ 30,000	\$ 15,000	\$ 60,800
Okanogan									33.58%				\$ 51,900
Pacific									15.57%				\$ 53,500
Pend Oreille									10.46%				\$ 49,100
Pierce	\$ 4,270,508	16.58%	14	\$ 305,036	\$ 353,344	\$ 88,519	2.9	35.7%	27.50%	13	\$ 195,000	\$ 15,000	\$ 71,000
San Juan	\$ 263,000	1.02%	2	\$ 131,500	\$ 237,650	\$ 37,784	1.0	0.0%	6.62%	2	\$ 30,000	\$ 15,000	\$ 68,200
Skagit									22.10%				\$ 68,200
Skamania									10.34%				\$ 73,900
Snohomish	\$ 1,225,456	4.76%	4	\$ 306,364	\$ 373,249	\$ 98,967	1.8	50.0%	20.27%	4	\$ 57,716	\$ 14,429	\$ 89,600
Spokane	\$ 3,686,092	14.31%	15	\$ 245,739	\$ 284,625	\$ 71,834	3.2	40.0%	11.97%	15	\$ 209,091	\$ 13,939	\$ 64,500
Stevens									11.91%				\$ 54,700
Thurston	\$ 729,242	2.83%	2	\$ 364,621	\$ 371,350	\$ 83,998	3.0	0.0%	19.59%	2	\$ 30,000	\$ 15,000	\$ 71,500
Wahkiakum									8.14%				\$ 54,500
Walla Walla									26.91%				\$ 62,900
Whatcom	\$ 466,598	1.81%	2	\$ 233,299	\$ 243,750	\$ 83,899	1.0	0.0%	16.27%	2	\$ 30,000	\$ 15,000	\$ 67,600
Whitman	\$ 158,221	0.61%	1	\$ 158,221	\$ 170,000	\$ 35,077	5.0	0.0%	15.48%	1	\$ 14,500	\$ 14,500	\$ 67,600
Yakima	\$ 2,290,643	8.89%	9	\$ 254,516	\$ 266,378	\$ 64,117	3.1	77.8%	52.36%	9	\$ 131,500	\$ 14,611	\$ 53,200
TOTAL	\$ 25,763,632	100.00%	100	\$ 257,636	\$ 329,456	\$ 73,727	2.5	45.0%	25.19%	94	\$ 1,366,608	\$ 14,538	\$ 62,933

*Primary Mortgage.

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

**Multifamily Housing and Community Facilities Division
Fiscal Year 2025 – 2026
Quarter Ending: June 30, 2026**

Financial Stewardship Perspective

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

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

Associated Metrics: Percent of resources allocated

First Quarter:

9% Low Income Housing Tax Credit (LIHTC) Program: We conducted public hearings for seven out of the eleven 2025 LIHTC projects and presented them to the Commission for approval. We are planning to present the final four projects in the 2nd quarter.

Multifamily Housing Bonds

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
The Terrapin	Commission	Bellevue	\$30,500,000.00	172
Beacon Hill Affordable TOD	Commission	Seattle	\$22,500,000.00	70
Silvian Apartments	Commission	Seattle	\$5,463,000.00	32
Hazel Plaza I	Commission	Seattle	\$5,040,000.00	16
Mary Ruth Manor	Commission	Seattle	\$6,500,000.00	20
Bubble on Gum	Kennewick Housing Authority	Kennewick	\$10,000,000.00	58

Creekside Village on Vashon	Commission	Vashon	\$14,974,000.00	41
Total			\$64,477,000.00	237

Nonprofit Housing

Project Name	Location	Tax-Exempt Bonds	Units/ Beds	Senior Housing
Bayview Retirement Community	Seattle	\$16,050,000.00	142	Yes
*2025 Heron's Key Reissuance	Gig Harbor	\$72,725,000.00	275	Yes
Johnson Hill Apartments	Issaquah	\$2,300,000.00	38	No
Total		\$147,075,000.00	455	

** Units counted with a prior issuance of tax-exempt bonds.*

Nonprofit Facilities

Project Name	Location	Tax-Exempt Bonds	Nonprofit Type	Subtype
YMCA of Pierce and Kitsap Counties	Gig Harbor	\$11,000,000.00	Recreation Organization	Parks/Recreation Center
The Bush School	Seattle	\$45,000,000.00	Education/Research Organization	K-12 School
Total		\$56,000,000.00		

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

Associated Metrics: Establish milestones towards creating new financing tools.

First Quarter:

FarmPAI

Allocated \$2,500,000 to purchase a 135-acre farm in Sequim, WA.

Land Acquisition Program(s)

Staff received approval for several loans that have yet to close:

1. LAP - A \$3.2M loan to Housing Hope was approved by the LAP loan committee to secure real property in Everett, WA for the future

development of a five-story, 51-unit mixed-use development for families earning less than 50% AMI.

2. CDLAP - A \$1.35M loan modification of our CDLAP loan to RanTate Holdings LLC to secure additional real property in Seattle adjacent to property secured by a loan the Commission made to RanTate Holdings LLC earlier this year. The proposal is to construct a 7-story, 105-unit development that includes an open central courtyard.
3. LAP - A \$416k loan to Community Roots Collaborative to secure real property for the future development of 24 modular units serving households earning at or below 50% AMI.
4. STATE LAP – A \$1.5M loan to Housing Authority of the City of Bremerton to secure real property for the future development of a homeless shelter comprised of 70 –100 tiny (pallet) homes.

Community Land Trust Program

Project Name	Sponsor	Location	Award Amount	Units
LaFreniere	Kulshan CLT	Bellingham	\$2,7000,000	18

In addition, the Commission’s CLT Loan Committee approved a \$1.2M construction loan to Olympic Housing Trust to develop five green built, northwest-modern townhomes under a community land trust model. The loan is set to close in October 2025.

SET Loan Program

SET Loan Committee approved a loan of \$1,000,000 to partially fund the Giving Grid Portfolio. This loan will provide for the development of 1.8-Megawatts of solar capacity, with energy savings from the projects being passed on to several rural school districts. The full portfolio will generate a combined \$10 million in energy savings over the solar system's 30-year lifetime. School districts that will benefit from these projects include Davenport, Tekoa, Pullman, Lind-Ritzville, Freeman, Palouse, Reardan, and Sprague.

3. Respond and adapt to federal and state legislative changes

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

First Quarter:

Responded to federal changes to the Tax Credit Program due to the passage and signing of H.R.1 into law on July 4th by bringing policy changes for Board approval that adjusts the 9% Program credit limits to account for the 12%

increase in 9% tax credits and updates the Bond/Tax Credit Program to implement the lowering of the 50% Test to 25%.

