

NOTES TO FINANCIAL STATEMENTS

June 30, 2000

NOTE 16 - SUBSEQUENT EVENTS

On December 19, 2000 the Authority entered into a purchase and sale agreement to acquire improved property in Bremerton, Washington for \$3.6 million. The purchase is scheduled to close by July 2001.

On December 1, 2000 the Housing Authority issued two bond anticipation notes for the acquisition and rehabilitation of Heritage Apartments and Viewmont East Apartments located in Port Orchard, Washington. The notes were issued for \$2.22 million and \$2.785 million respectively, and mature on November 30, 2001. The Housing Authority entered into purchase and sale agreements in the amount of \$2.1 million for Heritage Apartments and \$2.7 million for Viewmont East Apartments. The purchase is expected to close by June 2001.

On October 25, 2000 the Housing Authority entered into a purchase and sale agreement to acquire the 550 Madison Apartments in Bainbridge Island, Washington for \$835,000. The sale is scheduled to close by March 1, 2001 using interim bank financing.

The Housing Authority also has a purchase and sale agreement pending to acquire the Windsong Apartments in Poulsbo, Washington for \$1.2 million. The purchase is expected to close by June 2001.