AFFORDABLE HOUSING SUMMIT

AFFORDABLE HOUSING 101

Presented by: Renée Denomme
Presented by: Amy Curtis | Indigo Real Estate

Thank you to our sponsors:

Washington Multi-Family Housing Association Anti-Trust Compliance Statement

The Washington Multi-Family Housing Association (“WMFHA”) is a non-profit trade association with members that include competitors, suppliers, and customers within the multi-family housing industry.

Association meetings, conferences, webinars, and other gatherings, by their very nature bring competitors or potential competitors together. It is expected that all member representatives involved in WMFHA activities, as well as WMFHA consultants, non-members, and other participants and guests, will be sensitive to legal issues and requirements, and act in compliance with all applicable antitrust and competitions laws, both at WMFHA meetings and sponsored events.

Antitrust and anticompetition laws prohibit agreements, combinations, and conspiracies in restraint of trade. By participating in WMFHA activities, you agree to not act or fail to act in a manner that would violate these antitrust laws or cause unreasonable restraint of trade. Prohibited behavior includes but is not limited to: discussion or sharing of any company's confidential or proprietary information, discussion or agreements, either explicit or implicit, regarding prices of particular products or services of a company, forecasting of prices for goods or services; and sharing of information that your company considers to be confidential or sensitive, even if that information does not fit in any of above categories.

By participating in WMFHA activities, you agree to comply with all applicable antitrust and competition laws. If you observe any conduct occurring at WMFHA events that potentially violates the antitrust laws, speak up and insist that the conduct stop immediately. Please also promptly inform WMFHA’s Executive Director of any antitrust concerns or issues you may have.

DISCLAIMER

Information provided in this presentation is for educational purposes only and does not constitute legal or financial advice: aka, we are not lawyers!

Affordable housing programs, funding sources, and regulations vary by jurisdiction and are subject to change. Please consult with your property management company for guidance specific to your situation, affordable housing program, or legal advice.

THANK YOU – WMFHA'S INAUGURAL AFFORDABLE HOUSING SUMMIT – AUGUST 2026

"Make a career of humanity. Commit yourself to the noble struggle for equal rights. You will make a better person of yourself, a greater nation of your country, and a finer world to live in."

– Dr. Martin Luther King, Jr.

QUICK POLL

Who has/is:

- New to affordable housing?
- Been working in affordable housing for less than 1 year?
- Been working in affordable housing for 5 or more years?
- Been working in affordable housing for more than 10 years?

WHAT WE'LL COVER TODAY

- The What & Why Behind Affordable Housing
- Important Terminology
- Understanding Income & Rent Limit Schedules
- Affordable Housing Programs & Funding Sources
- Knowing Your Resources

SHOW OF HANDS

Who works at a property or supports properties with:

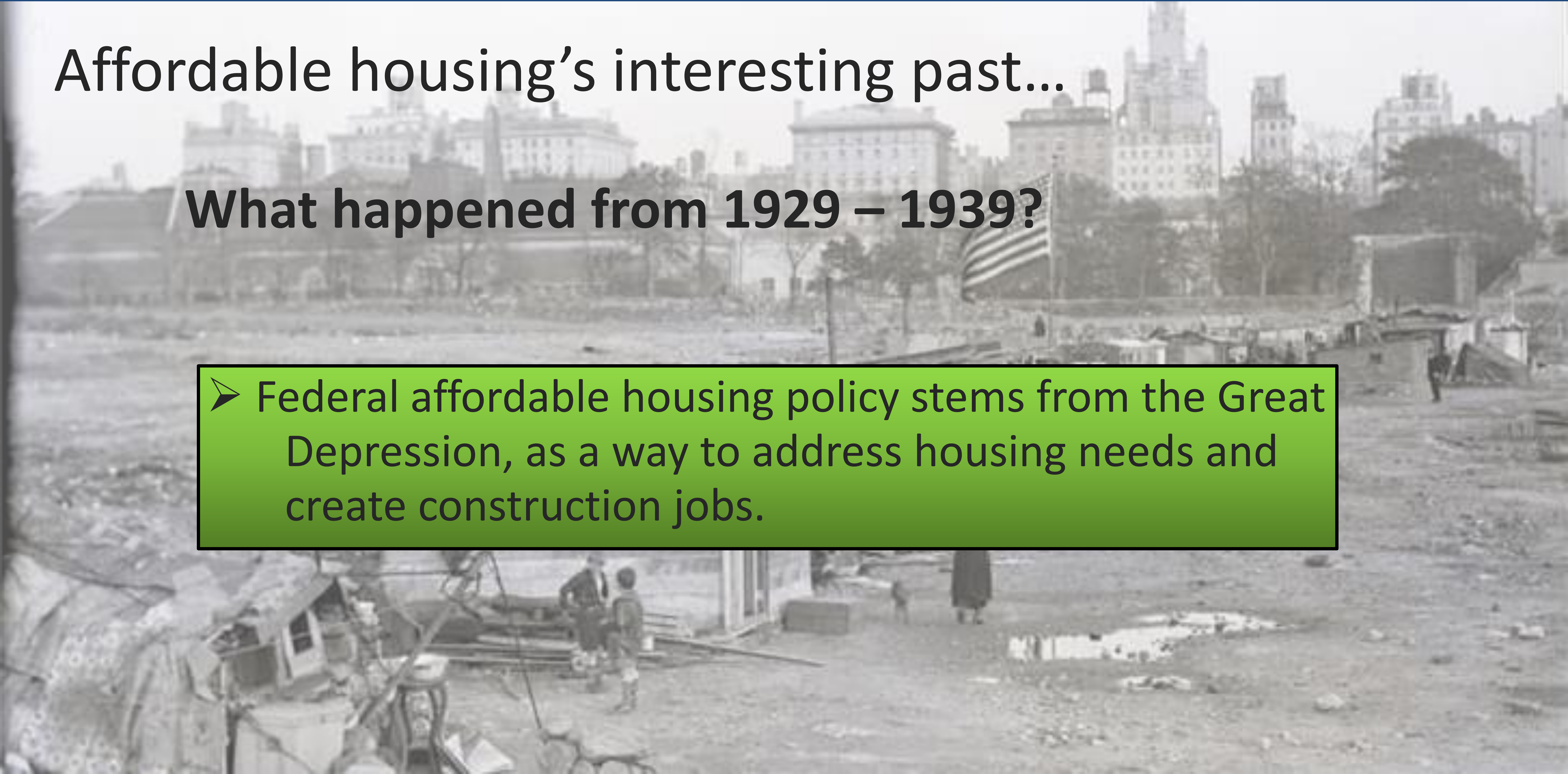
- A HUD affordable housing program?
- A LIHTC affordable housing program?
- Seattle’s MFTE affordable housing program?
- ARCH’s MFTE affordable housing program?
- Layered affordable housing programs?

THE WHAT AND WHY BEHIND AFFORDABLE HOUSING

WHAT ARE AFFORDABLE HOUSING PROGRAMS?

WHY ARE AFFORDABLE HOUSING PROGRAMS IMPORTANT?