Solar For All- We have been notified by Commerce that the Federal government has cancelled their existing contracts for this program, so we are no longer in negotiations with Commerce to be a sub-recipient for this program.

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

Associated Metrics:

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

First Quarter:

Policy Process Interested Parties Meeting: held a general statewide information and engagement session on July 8th to share with partners the Program Policy Reset and engage in a discussion about how best to inform and collaborate with folk as across the state on our policy updates.

Preservation Request for Information: Launched a RFI Laserfiche survey form on September 25th to collect information from developer partners on their pipeline and resources needs over the near, mid and long term.

Community Based Organization Support: Met with several Community Based Organizations one-on-one to provide partnership support for Bond/4% Tax Credit Projects. Partnered with the Housing Development Consortium (HDC) to organize and present at the CBO Summit Event, in conjunction with Housing Washington. Published the “CBO Partnerships” section of the WSHFC website, which contains many educational materials about housing development and LIHTC, along with two supportive documents for CBOs: “*Promising Practices*” and “*CBO Affinity Group Summary*.” Organized and moderated “*Community Driven Development*” session at Housing Washington Conference.

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.

5. Improve internal processes and foster collaboration across divisions to streamline operations and enhance overall efficiency.

Associated Metrics:

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

First Quarter:

Reset and streamline program policy processes: The policy team is coordinating with the Community Engagement leads as well as the Data leads to assess capacity and strategy to implement the program policy reset centering engagement and data to drive outcomes.

Supporting AMC performance evaluations: Cissi pulled information from HomeBase and WBARS to compile project and portfolio data for 26 organizations and Jocelyn provided summary analyses as part of a collaborative evaluation effort AMC is doing along with the King County Public Funders to assess sponsor organizations for the 2026 allocation cycle. This work is ongoing.

Continuing discussion with AMC regarding PIS Handover: Cassie, Yasna and Sojung participated in meetings with AMC counterparts regarding streamlining and improving the PIS handover process to determine and alleviate pain points between our divisions. Meetings will continue until we have developed a better system through Laserfiche to share documents between our divisions when needed.

Create and adopt internal/external policies for the Land Acquisition Program(s): Vanessa, Dan and Lisa began an effort to document internal administrative and underwriting policies to guide staff management of the various land acquisition programs. Administrative policies have been drafted, and an initial draft of underwriting policies has been drafted and reviewed (with further drafts forthcoming). Additionally, an online application has been created (but not published) and online program information is being amended to better align with the updated internal policies.

Learning, Growth and Inclusion Perspective

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

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

Associated Metrics:

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

First Quarter:

Preservation Strategy: Launch the Preservation RFI which was supported by the Portfolio Operations/Preservation cross-divisional work group with AMC; continued discussions with owners/developers of projects with expiring contracts continued compiling examples from other state HFA partners to inform draft framework.

Single Family Pilot Program: The Washington State Legislature approved funding to be distributed through a request for proposals (RFP) issued by the Washington State Housing Finance Commission (WSHFC). Civic Commons was awarded funding in September 2024 for development of a Comprehensive and Scalable Starter Home Production Plan ("the Plan") and two implementation guides, the Ecosystem Playbook and the Demonstration Program Playbook ("the Playbooks"). The Plan and the Playbooks were published in September 2025. In addition, staff have engaged in several conversations with State legislators, advocacy groups, developers, lenders, and consultants to create a vehicle to support the production of more for sale, starter homes. These conversations followed a finance work session led by Civic Commons that staff attended.

Credit Enhancement Program: Efforts are continuing to develop a credit enhancement program, with modeling scenarios in partnership with some key Housing Authorities.

Ballmer- Washington Family Fund: An MOU with the Ballmer group and related documents with the donor fund have been signed. There are several Letters of Interest that have been provided to potential borrowers and draft deal structures, and loan documents are in development. It is possible that there will be the first closing in the first part of next year.

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

First Quarter

Growing the capacity of the team with new Policy Intern (Jocelyn) working full-time over the first quarter and onboarded the Data Consultant 3 (Cissi) to increase support for data and policy work.

Continued to support Community Engagement intern (Halle) by providing opportunities for publication (CBO documents mentioned above) and presentation (panel at the CBO Summit).

Hired an additional intern through the Housing Development Consortium program that will support our sustainability work.

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

**Asset Management & Compliance Division
Fiscal Year 2025 – 2026
Quarter Ending: September 30, 2025**

Financial Stewardship Perspective

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

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

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

First Quarter: 100% of required 2024 Tax Credit annual reports have been reviewed, and all 2024 Bond annual reports are closed out for the calendar year, with work completed ahead of schedule.

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

Associated Metrics: All inspections are completed by early Q2.

First Quarter: 95% of all 2024 inspections have been completed. The remaining onsite inspections will be completed by the end of October.

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

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

First Quarter: Efforts to strengthen asset management practices are ongoing, with key actions such as transfer requests, retargeting, and regulatory amendments handled as they arise. Risk Management policy development is in its early stages. An Asset Management Analyst was hired, effective October 1st, to lead these initiatives.

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

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

First Quarter: Provided in-person Tax Credit Compliance Fundamentals training in Tacoma. The remaining four trainings have been scheduled to occur by the end of the fiscal year.

Engagement Perspective

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

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

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

First Quarter: Collaborated with Northwest Fair Housing Alliance to ensure training materials and resources are aligned with fair housing standards. Content for the Resident Resource webpage is nearing completion, content for the video will commence next quarter and monthly ENews updates continue to be distributed to interested parties.

6. Improve communication with and support of residents.

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

First Quarter: The Customer Service Portal has been implemented, and the team continues to review and refine procedures to enhance service delivery.

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

Associated Metrics: Surveys deployed in Q2 and Q4.

First Quarter: AMC ensures timely follow-up on technical assistance requests. The Inspection Survey is scheduled for November, and the General Customer Survey is planned for May.

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

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

First Quarter: This process is in the early stages but remains on track to develop inclusive rent stabilization policy recommendations that support stable housing. AMC has designated two team members to participate in the working group, contributing to the policy development, implementation planning, and impact assessment.

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

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

First Quarter: AMC is actively working to improve accessibility of resident certification forms. As part of this initiative, our contractor, Talitha Consults, continues to engage residents and managers through surveys and feedback sessions to guide updates and ensure changes reflect community needs.

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

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

First Quarter: AMC began initial collaboration to redesign the division website, with one meeting held to date.

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.

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

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

First Quarter: Work is underway to procure a vendor to develop the revised Portfolio Analyst Desk Manual.

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

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

First Quarter: Work has begun to improve the Placed-In-Service (PIS) process. Initial coordination with the MHCF division is underway to update and document the handover process, with efforts focused on developing a standardized checklist and workflow.

