NewHolly and Othello Station

The last rental housing units in the final phase of NewHolly, called Othello Station, were completed.

This included the Othello Building, which houses two floors of apartments, some commercial space, and a clinic operated by International District Health Services.

The first homes for sale by Othello Station builders were sold within minutes of coming on the market.

Rainier Vista

Public housing residents moved into 125 new rental units at Rainier Vista. Four private builders purchased lots to offer homes for sale.

Providence Health System opened 78 units of senior housing at Gamelin House. The first floor of the building houses Providence's Elderplace, a program of health care and services for older adults.

Genesee Housing, a project of Housing Resources Group and AIDS Housing, began construction. It will have 50 one- and two-bedroom apartments for people with disabilities, and space for retail businesses.

Neighborhood House’s Rainier Vista Center opened, offering Head Start, a computer lab and meeting space.

High Point

Many long-term High Point families moved into the first available rental units in the redeveloped community. Building lots were sold to private homebuilders and construction on the homes for sale began.

High Point received the Balli Green™ Seattle Award for its sustainable features in the first phase of the redevelopment project and was featured at the 2005 Life in the Urban Landscape Conference, Gothenburg, Sweden.

Other Development Activities

homeWorks, SHA’s high-rise revitalization project, achieved several milestones. A program manager was hired, a design consultant was contracted for all three phases of the project, and a general contractor was selected for the first phase.

SHA sold 64 Scattered-Sites units and, so far, has purchased 40 two-, three- and four-bedroom units to replace those sold. Nine one-bedroom units were also purchased.

The rehabilitation of the Ritz Apartments, 31 units of workforce housing in the Central Area, was completed.

Sha housed 11,861 households this year, including people with Housing Choice Vouchers.

The number of people served by SHA slightly decreased from 12,027 households in 2004 due to attrition in Housing Choice Voucher participants and the sale of Market House.

Even so, SHA is currently serving 12 percent more households than in 1998 and expects the overall number of households served to continue to increase.

SHA’s public housing program saw a net increase of 140 households due to the leasing in the third phase of the Newhollie redevelopment: 11,074 households were on one or more waiting lists for housing assistance at the end of the year.

For more information about the Seattle Housing Authority, please visit us online at www.seattlehousing.org or contact Seattle Housing Authority’s Communications Office at 206-615-3523.
REVENUES AND CONTRIBUTIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenant rentals and sales</td>
<td>9,838,144</td>
<td>10,434,724</td>
<td>-596,580</td>
</tr>
<tr>
<td>Housing assistance payment subsidies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voucher revenue</td>
<td>15,076,887</td>
<td>8,361,996</td>
<td>6,714,891</td>
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<tr>
<td>Interim income</td>
<td>197,591</td>
<td>12,349</td>
<td>185,242</td>
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<tr>
<td>Capital contributions</td>
<td>2,816,252</td>
<td>2,416,625</td>
<td>409,627</td>
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<tr>
<td>Other</td>
<td>14,422,440</td>
<td>5,479</td>
<td>8,942,961</td>
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<tr>
<td>Total revenues and contributions</td>
<td>63,351,305</td>
<td>40,991,127</td>
<td>22,360,178</td>
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ADMINISTRATION

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
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</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>16,451,810</td>
<td>16,350,182</td>
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<tr>
<td>Tenant services</td>
<td>2,915,415</td>
<td>2,361,648</td>
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<tr>
<td>Utility services</td>
<td>3,561,649</td>
<td>899,396</td>
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<tr>
<td>Maintenance</td>
<td>15,341,082</td>
<td>8,604,648</td>
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<tr>
<td>Housing assistance payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td></td>
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</tr>
<tr>
<td>Total expenses</td>
<td>28,299,344</td>
<td>23,276,525</td>
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</table>

Net income (loss) before transfers

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (loss) before transfers</td>
<td>20,466,623</td>
<td>20,134,891</td>
<td>331,732</td>
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<tr>
<td>Transfers</td>
<td>22,247,540</td>
<td>21,854,395</td>
<td>393,145</td>
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<tr>
<td>Change in net assets</td>
<td>470,517</td>
<td>16,450</td>
<td>454,067</td>
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<tr>
<td>Total expenses</td>
<td>46,212,180</td>
<td>45,689,245</td>
<td>522,935</td>
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</table>

STATEMENT OF NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets at beginning of year</td>
<td>225,255,225</td>
<td>222,985,306</td>
<td>2,269,919</td>
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<tr>
<td>Net assets at end of year</td>
<td>228,577,828</td>
<td>226,225,922</td>
<td>2,351,906</td>
</tr>
</tbody>
</table>

Notes:

1. Unrestricted includes subsidies and grant loss
2. Other includes: capital project subsidy, 1/2 of Operating Fund dividends

2005 HOUSING CHOICE VOUCHER & COMMUNITY MANAGEMENT highlights

- Perchkin Insider
  - Perchkin Insider, an e-mail newsletter for service providers who help to find low-income for-rental housing, began publishing this year.

- Housing Choice Vouchers
  - More than 140 new households were invited to complete the application process for a Housing Choice Voucher. In spite of a closed waiting list, new policies helped to spread existing subsidy further.

- The Job Connection
  - Eighty-one percent of these positions were full-time and 6.1 percent included benefits.

- Community Services
  - Two grants totaling nearly $720,000 provided services to help residents move towards self-sufficiency. These grants helped to (use the Fund 55 Silliness program and SHA’s homeownership counseling program.

- Seven staff members work in SHA’s family community and high-needs community as members to assist residents in participating more fully in their communities.

- ACCOMPLISHING OUR GOALS, recommitting to our mission

- Federal program changes urged HUD subsidies from the actual cost of Section 8 vouchers, leaving the program significantly understated at SHA and other housing agencies.

- In response, Seattle Housing began to examine its own policies for ways to stop the available subsidy. A four-month long program of public input and consultation with community and tenant yielded policy changes that allow SHA to continue to serve about the same number of people, though sometimes in less spacious quarters.

- Working with employers and stakeholders, SHA spent several months of 2005 developing a new five-year strategic plan with the theme of “Reinvesting committed in times of change.” Clearly we will continue to experience significant challenges as we seek to become more entrepreneurial and somewhat less dependent on federal support. With the support of the community I am confident that we will continue to serve our residents and support their dreams of stable housing and increased self-sufficiency.

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