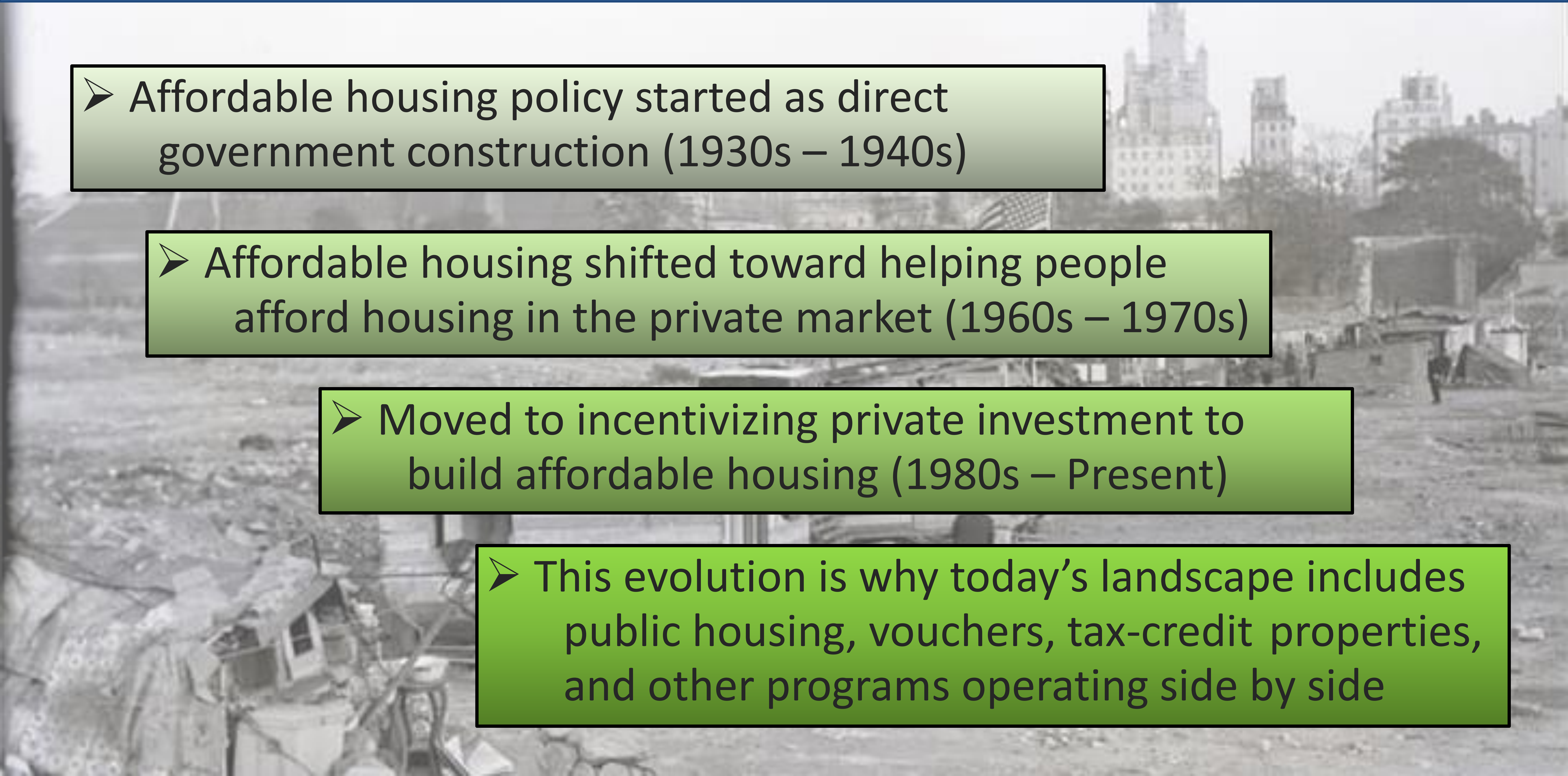
Affordable housing’s interesting past…



What happened from 1929 – 1939?

- Federal affordable housing policy stems from the Great Depression, as a way to address housing needs and create construction jobs.

THE WHAT & WHY BEHIND AFFORDABLE HOUSING PROGRAMS



- Affordable housing policy started as direct government construction (1930s – 1940s)
- Affordable housing shifted toward helping people afford housing in the private market (1960s – 1970s)
- Moved to incentivizing private investment to build affordable housing (1980s – Present)
- This evolution is why today’s landscape includes public housing, vouchers, tax-credit properties, and other programs operating side by side

Why is affordable housing so important today?

- The rising cost of housing is outpacing wage growth, and affordable housing helps close that gap. Washington's median home price has climbed 98.9% over the past ten years (10th largest increase in the country) and Seattle rents now average over $2,200 per month

- Washington's housing supply is struggling to keep pace with the demand driven by our state's booming population

- It promotes diversity, healthy futures and stability

What makes housing affordable?

- Per the United States Department of Housing & Urban Development (HUD), housing is affordable when residents pay no more than 30% of their income for housing, including utilities.

- When a household spends more than 30% of its gross income on housing and utilities, it's considered "cost-burdened." This leaves less money for food, healthcare, and savings, and raises the risk of missed rent, eviction, and homelessness.