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

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

First Quarter: Following the hiring of the new Asset Management Analyst, initial work will commence to integrate related processes into the new preservation policy and asset management framework in the next quarter. Collaboration with other public funders continues to inform and align asset management practices.

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.

14. Enhance staff training and development goals.

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

First Quarter: Staff have finalized their Performance Development Plans (PDPs), establishing clear individual goals for training and professional growth in the fiscal year.

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

**Administrative Division
Fiscal Year 2025 – 2026
Quarter Ending: September 30, 2025.**

Financial Stewardship Perspective

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

1. Earn a minimum of \$380,000 per FTE in revenue each fiscal year.

First Quarter: Revenue exceeds measurement.

2. Spend less than \$250,000 per FTE each fiscal year.

First Quarter: Expenses less than measurement.

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.

3. Produce and distribute the web based Annual Report and Cumulative Report.

Associated metrics: Estimated completion date: December 31, 2026

First Quarter: The annual report is under development and on track to be completed by 12/31/25.

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

Associated metrics: Completion of framework and SOPs by March 2026

First Quarter: Collaboration with SOP Heroes (contractor) and the conference contractors is underway. A Smartsheet tool has been developed to document the major stages of conference planning, define key roles, and establish a standardized framework. The project is advancing steadily and laying a strong foundation for a repeatable and efficient planning model.

5. Refresh and enhance the WSHFC.org website.

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

First Quarter: An internal Website Steering Committee with members from IT and Communications is heading up this work, supported by our communications contractor. In the next month or two we will select a web development firm to redevelop the website in consultation with WSHFC staff, with the goal of completing phase 1 of the redevelopment by the end of FY25.

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

Associated metrics: Estimated completion date: December 12, 2026

First Quarter: Our community outreach and engagement specialist, Angela Smith, continues to reach out to partners around the state to spread the work about the Covenant and other homeownership programs. Focus areas include Native American communities and organizations, with whom she is meeting regularly.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: The annual employee survey was sent to employees in the first week of October and closes Oct. 31. Once WSHFC receives the results from OFM (expected in December), we will evaluate and compare them with last year's results.

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

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

First Quarter: In support of EO 24-04 Increasing Employment Opportunities in Washington State Government, HR has added three new platforms for posting WSHFC open positions to expand our reach. Additionally, degree requirements (other than required by law) have been removed from job postings. The HR team has rolled out two mandatory competencies that will be used for job postings and position descriptions.

9. Demonstrate leadership in affordable housing.

Associated metrics: Estimated completion date: June 30, 2026

First Quarter:

- Steve met with the LISC National Team to discuss regional housing issues.
- Attended monthly housing strategy meeting w Gov., Lt. Gov. Treasurer's Ofc, and Department of Commerce.
- Attended NCSHA ED Workshop discussing Homeownership & Multifamily.
- Met with a delegation from Salt Lake City to discuss approaches to housing affordability.
- Attended the Affordable Housing Advisory Board meeting.
- Attended King County Regional Homelessness Authority meeting.
- Attended Impact Capital and WCRA Board of Director Meeting.

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.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: Currently in the discovery phase while keeping the current system in place. Bob Peterson and Kari met with Pacifica week of 10/6 and both have taken the state Risk Essentials training to include PRRs. Bob is attending a PRR conference on 10/16

Learning, Growth and Inclusion Perspective

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

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

Associated metrics: Estimated completion date: December 12, 2026

First Quarter: The Commission will hold an all-staff planning session on December 12, 2025, to reflect on achievements and strengthen cross-division collaboration.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: In early September, community engagement staff successfully completed the first course in the International Association for Public Participation (IAP2) certificate program. The first course focused on best practices for public/community engagement. We are in the process of scheduling the next session.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: The Community Engagement Team, with members from four divisions under the joint direction of the DEI and Communications directors, has established a charter, workplan, and a solid structure for the continued development of the team.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: Three training courses are being reviewed and refined by Human Resources and DEI in support of the Racial Equity Strategic Plan. These offerings were identified based on the current needs of the agency. A

timeline is in development for rolling out the course offerings to people managers.

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

Associated metrics: Estimated completion date: June 30, 2026

First Quarter: EMT and AMT are evaluating the use of subcommittees to support and coordinate initiatives with a focus on people, culture, and organizational equity. In October, Communications and DEI will meet to develop a strategic plan to form a cross-divisional group to lead this work.

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

**IT Division
Fiscal Year 2025 – 2026
Quarter Ending: September 30, 2025**

Financial Stewardship Perspective

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

1. Maintain systems that guard against ransomware and malware.

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

First Quarter: Begin working with Threatlocker and NinjaOne system admin to create a report that captures all the relevant data.

2. Maintain and provide quarterly Security Breach Reports.

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

First Quarter: In the month of July there was a breach related to one Commission staff member. Breach was contained by systems implemented by IT, and there was no loss of data and no systems were penetrated. Breach was limited to user's email contacts. Further analysis determined if the breach had been successful the attackers would have been able to install ransomware on the Commission's network.

3. Maintain the after-hours maintenance schedule

Associated metrics: June 30, 2026

First Quarter: All servers were updated after hours.

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

Associated Metrics: June 30, 2026

First Quarter: All servers, firewalls, and switches remain under warranty.

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

Associated metrics: June 30, 2026

First Quarter: Provided technical assistance for July, August, and September Commission Meetings.

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

Associated metrics: June 30, 2027

First Quarter: Began meeting with Divisions to determine Data and IT governance policies. Developed job description for a Data and Analytics Architect position.

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.

- 7. Support divisions in transitioning to a paperless work environment by digitizing internal workflows.**

Associated Metrics: June 30, 2027

First Quarter: Facilitated discussion among Commission staff to develop a roadmap for implementing digital business processes. Started migrating existing digital files into the Commission's electronic repository.

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

Associated Metrics: June 30, 2026

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

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

Associated Metrics: June 30, 2026

First Quarter: Assessed existing in-office equipment and added additional larger monitors at select workstations as well as in the two telephone rooms.

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.

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

Associated Metrics: June 30, 2026

First Quarter: Conducted two IT Spotlights during Commission All-Staff meetings highlighting IT platforms and initiatives. Hosted one hybrid event with Commission's Laserfiche provider. IT staff hosted an AI lunch and learn.

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

**Finance Division
Fiscal Year 2025 – 2026
Quarter Ending: June 30, 2026**

Financial Stewardship Perspective

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

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

Associated Metrics: 100% of loans funded

First Quarter: All mortgage loan purchases were made as required.

2. Ensure timely compliance with all financial reporting requirements.

Associated Metrics: 100% of reporting requirements met

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

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

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

First Quarter: PRI financial statements for the 4th quarter of FY 2025 were distributed August 1st, 2025. GOP financial management reports for quarter ending June 30, 2025, were distributed by July 31, 2025.

