A Habitat OC Family Breaks Ground

Rafael credits the Habitat OC program as a major contributor to his educational success

In 2009, Rafael and his family attended a College Bound Workshop hosted by Habitat for Humanity of Orange County.

At this workshop, Rafael and his younger brother Rodrigo learned about the higher education process and their parents learned about the financial aid opportunities available to their children. All four members of the family walked away feeling more informed and were able to make the right choices for them when it came to higher education.

“I just want to give a big thank you for helping me start my path to higher education,” said Rafael. “Without your help, I’m not sure where I would be in terms of my education.”

In 2015, Rafael graduated with a B.S. in Mechanical Engineering from Cal State Fullerton. He chose to continue his education at Cal State Fullerton and is currently pursuing his Master of Science degree. His brother, Rodrigo, is following in his footsteps and is studying Computer Science at Cal State Fullerton.

“The class and the Habitat program helped my sons be able to continue their education,” said Mercedes, Rafael and Rodrigo’s mother. “Not only did they learn a lot, we also learned how to help them through the process.”

Rafael continues to break ground within his family; he is the first member in his family to not only graduate from college, but also pursue a Master’s degree. This summer, Rafael witnessed his parents break ground within the family as well when they paid off their Habitat OC mortgage, becoming the first members in their family to pay off their home.

It is thanks to you, our supporters, that this family could attain the American dream of homeownership and reach their educational goals.

What We Accomplished in Fiscal Year 2015-2016

Habitat OC proudly:

- Began building two homes in Santa Ana and continued building five homes in Cypress and three homes in Fullerton.
- Led critical home repairs for three veterans, one low-income homeowner, and one fellow nonprofit as part of the Habitat Hand-Up Home Repair program.
- Continued to revitalize the Woodcrest community in Fullerton by partnering and collaborating with residents, non-profits, stakeholders, and local businesses on 19 projects as part of the Neighborhood Revitalization effort.
- Held our fifth Building Dreams Fundraising Breakfast where we raised $135,000 in one hour to support Habitat OC.
- Raised $122,000 at the 8th Annual Leaders Build Day, where more than 70 Orange County business leaders gathered to build frames for five Habitat OC homes.
Be The Ripple Effect

When many of us think about the home where we grew up, we recall a place where we learned some important basics: unconditional love from our family, life skills for shaping our future, and the give and take of being part of a community.

At Habitat for Humanity of Orange County, we believe that having a safe and stable home is foundational. Home is where everything starts. The reality is that if children don’t live in decent homes, the odds of their staying healthy plummet. If they’re not healthy, they don’t get educated; and if they don’t get an education, they don’t get decent jobs, meaning they won’t be able to break out of the stranglehold of poverty.

A decent home is at the center of every important issue, and it has a multiplier effect. Walt says, “I many times think about Habitat, and how if it wasn’t for Habitat we most likely would not have been able to live where we are.” Walt’s son graduated from high school with an associate degree and is a proud Habitat homeowner.

“Home is where people gather to laugh and cry and grow,” Walt says. “It gives your children a stable environment to break out of the stranglehold of poverty.”

Habitat OC is the give and take of being part of a community. The reality is that if children don’t live in decent homes, the odds of their staying healthy plummet. If they’re not healthy, they don’t get educated; and if they don’t get an education, they don’t get decent jobs, meaning they won’t be able to break out of the stranglehold of poverty.

We have seen what happens when making one improvement in a neighborhood captures the attention, excitement and vision of others. Affordable housing is Habitat OC’s contribution, but we are only one part of exciting efforts that are changing lives and transforming communities.

We hope you continue to join us as we drop a pebble in Orange County.

Sharon Ellis
President/CEO

Robert Barker
Board Chair

Navien, Inc. Gives Back Through Philanthropy and Volunteerism

Navien, Inc., an Irvine-based manufacturer of tankless water heaters, has partnered with Habitat OC to help qualified families become homeowners over the next two years.

“When we were looking to give back to the community we wanted to do more than write a check. We wanted to help others through our product as well be a part of that change. Partnering with Habitat OC made perfect sense,” said Scott Lee, Navien CEO.