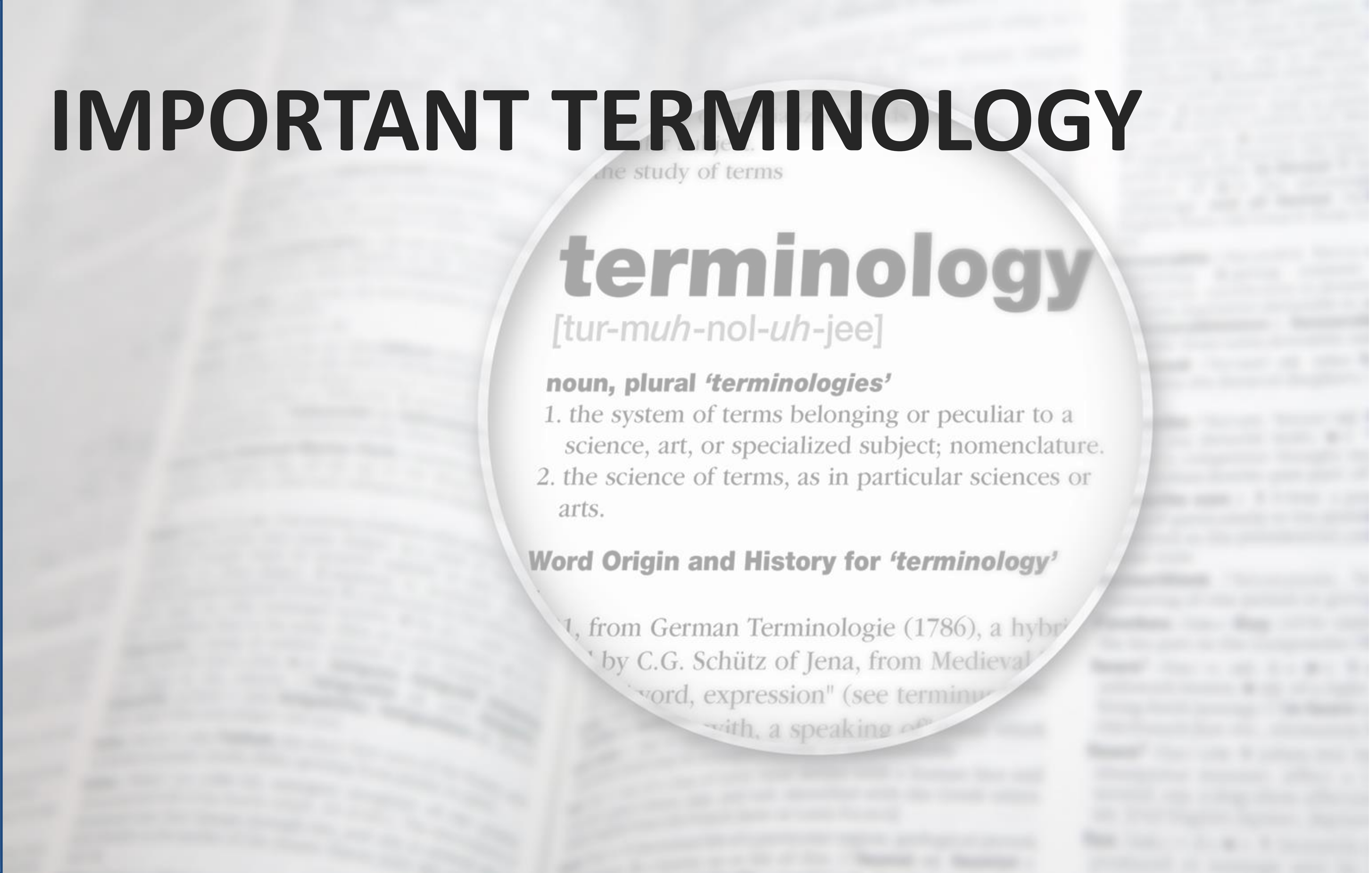
There are two types of affordable housing:

- ➢ Subsidized Housing
  - Residents pay a portion of the rental rate in direct proportion of their total household income (Section 8, USDA-RD, Other Voucher programs)

- ➢ Non-Subsidized Housing (Income Restricted Housing)
  - Rent is restricted at a rate that aligns with the Area Median Income (AMI) (LIHTC, Local Programs, MFTE)