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

Associated Metrics: Audit reports issued by required due dates

First Quarter: The first audit report is due by October 27, 2025. We are currently working through the audit and are on schedule to publish by that date.

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

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

First Quarter: First quarter realized return of general operating reserves was 3.75%

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

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

First Quarter: Due to short staffing and competing priorities, financial reporting for Freddie Mac was completed by September 26th.

7. Manage financial agreements with external partners.

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

First Quarter: Required reporting for RBC (Standby Bond Purchase Agreement) and Plains Capital Bank (warehouse lender) distributed on July 31st and July 29th, respectively.

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.

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

Associated Metrics: Estimated Completion by March 31, 2026

First Quarter: No activity to report

Internal Processes Perspective

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

9. Acquire and implement loan servicing software to track and monitor PRI loans by December 31, 2025. Associated Metrics: Estimated Completion March 31, 2026

First Quarter: After conducting and RFP for software solutions, staff from several divisions analyzed the proposals and participated in system demonstrations. Selection of a vendor is expected in October 2025, with a design and implementation period of up to 6 months.

10. Acquire and implement time and leave tracking software by September 30, 2025. Associated Metrics: Estimated Completion November 30, 2025

First Quarter: Staff have been working with time and leave vendor on the design and functionality of the software solution. Design is nearly complete, and staff will begin testing in October.

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.

11. Engage with Moody's and acquire Issuer Credit Rating (ICR) by September 30, 2025. Associated Metrics: Estimated Completion October 31, 2025

First Quarter: Staff have met with Moody's analytics team and provided all necessary information. Rating is expected to be received by the end of October 2025.



Financial Sustainability Dashboard

October 23, 2025

***Washington State Housing Finance
Commission***



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

CONTENTS

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



Dashboard Criteria

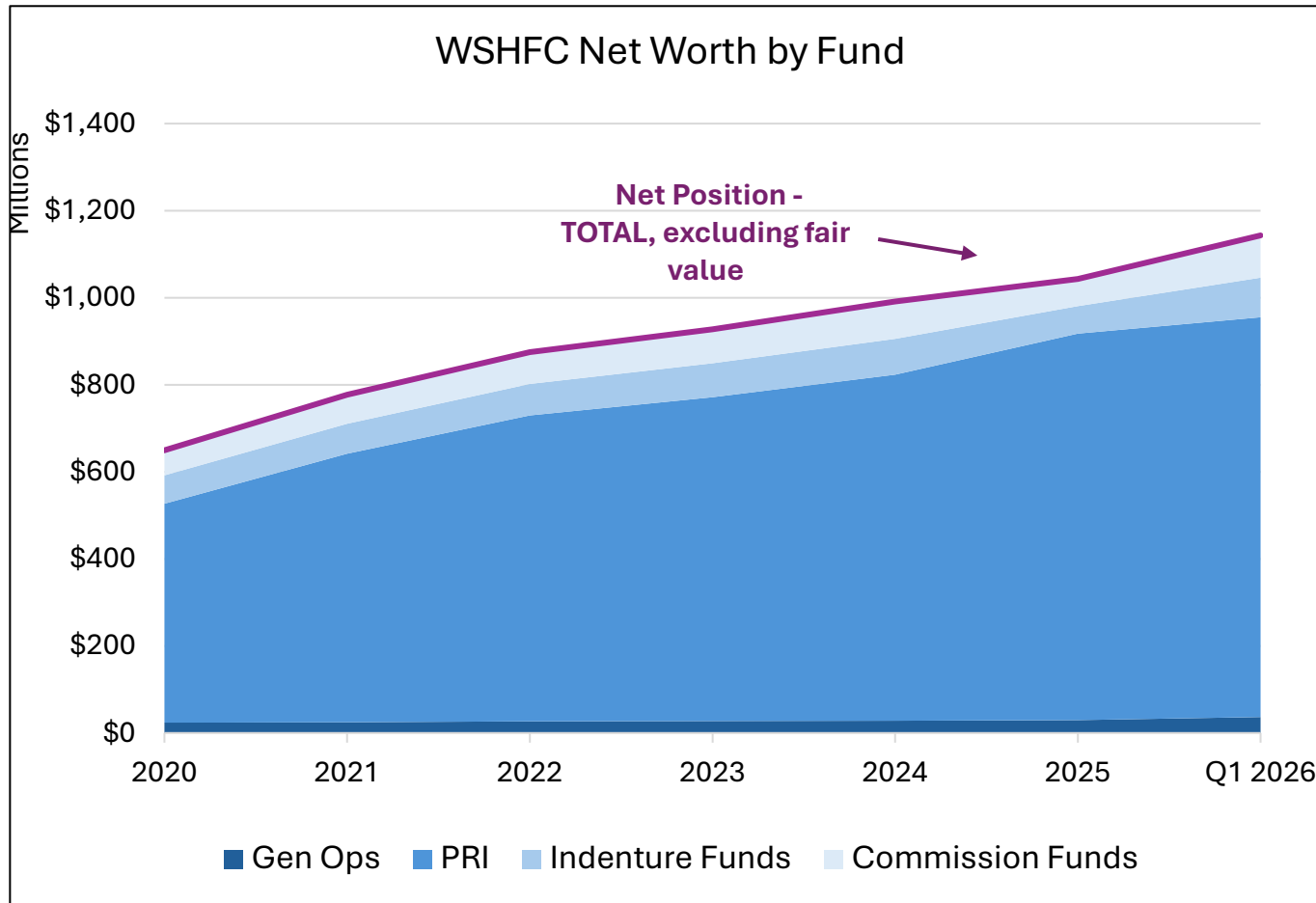
Sustainability Criterion	Why It Matters	Metric	Current Status
Increase WSHFC Net Worth	Growing net worth strengthens the Commission's foundation, expands capacity to fund programs, and signals long-term financial health to partners and rating agencies.	Commission-wide net position by fund over time Growing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

Dashboard Criteria

cont.