Navien will be providing tankless water heaters to low and moderate income Habitat OC family households. Scott and his team not only donated cash and materials to Habitat homes, but also came out to build in Cypress, all wearing their own Navien/Habitat OC build day shirts.

“I came out today to see how our donation makes a difference,” said John, a Navien volunteer. “Working alongside Habitat OC families brings a connection to everything. It has been exhausting but truly rewarding.”

Navien is just one of many corporations that donate and volunteer with Habitat OC, giving our families a chance to transform their lives.
## Statement of Financial Position as of June 30, 2016

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>FYE 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2,373,675</td>
</tr>
<tr>
<td>Cash and cash equivalents - restricted</td>
<td>1,398,171</td>
</tr>
<tr>
<td>Promises to give</td>
<td>633,922</td>
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<tr>
<td>Other receivables</td>
<td>63,910</td>
</tr>
<tr>
<td>Inventory - Homes for sale</td>
<td>1,106,242</td>
</tr>
<tr>
<td>Inventory - ReStores</td>
<td>176,688</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>171,519</td>
</tr>
<tr>
<td>Housing assets, net realizable value</td>
<td>6,595,539</td>
</tr>
<tr>
<td>Investment in joint venture</td>
<td>5,687,998</td>
</tr>
<tr>
<td>Mortgages receivable, net of unamortized discount</td>
<td>6,171,144</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>87,620</td>
</tr>
</tbody>
</table>

**Total assets**  24,466,425

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>753,049</td>
</tr>
<tr>
<td>Property tax and insurance impounds</td>
<td>147,991</td>
</tr>
<tr>
<td>Deferred mortgage receipts</td>
<td>142,094</td>
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<tr>
<td>Security deposits</td>
<td>246,023</td>
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<tr>
<td>Line of credit</td>
<td>130,000</td>
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<tr>
<td>Notes payable</td>
<td>4,518,649</td>
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<tr>
<td>Long-term debt</td>
<td>7,822,318</td>
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</table>

**Total liabilities**  13,760,124

### Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Unrestricted</td>
<td>9,401,905</td>
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<tr>
<td>Temporarily restricted</td>
<td>1,304,396</td>
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</tbody>
</table>

**Total net assets**  10,706,301

**Total liabilities and net assets**  24,466,425

### FY 2016 Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>FYE 2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Sales</td>
<td>7,217,346</td>
<td>61.2%</td>
</tr>
<tr>
<td>Restore Revenues</td>
<td>2,348,141</td>
<td>19.5%</td>
</tr>
<tr>
<td>Special Events Revenues</td>
<td>851,412</td>
<td>7.2%</td>
</tr>
<tr>
<td>Interest Income</td>
<td>359,251</td>
<td>3.0%</td>
</tr>
<tr>
<td>Individual Donations</td>
<td>341,042</td>
<td>2.9%</td>
</tr>
<tr>
<td>Corporate Donations</td>
<td>208,415</td>
<td>1.7%</td>
</tr>
<tr>
<td>Donated Materials and Services</td>
<td>147,956</td>
<td>1.3%</td>
</tr>
<tr>
<td>Rental Income</td>
<td>128,091</td>
<td>1.1%</td>
</tr>
<tr>
<td>Rehab Income</td>
<td>60,197</td>
<td>0.5%</td>
</tr>
<tr>
<td>Faith Community Donations</td>
<td>49,258</td>
<td>0.4%</td>
</tr>
<tr>
<td>Other Income</td>
<td>30,952</td>
<td>0.3%</td>
</tr>
<tr>
<td>Estate Gifts</td>
<td>7,939</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

**Total unrestricted support, and revenues**  11,708,030  100.0%

### FY 2016 Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>FYE 2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Costs</td>
<td>7,204,933</td>
<td>67.4%</td>
</tr>
<tr>
<td>Restore Expenses</td>
<td>1,928,494</td>
<td>18.1%</td>
</tr>
<tr>
<td>Special Events</td>
<td>576,827</td>
<td>5.4%</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>471,592</td>
<td>4.4%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>383,018</td>
<td>3.6%</td>
</tr>
<tr>
<td>Rental Expenses</td>
<td>63,552</td>
<td>0.6%</td>
</tr>
<tr>
<td>Contributions to Habitat for Humanity International</td>
<td>55,325</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

**Total expenses**  10,683,541  100.0%

*Fiscal Year 2015-2016*
Honor Roll of Donors
Thank you to our 2015-2016 donors for their investment in the mission and vision of Habitat OC. Our entire community is strengthened by their support.