This is the key to understanding the program(s) at your community

IMPORTANT TERMINOLOGY



IMPORTANT TERMINOLOGY

AMI:	Area Median Income
ARCH:	A Regional Coalition for Housing
HUD:	U.S. Department of Housing & Urban Development
LIHTC:	Low-Income Housing Tax Credit
MFTE:	Multi-Family Housing Tax Exemption
WSHFC:	Washington State Housing Finance Commission

AREA MEDIAN INCOME

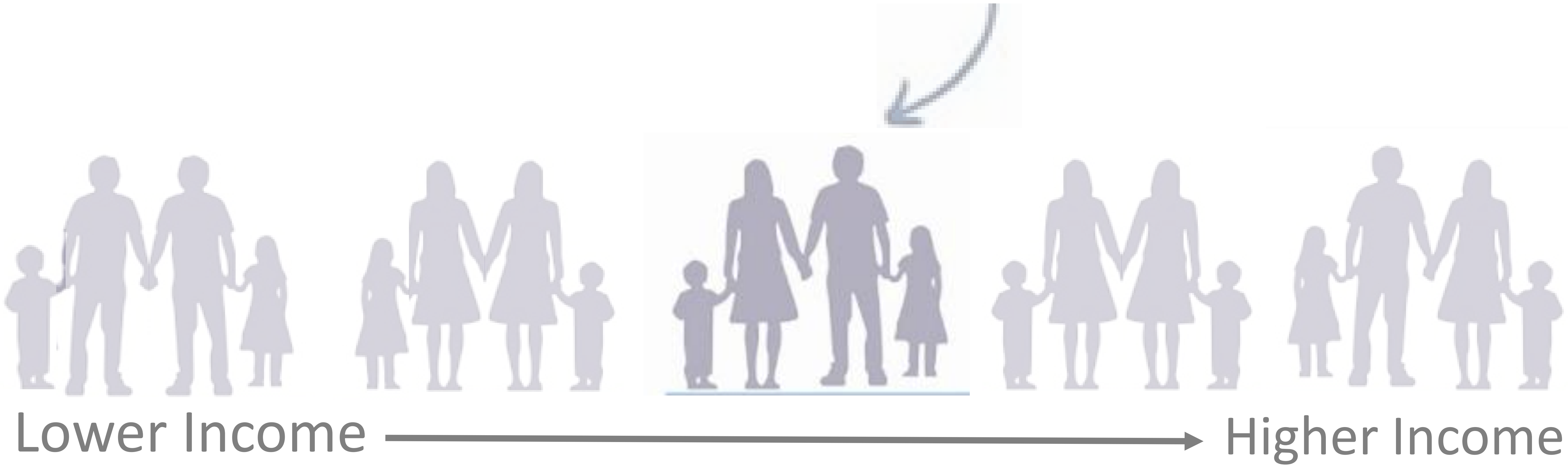
AMI is the midpoint household income for a specific geographic area (county, city or metropolitan region)

Half of the households in that area earn more than the AMI, and half earn less

Lower Income → Higher Income

AREA MEDIAN INCOME

HUD calculates the area median income annually for every county and metro area using Census Bureau data. After calculating this information, it is published for use. This information is often used to determine income and rent limits for affordable housing programs.



AMI% or SET-ASIDE % FOR LIHTC, LOCAL / CITY PROGRAMS & OTHER PROGRAMS

AMI and set-aside percentages are specific to each property, and they're established by that property's regulatory agreement, covenant, IRS Form 8609, or other program requirements. These percentages can even vary by unit type within the same building.

IMPORTANT TERMINOLOGY: HUD PROGRAMS

AMI% or SET-ASIDE % FOR HUD PROGRAMS

For HUD programs, AMI percentages are established by the property's Annual Contributions Contract or Housing Assistance Payments Contract with HUD, and they determine admissions eligibility rather than a fixed rent for a specific unit.

CHECK IN POINT

UNDERSTANDING INCOME & RENT LIMIT SCHEDULES

EXAMPLE: SET-ASIDE IS 60%

What is the maximum income for 2-people in the 60% Set-Aside?

ANSWER: $78,960

What is the maximum rental rate for a 2-Bedroom in the 60% Set-Aside?

