



**WHEDA**

**WISCONSIN HOUSING AND  
ECONOMIC DEVELOPMENT AUTHORITY  
MEDIA RELEASE**

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## **WHEDA receives 'AA' issuer credit rating from *Standard & Poor's Global Ratings***

**Madison** – Standard and Poor's Global Ratings (S&P) has affirmed its issuer credit rating for the Wisconsin Housing & Economic Development Authority (WHEDA) as 'AA' saying WHEDA's outlook is stable. In 2018, S&P raised WHEDA's rating to 'AA' from 'AA-'.

In its review, S&P stated the rating reflects its view of WHEDA's:

- Strong leverage ratios, as demonstrated by an S&P Global Ratings fiscal 2018 adjusted equity position;
- Low-risk asset base, which consists of single-family mortgage loans, mortgage-backed securities (MBS) guaranteed by Fannie Mae, and multifamily mortgage loans;
- Stronger financial performance compared with similarly rated peers; and
- Strong administrative and financial management supported by a culture of constant improvement, with a good working relationship with the state government.

"S&P's review provides reassurance in WHEDA's ability to meet its mission while remaining financially stable to its partners," said WHEDA Chief Financial Officer Sherry Gerondale. "This positive rating also serves to motivate our devoted WHEDA employees as we continue to expand housing and small business opportunities throughout Wisconsin."

The following are highlights from S&P's credit report of WHEDA:

- WHEDA has a strong and active management team that has repeatedly proven proactive and successful in meeting its mission of financing affordable housing for residents of the state of Wisconsin through the administration of various programs.
- WHEDA staff is highly competent, well trained in their areas of expertise, and proactive with addressing key issues.
- S&P believes WHEDA's asset base remains strong and relatively stable. WHEDA's profitability in terms of its return on assets and net interest margin continued to strengthen, increasing to 2.3% and 2.2%, respectively, in fiscal 2018.

(more)



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- WHEDA's five-year averages of profitability ratios are higher than those of its 'AA' rated peers.
- WHEDA's equity base has continually strengthened over the years, increasing to \$777 million in fiscal 2018, its highest level to date.
- S&P believes budgetary stress at the state level no longer exists.
- The stable outlook reflects S&P's expectation that WHEDA's financial position will remain relatively stable, given the very strong credit quality of its seasoned portfolio of mortgage loans and MBS, along with the authority's careful oversight and management of its loan programs to preserve credit quality.

For over 45 years, **WHEDA**, as an independent state authority, has provided low-cost financing for housing and small business development in Wisconsin. Since 1972, WHEDA has financed more than 73,000 affordable rental units, helped more than 129,600 families purchase a home and made more than 29,000 small business and agricultural loan guarantees. For more information on WHEDA programs, visit [wheda.com](http://wheda.com) or call 800-334-6873.

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