$100,000 +
Anonymous
City of La Habra
Department of Housing and Community Development
The Home Depot Foundation
Lowe’s
Mariners Church
Weingart Foundation
Wells Fargo Foundation
$50,000 - $99,999
Anonymous
Disneyland Resort
$25,000 - $49,999
Anonymous
Bank of America Charitable Foundation
Isabel Gimenez
The Joe McPherson Foundation
Schneider Electric
Union Bank Foundation
Zelle Holman Voelbl & Mason LLP
$10,000 - $24,999
AMPAK Parks Mechanical
Dawn and Charles Antis
Assurant Specialty Property
Banc of California
Bank of the West
Suzanne and Robert Barker
Susan and Allen Boerner
California Bank & Trust
Citi Business Services
Laute and Scott Dubchansky
Edwards Lifesciences
Experian
First Bank
Fludmaste, Inc.
Flux Corpopation
Ellen and Donald Goodwin
Granite Investment Group
George Hoag Family Foundation
The Home Depot
Lennar Charitable Housing Foundation
Joan and Kenneth Lickel
Cathy and Mark Mathews
Pacific Western Bank
Parker Aerospace – Air & Fuel Division
The Phillips Foundation
Lauren and Bruce Scott
Simpson Strong-Tie Company, Inc.
Richard & Elizabeth Steele Fund
TCA Architects, Inc.
The Don Yoder Foundation
Absolute Technologies, Inc.
ADP-automated Data Processing, Inc.
Anonymous
Aristos Roofing & Waterproofing
Applied Medical Resources
Availability Communities, Inc.
Jennifer and Chris Raiochi
Bernards
Christine and David Brook
Brown-Forman
Ronald Bruder
CBRE Asset Services
City National Bank
Clearinghouse CDFI
Christine and Rob Cohen
The Dohre Family Foundation
Sharon Ellis
Emmanuel Episcopal Church
Francisca Gonzalez Baca and Frank Lima
The Hedberg Family Foundation
Howard Building Corp
Susan and F. Scott Jackson
Karina and Anders King
Carol and Troy Kvitkowitz
Danny Leitner
A Little Help Foundation Fund
LSA Associates, Inc.
Mesa Verde United Methodist Church
Sean Moran
New York Life Foundation
Northstar
Bernadette and Jeff Olson
SC Lighting Solutions
Silverline Construction
TJX United Presbyterian Church
United Capital
Kathy and Michael Valentine
Irene and Christopher Wetch
Western Digital Corporation
Barbara and Randall Wildhitz
The Estate of Leroy B. Williams
Adelle Yostan

$2,500 - $4,999
All Metal Processing of Orange County
Alzheimer's Orange County
AMBOR Real Estate Professionals
Avonlea Charitable Foundation
The Bascom Group
Bendix Commercial Vehicle Systems LLC
Marcia and Ronald Blang
BNY Mellon
Boeing Employee Community Fund of Southern California
Candem Development
City National Bank
Composite Apps Inc.
ContLogic, Inc.
The Covington
Crawell & Moore LLP
Jennifer and Christopher De Rosa
Erin Draper
Drapery Manufacturers Assoc. of Orange County
IEPE Industries USA
Ernst & Young
Farmers & Merchants Bank of Long Beach
First Republic Bank
Fronie Family Foundation
Carol and John Geisbauer
Hyundai-Kia America Technical Center, Inc.
HP Capital Partners
Kimberly Machine, Inc.
Los Angeles Transportation Club
Kathleen and Brett Mansfield
Maxcele
McCarthy Building Companies, Inc.
Sandra and Steven McHlom
Miller Milling
Jim and Suzanne Moore Charitable Fund
Susan and Bradley Morton
Navion, Inc.
Hugo Nuho
Our Savior's Lutheran Church
Pacific Premier Bank
The Gloria Parris Revocable Trust
Thomas Pistone
Andrea and Jay Pruitt
The Safeway Foundation
St. Kilian Catholic Church
St. Paul American Coptic Orthodox Church
Samsung Research America
Sares - Regis Group
Sherry and Bruce Scott
Seabreeze Management Co., Inc.