ANSWER: $

King County
MTSP-Income and Rent Limits
Effective 5/1/26
Median Income: $ 164,400

Set-aside Percentage	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
20%	23020	26320	29600	32880	35520	38160	40780	43420
30%	34530	39480	44400	49320	53280	57240	61170	65130
35%	40285	46060	51800	57540	62160	66780	71365	75985
40%	46040	52640	59200	65760	71040	76320	81560	86840
45%	51795	59220	66600	73980	79920	85860	91755	97695
50%	57550	65800	74000	82200	88800	95400	101950	108550
60%	69060	78960	88800	98640	106560	114480	122340	130260
70%	80570	92120	103600	115080	124320	133560	142730	151970
80%	92080	105280	118400	131520	142080	152640	163120	173680

Set-aside Percentage	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
20%	575	616	740	855	954	1052
30%	863	925	1110	1282	1431	1578
35%	1007	1079	1295	1496	1669	1841
40%	1151	1233	1480	1710	1908	2105
45%	1294	1387	1665	1923	2146	2368
50%	1438	1541	1850	2137	2385	2631
60%	1726	1850	2220	2565	2862	3157
70%	2014	2158	2590	2992	3339	3683
80%	2302	2467	2960	3420	3816	4210

EXAMPLE: AMI% is 65% for a 0-Bedroom

What is the maximum income for 2-people at 65% AMI?

ANSWER: $85,540

Income Limits

Percent of Area Median Income

Family Size	40%	50%	60%	65%	70%	75%	80%	85%	90%
1	$46,040	$57,550	$69,060	$74,815	$80,570	$86,325	$92,080	$97,835	$103,590
2	$52,640	$65,800	$78,960	$85,540	$92,120	$98,700	$105,280	$111,860	$118,440
3	$59,200	$74,000	$88,800	$96,200	$103,600	$111,000	$118,400	$125,800	$133,200
4	$65,760	$82,200	$98,640	$106,860	$115,080	$123,300	$131,520	$139,740	$147,960
5	$71,040	$88,800	$106,560	$115,440	$124,320	$133,200	$142,080	$150,960	$159,840
6	$76,320	$95,400	$114,480	$124,020	$133,560	$143,100	$152,640	$162,180	$171,720

What is the maximum rental rate for a 0-Bedroom at 65% AMI?

ANSWER: $1,870

Maximum Rent, including fees and basic utilities (30% of monthly income)

Percent of Area Median Income

Unit Size	40%	50%	60%	65%	70%	75%	80%	85%	90%
0-Bedroom	$1,151	$1,438	$1,726	$1,870	$2,014	$2,158	$2,302	$2,445	$2,589
1-Bedroom	$1,233	$1,541	$1,850	$2,004	$2,158	$2,312	$2,467	$2,621	$2,775
2-Bedroom	$1,480	$1,850	$2,220	$2,405	$2,590	$2,775	$2,960	$3,145	$3,330
3-Bedroom	$1,710	$2,137	$2,565	$2,778	$2,992	$3,206	$3,420	$3,633	$3,847
4-Bedroom	$1,908	$2,385	$2,862	$3,100	$3,339	$3,577	$3,816	$4,054	$4,293

CHECK IN POINT

AFFORDABLE HOUSING PROGRAMS & FUNDING SOURCES

FROM FEDERAL/COUNTRY LEVEL PROGRAMS
TO LOCAL/CITY LEVEL PROGRAMS

WHO PROVIDES AFFORDABLE HOUSING?