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

Commission: Total Net Worth



*excluding fair value of MBS and grants

Metric Benchmark:

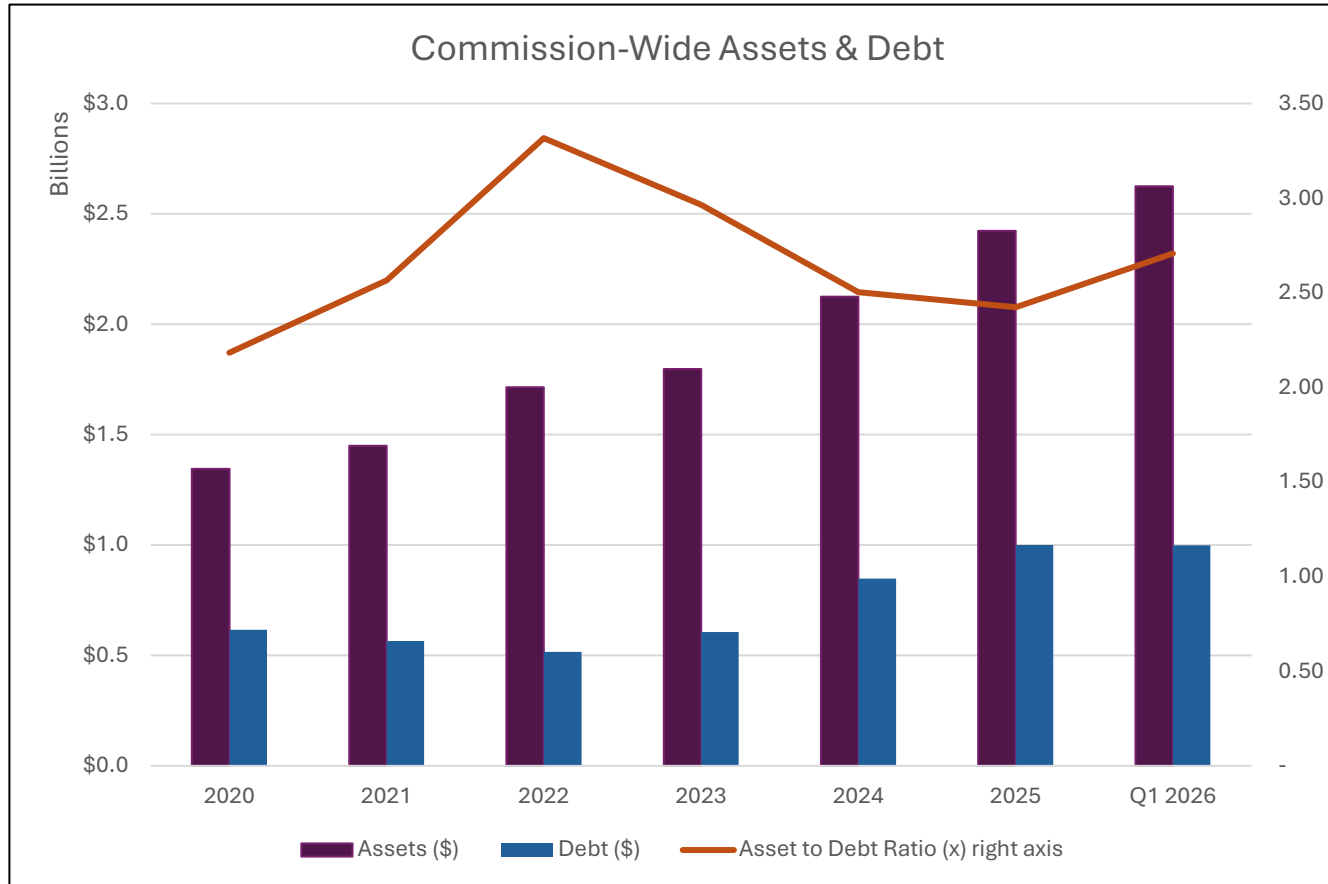
Net worth is increasing, not decreasing. ●

Board Takeaway:

Net worth is growing, which strengthens WSHFC's foundation.

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

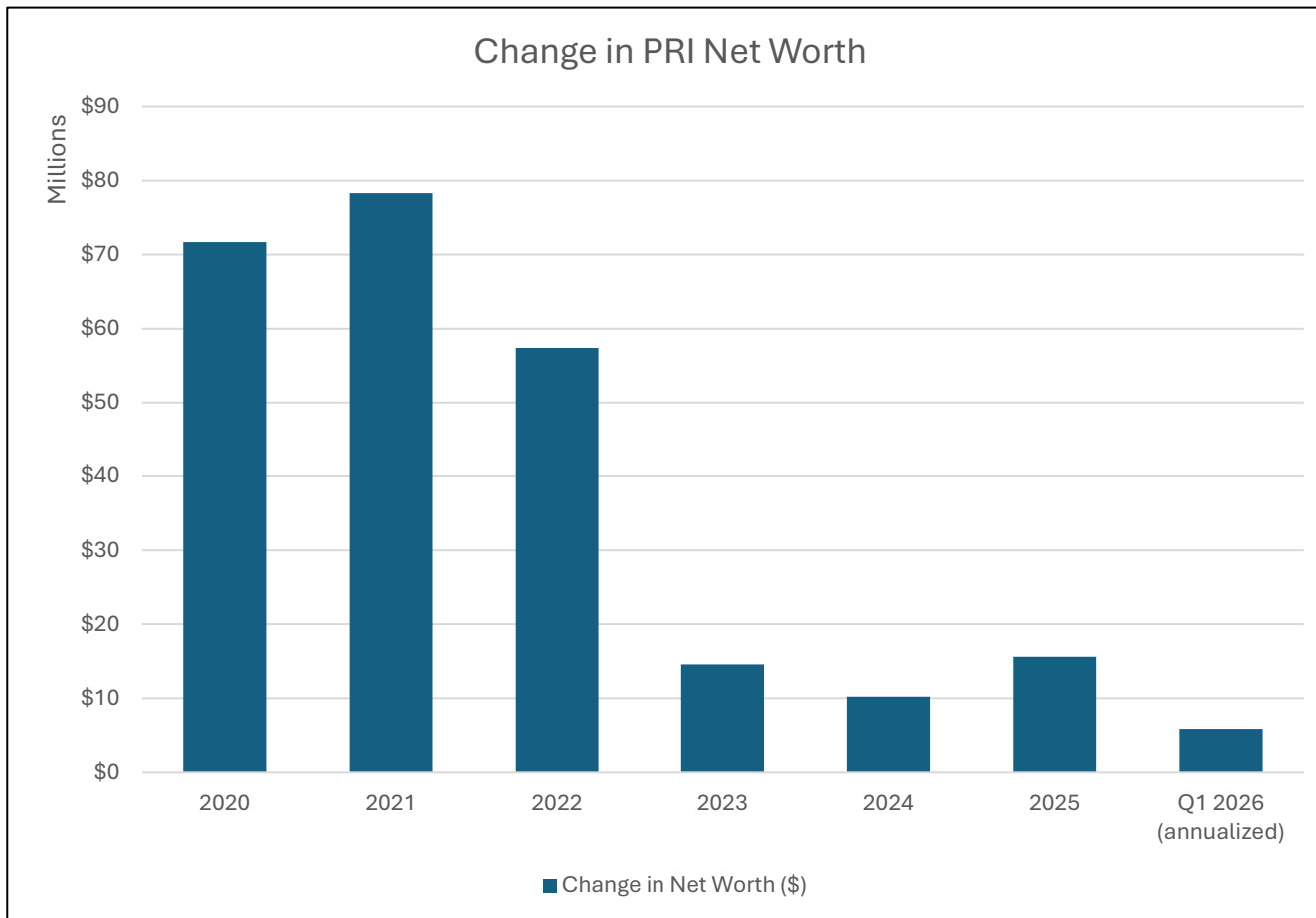
Debt Capacity & Financial Flexibility



Metric Benchmark:
Asset-to-debt ratio
above 2.5x ●

Board Takeaway:
Ample leverage
capacity gives the
Commission options –
to borrow, invest, and
respond to changing
markets without
jeopardizing stability.