Create Your Own Legacy with Habitat OC
Planned giving is one way supporters give back to Habitat for Humanity of Orange County. It is also a way to invest in what you love about Habitat OC and create a legacy for future limited-income families in need of a hand-up, not a handout.

Habitat OC recognizes these donors through our Future Builders Legacy Society. Society members are donors who have committed to future charitable contributions in a number of ways, such as leaving a life insurance policy, real estate, stocks, business holding, or a checking account.

Sunny Tamblyn, along with her late husband, Hal, have been Future Builders Legacy Society members for a number of years. “We chose Habitat for Humanity of Orange County to be one of the charities in our will. It is a great organization and we know what we’ll be leaving behind will be put to good use,” said Sunny.

Thank You to our Future Builders Legacy Society Donors
Their lasting legacy gifts help limited-income families purchase affordable homes in Orange County.

The Estates of:
Anonymous
Suzanne and Robert Barker
The Elizabeth Anne Berry 1998 Revocable Family Trust
Bertolet Reovable Trust
Sandra S. Brodie
Barbara C. Dahnke
Dorrien Family Trust
Dorothy A. Dostal and Kay J. Dostal
Elmer W. Farnsworth
Isabel Gimenez
Sabrina Green
Mark Hoover
Mary L. Lester
Heather McKenzie-Densmore and John Densmore
Stephen Edward Mead Revocable Living Trust
Amy and Robert Meaux
Christina Woods Moulson
The McPherson Foundation
Adelle Yostan

Lynda and Joseph Perring
Victoria M. Regan Trust
Edgar B. Schneider Trust
Hazel U. Simpson Trust
Renee Bishell and Rev. Dr. Stanley D. Smith
Laura Snyder
Sunny and Hal Tamblyn
Barbara Jeanne Wilson

Thank You to our Dream Builders Society Donors

Dream Builder Society members are donors who make multi-year pledges to Habitat OC.

GIFT OF HOME ($20,000+/yr)

Suzanne and Robert Barker
JoAnn and Kenneth Lickel
The Joe MacPherson Foundation

GIFT OF A DREAM ($10,000-$19,999/yr)

Susan and F. Scott Jackson
Irene and Christopher Veltch

GIFT OF INDEPENDENCE ($1,000-$4,999/yr)

Kelly and Gus Althouse
Dawn and Charles Antis
Jennifer and Chris Baoushi
Christine and David Booser
Eagle Roofing
The John L. Cushion Family Foundation
Peggy Catron and Jerome Premo
Kimberly Cox
Joan and William Cvgovns

Thank you for your generosity!
Earlier this year, Mariners Church of Irvine put their faith into Habitat OC with a whole home sponsorship $100,000 donation of our development in Santa Ana. This has been one of the largest donations Habitat OC has received from a faith organization.

“We chose to partner with Habitat OC because their mission and values align with ours. We knew our members would not only see the donation, but would also be a part of a positive change in the community,” said Pastor Gerardo Magano.

In addition to their donation, Mariners Church members were able to help families in need as well as form new opportunities for prayer in action and fellowship.

“I volunteered to get more connected with the mission work of my church. I love how Habitat for Humanity helps people help themselves, it was so compelling to me that I wanted to see it in action,” said Brenda, a volunteer from Mariners Church.

By partnering with Mariners – and with faith groups across the county – we are able to give more families a chance to build strength, stability, and self-reliance through shelter.
The Habitat for Humanity of Orange County ReStore locations in Anaheim and Santa Ana are non-profit home improvement stores and donation centers that sell quality new and gently-used furniture, appliances, home décor, and building materials to the public at discounted prices. Proceeds fund the building of affordable Habitat for Humanity of Orange County homes.