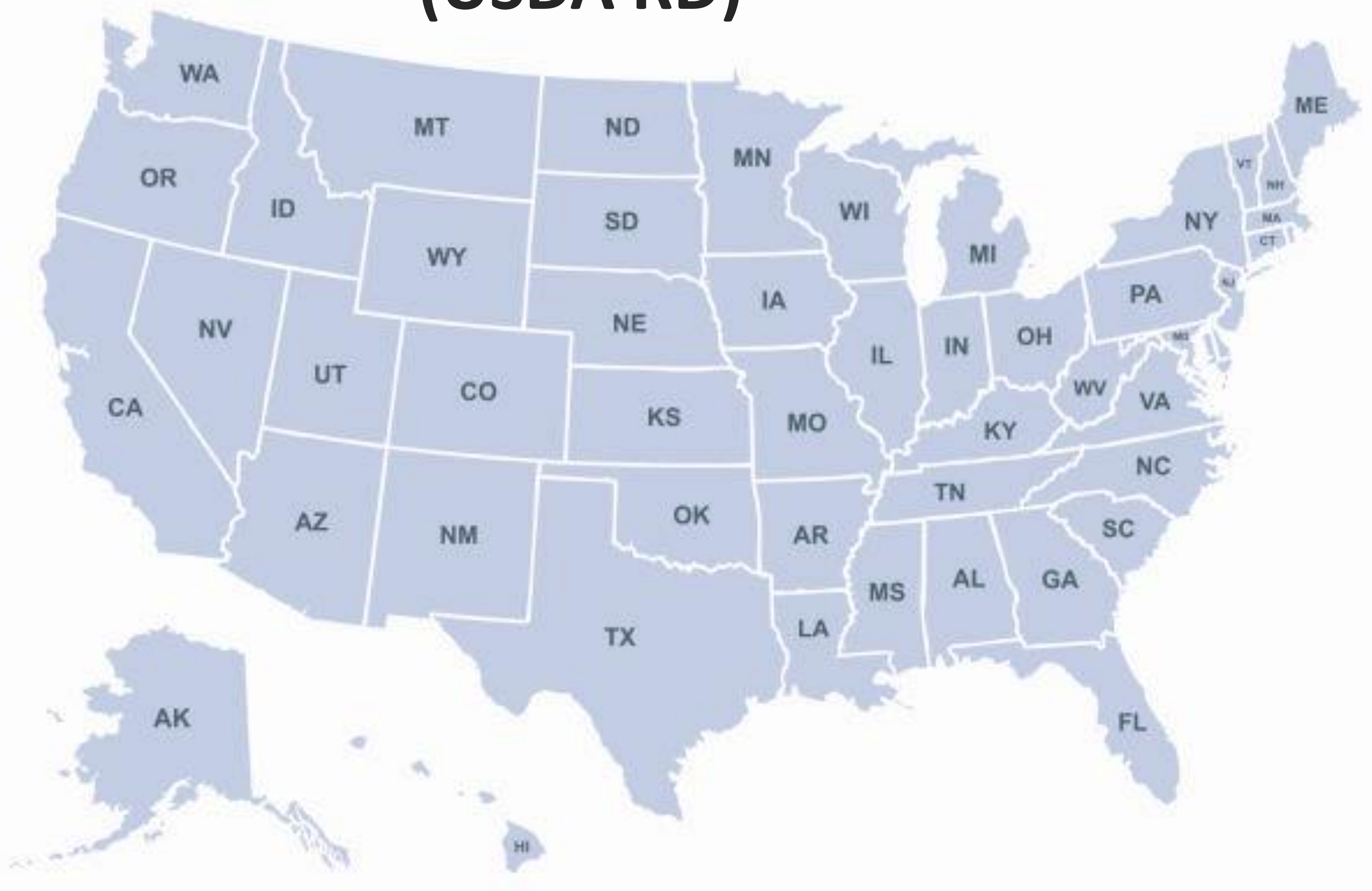
- Housing Authorities
- Non-Profit / Social Service Organizations
- Public Agencies
- Private Market

FEDERAL / COUNTRY-WIDE

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT
(HUD)

- **HOME**
- **PROJECT BASED RENTAL ASSISTANCE**
- **TENANT BASED RENTAL ASSISTANCE**
- **+ OTHER PROGRAMS**

U.S. DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT
(USDA RD)



HOME FUNDS

- Federal funds to local jurisdictions
  - Matching fund – Federal funding 75%, Local 25%

- Very flexible and used for a variety of programs!
  - Can be **Capital Funds/Subsidy** or **Rental Assistance/Income Restricted** or Subsidy based
  - Can be Rental housing or Homeownership programs
  - Can be used as Capacity building for agencies

- Has increased compliance reporting
  - At the site level, residents must complete a full-certification at move in and an annual recertification every 6 years

HUD – SECTION 8

- The Section 8 Housing Choice Voucher program is a federal housing subsidy that helps very low-income families, the elderly, and disabled afford safe, decent housing in the private market

  - **Project-Based**
    - Tied to the specific property
  - **Tenant-Based**
    - Goes with the resident
    - Managed by the local Housing Authority