PRI: Change in Net Worth



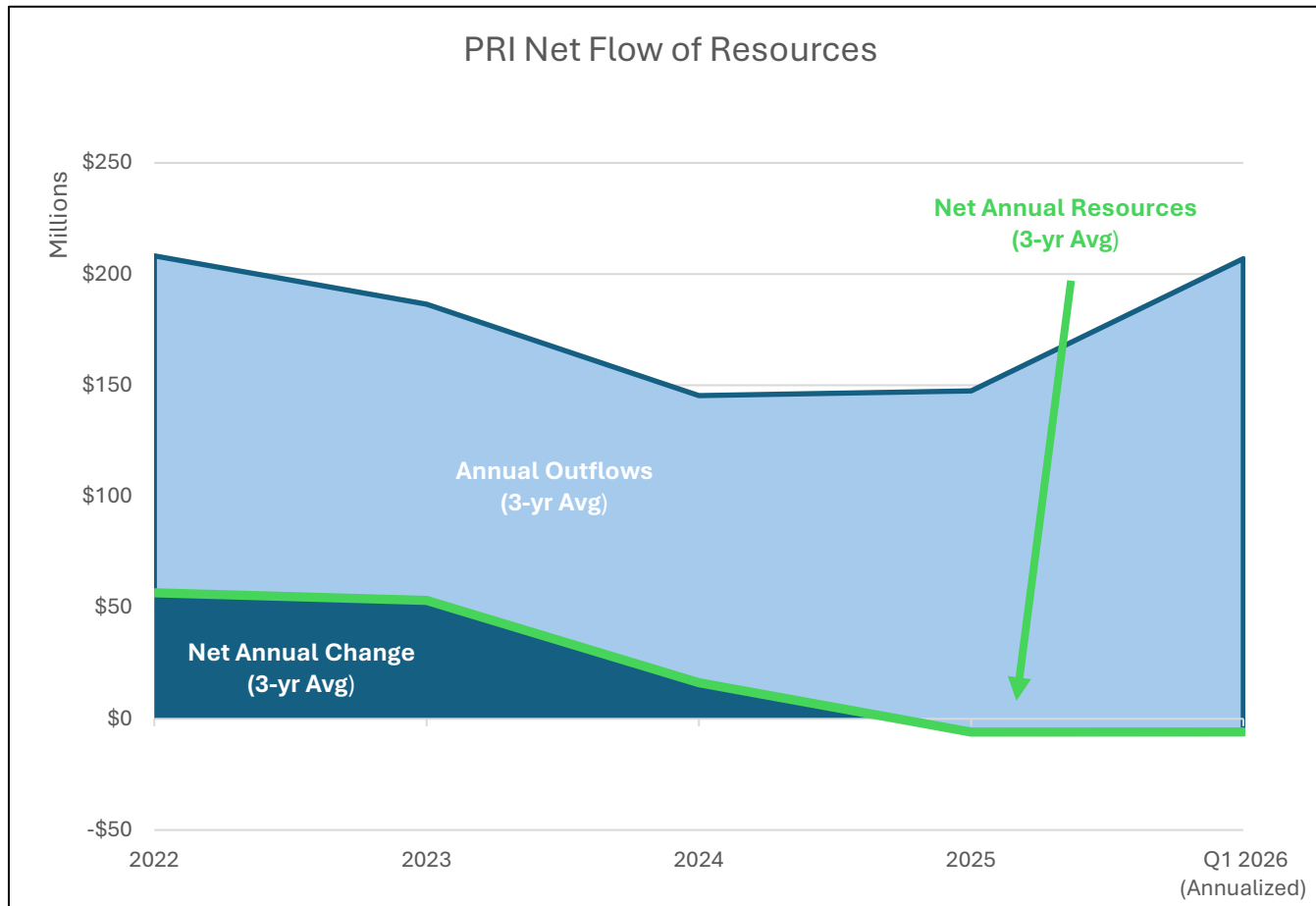
Metric Benchmark:
Annual change in net worth is positive. ●

Board Takeaway:
PRI net worth continues to grow, strengthening WSHFC's foundation.

The board's role is to help ensure this momentum is sustained by planning for changing markets, positioning the Commission for best execution through economic cycles.

**excluding fair value of MBS and grants
FY25 preliminary results*

PRI: Change in Available Resources



Metric Benchmark:

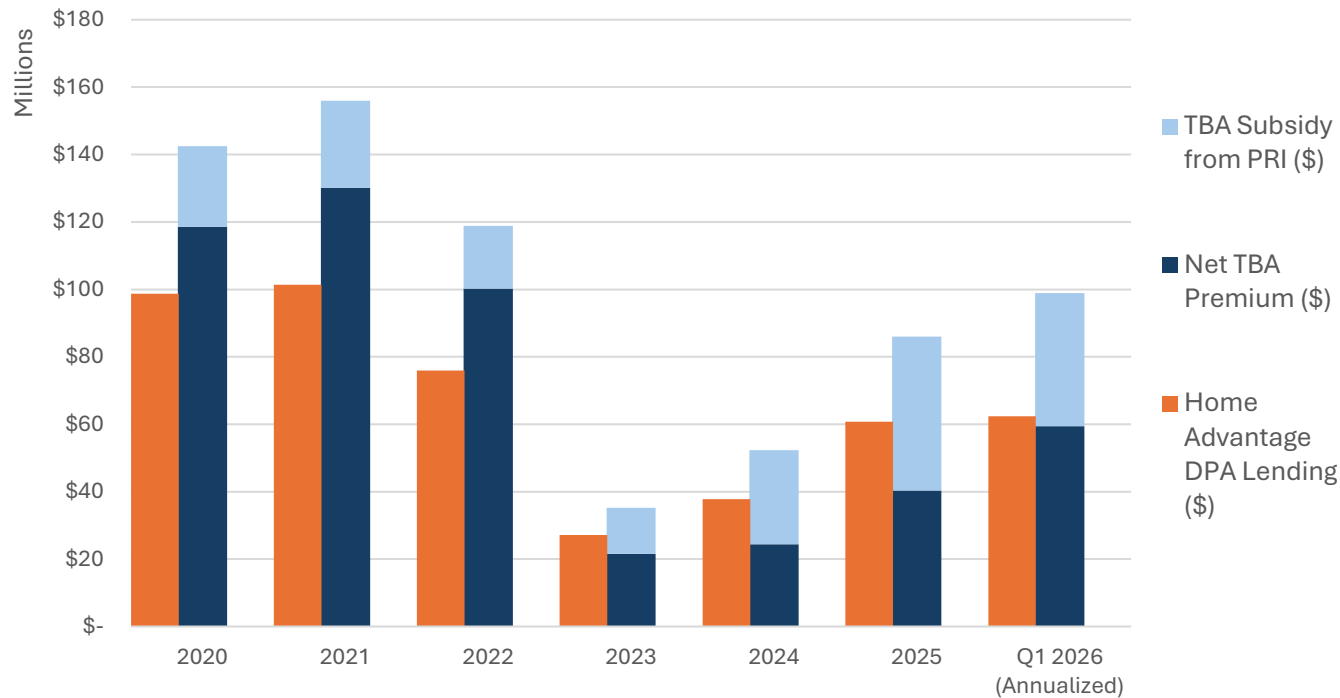
Downward trajectory of 3-year average change in available resources is negative. ●