What We Accomplished in 2015-2016

• Voted #1 Best Home Goods store in Orange County on OC Hotlist for another year in a row.
• Raised more than $46,000 through our fuel recovery program. These donations help defray the costs associated with providing a donation pick-up service.
• Received and resold nearly 5,600 donations of new and gently-used home furniture and building materials, with each donation including either one or multiple items.
• Expanded our Material Acquisitions department to reduce call wait times, provide a better experience for the donor, and receive more home improvement item donations.
• Collected and diverted 204,847 pounds of electronic waste and other recyclables from the landfill.
• Raised nearly $7,500 through the Register Round-Up program. These donations are given by Habitat OC ReStore shoppers rounding up the change from their in-store purchase to donate to Habitat OC.
• Logged more than 6,600 volunteer hours and 1,600 volunteer shifts at the Anaheim and Santa Ana Habitat OC ReStore locations.

Thank You to our 2015-2016 Habitat ReStore Donors

$100,000+
Prime Source Building Products

$10,000 - $24,999
Venetian Stoneworks

$5,000 - $9,999
Jonathan Nehmer & Associates
David Lenz
Lights of America
Weber Plywood & Lumber

$2,500 - $4,999
Kathy Abendroth
Adam’s Hardware
Fort Pitt Hotel
Irvine Company
Liza Lafreniere
Olive Garden
SpecCeramics, Inc.
Spectrum Brands
West Pac Materials

$1,000 - $2,499
Akemi Harrington
Albertini Italian Windows Door
Robyn Alino
Antis Roofing and Waterproofing

Behr
Cindy Castella
Clark & Associates
Paula Conway

Floor & Decor
Goodwill OC
Peggy and Robert Hankin
Patrice Jefferies
Mike Jorgenson
Margail VanLingen
Main Street Village Apartments
Pacific Shores
Pal & Smith
Dan Pennington
Porcelanosa USA
RG Flores Construction
Saddleback Interiors
Steve and Viveone Sargeant
Angela Todd
Tom Simpson Construction
TSL - Technical Services and Log
Walters Wholesale
Warmington Properties
Welland Industries
In this Annual Report, we celebrate our fiscal year 2015-2016 accomplishments and recognize those who helped us continue our mission of creating a world where everyone has a decent place to live. Because of you, we have been able to serve almost 1,400 women, men, and children in Orange County. We would like to take this opportunity to thank you for offering families a hand-up, not a handout, and to share news on our most recent work and future plans.

In the first half of Fiscal Year 2017, Habitat OC has:

- Began building a zero-net energy home for a veteran family in Fullerton.
- Increased the build and sale of moderate income homes. Working families whose income falls in the “moderate” range are eligible to purchase some of Habitat OC’s affordable homes. This program helps us build more homes that fit the “traditional” Habitat OC model of building affordable homes for limited-income families.
- Continued to vigorously market our homes for sale to active military, veterans and to families of fallen warriors.

Looking ahead, Habitat OC plans to:

- Build more affordable homes:
  - 2 homes in Fullerton
  - 2 homes in Placentia
  - 2 homes in Tustin
  - 5 homes in Santa Ana
- Develop our energy-efficient efforts by building zero-net energy homes in Fullerton and Santa Ana.
- Expand the Habitat Hand-Up Home Repair program throughout Orange County to serve more limited-income homeowners who are unable to maintain their homes due to age, disability or financial stress.
- Host the Community Building Invitational with The Home Depot Foundation. Volunteers will work on a project with Habitat OC that will benefit local veterans.

See where our volunteers spend their time with Habitat OC

<table>
<thead>
<tr>
<th>Volunteers</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 12</td>
<td>6,680</td>
</tr>
<tr>
<td>FY 13</td>
<td>10,343</td>
</tr>
<tr>
<td>FY 14</td>
<td>10,490</td>
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<tr>
<td>FY 15</td>
<td>10,447</td>
</tr>
<tr>
<td>FY 16</td>
<td>7,760</td>
</tr>
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**FY 2016 Breakdown**

<table>
<thead>
<tr>
<th></th>
<th>Volunteers</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>3,408</td>
<td>27,265</td>
</tr>
<tr>
<td>Habitat ReStore</td>
<td>1,737</td>
<td>6,943</td>
</tr>
<tr>
<td>Other Programs*</td>
<td>2,615</td>
<td>10,466</td>
</tr>
</tbody>
</table>

*Including volunteer committees, family services, office support, etc.