USDA-RD

- US Department of Agriculture Rural Development
  - Does a lot to support rural communities – over 50 programs!
  - For towns with populations under 35,000 people

- RHS – Rural Housing Service
  - Home-ownership loan program
  - **Multi-Family Programs**
    - **Capital Funding**: building and rehab
    - Low-interest loans
    - Subsidy – **Project Based**

STATE LEVEL

WASHINGTON STATE HOUSING FINANCE COMMISSION **(WSHFC)**

- **LOW-INCOME HOUSING TAX CREDIT (LIHTC)**
- **BOND**

WASHINGTON STATE DEPARTMENT OF COMMERCE **(WA COMMERCE)**

- **HOME**
  - NATIONAL HOUSING TRUST FUND **(NHTF)**
  - HOUSING TRUST FUND **(HTF)**
- **APPLE HEALTH & HOME**

LOW INCOME HOUSING TAX CREDIT (LIHTC)

- IRS program

- Federal Government allocates Tax Credits to each state
  - Capital Funding Program
  - Can be Rental housing or Homeownership programs
  - Can be used as Capacity building for agencies

- Each state has an agency that administers the program
  - Washington State Housing Finance Commission (WSHFC)

- **Income-Restricted Program**

BOND

LIHTC

- A housing finance bond program, using tax-exempt private activity bonds to raise private capital
- Capital Funding program
- Housing Finance Agencies (HFA) administer the program
  - Washington State Housing Finance Commission (WSHFC)
  - Association of Washington Housing Authorities (AWHA)
- **Income-Restricted Program**

COUNTY LEVEL

HEALTH & HUMAN SERVICES DEPARTMENT

KING COUNTY FINANCE PROGRAM **(HTF)**

HOME

HOUSING OPPORTUNITY FUND **(HOF)**

+ OTHER PROGRAMS

LOCAL / CITY / CITIES LEVEL

CITY OF SEATTLE
MARKET INCENTIVE LAND USE PROGRAMS
(MILU)

- MFTE
- IZ
- MHA
- MPC-YT
- + OTHERS

CITY OF SHORELINE
MFTE

CITY OF SEATAC
MFTE

CITY OF TACOMA
MFTE

CITY OF SPOKANE
MFTE

CITY OF VANCOUVER
MFTE

CITY OF EVERETT
MFTE

A REGIONAL COALITION FOR HOUSING (ARCH)

BEAUX ARTS VILLAGE	KIRKLAND
BELLEVUE	MEDINA
BOTHELL	MERCER ISLAND
CLYDE HILL	NEWCASTLE
HUNTS POINT	REDMOND
ISSAQUAH	SAMMAMISH
KENMORE	WOODINVILLE
KING COUNTY	YARROW POINT

- MFTE
- LAND USE AGREEMENTS
- TRUST FUNDS

OVER 50 WASHINGTON JURISDICTIONS CURRENTLY SUPPORT/OFFER THE MFTE PROGRAM!

Income Restricted Programs

MULTI-FAMILY HOUSING TAX EXEMPTION (MFTE)

- A statewide legislation that allows cities to exempt properties from paying property taxes if they provide a certain level of Income-Restricted housing in their communities
- The specific city defines requirements for their affordable housing program for tax exemption
  - This can be a portion of the units or it can be all of the units
  - Units can be a variety of AMI%s (60%, 65%, 70%, 75%, 80%, etc.)
- Very beneficial because for some properties, property taxes can be hundreds of thousands of $$$ each year!
- **Income-Restricted Program**

UNDERSTANDING YOUR RESOURCES

WHO CAN I/SHOULD I COUNT ON WHEN I HAVE QUESTIONS?

UNDERSTANDING YOUR RESOURCES

- Your Property Management Company
- Your Internal Compliance Department and/or Third-Party Compliance Vendor
- Office of Housing or Affordable Housing Program Department

* a PDF with resources will be provided to all participants after today's Affordable Housing Summit *

PROPERTY MANAGEMENT PROCESSES & AFFORDABLE HOUSING PROCESSES

JOIN US AT AFFORDABLE HOUSING 201!

Q & A

Thank You For Attending!

Please take a moment to complete this short survey:

You can find resources from today's summit here:

WASHINGTON MULTI FAMILY HOUSING ASSOCIATION