Board Takeaway:

Available resources are trending downward.

The board might consider establishing **acceptable levels** of depletion and strategies to sustain PRI-funded programs.

Ability to Fund DPA



Metric Benchmark:

Net TBA premium (navy) plus subsidy (light blue) exceeds HA DPA lending (orange). ●

Board Takeaway:

TBA premiums plus subsidy, set at board-approved levels, from PRI are sufficient to cover DPA lending.

Subsidy set at 25%

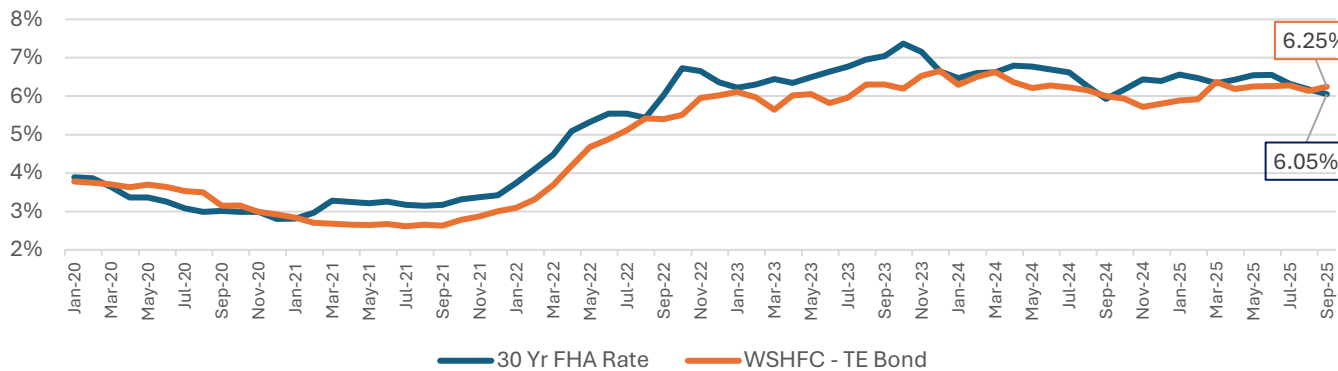
50%

75%

50%

Mission Delivery: Single Family Borrower Impact

Single Family Qualified Borrowers Rate Comparison



Metric Benchmarks:

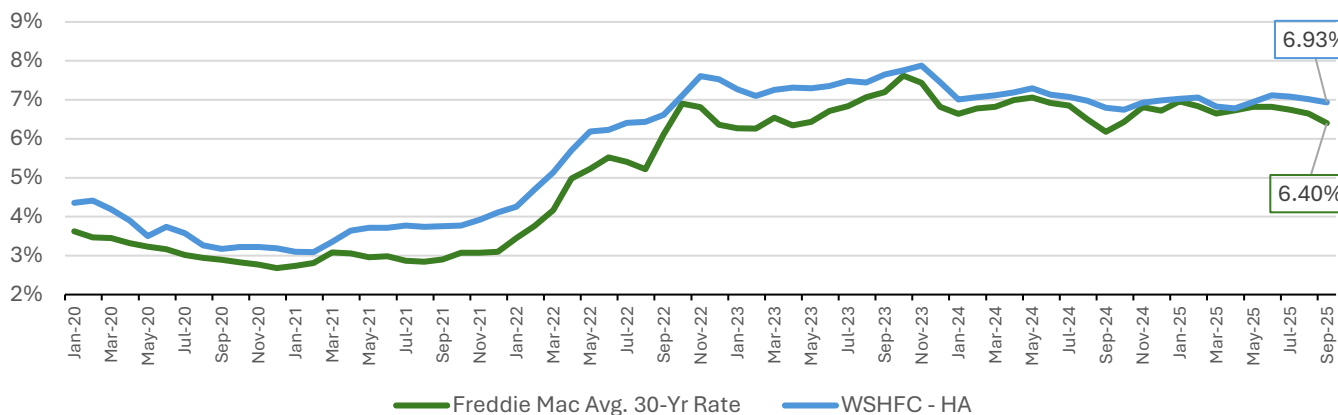
WSHFC qualified borrower ([House Key](#)) rate is less than FHA rate. ●

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

Board Takeaway:

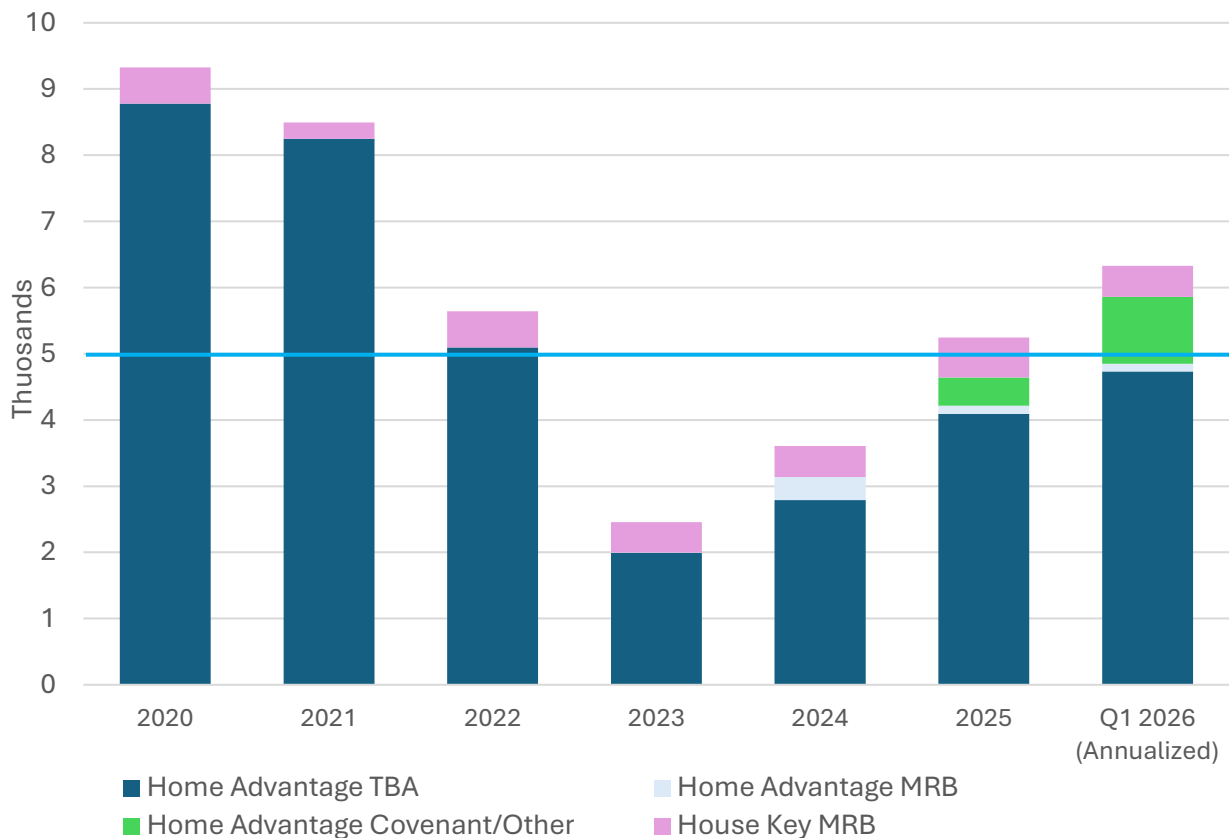
The lower the rate WSHFC offers, the more affordable homes become for borrowers.

Single Family Non-Qualified Borrowers Rate Comparison



Mission Delivery: Single Family Homebuyers Served

Total First Mortgages to Homeowners



Metric Benchmark:

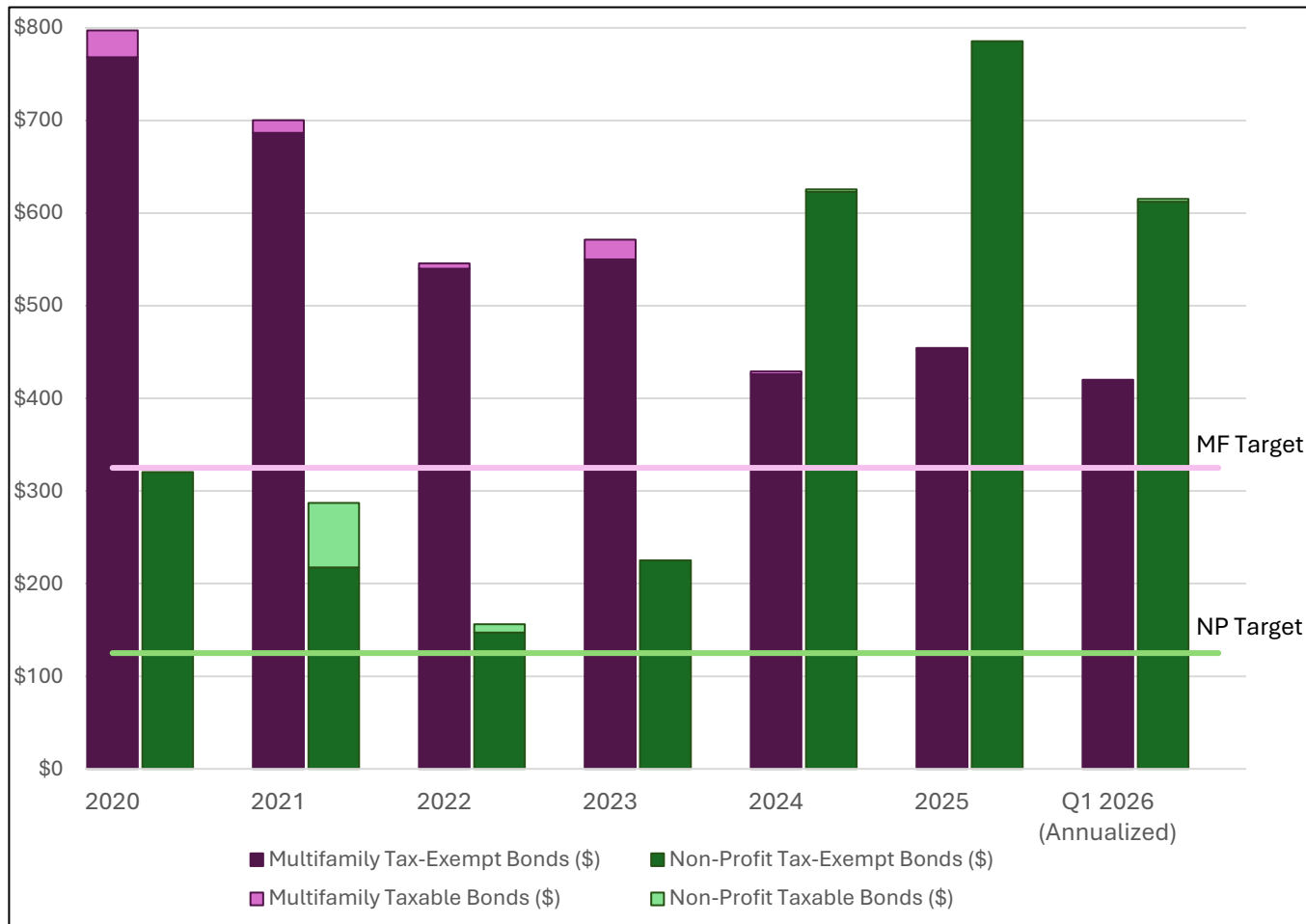
Serve at least 5,000 homebuyers per fiscal year. ●

Why This Matters:

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

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

Mission Delivery: Multifamily



Metric Benchmark:

Issuing \$325 mil. in MF bonds ●

Issue \$125 mil. in Nonprofit lending ●

Why This Matters:

Multifamily/non-profit lending demonstrates the Commission's ability to expand affordable rental housing and other mission-driven impact in the state.

Events Calendar

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

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

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