Habitat for Humanity® Central Arizona

Fall 2021

habitatcaz.org

Bringing people together to build **homes**, **communities** and **hope**

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Greetings Habitat Family and Friends -

Every door opens a new opportunity. The opportunity to own a safe and affordable home is essentially what Habitat is all about. I want to take this opportunity – to open another door – to reach out and say thank you for your involvement in this mission. It never ceases to amaze me how much we can accomplish when we commit to moving forward together. And, we are moving forward to make the most of every opportunity.

Think about the doors you've walked through in your life. The opportunities we have been given. Our own front doors became vastly more significant when we consider what we all went through over the last year and a half. What a blessing it is to have a safe place to call home. But sadly, for many in Arizona, the dream of homeownership is still that, only a dream. Everyone here at Habitat is deeply committed in trying to close that gap for those who desire our help. As so many of you know, Habitat offers people a hand-up rather than a hand-out. Our new homeowners contribute 400 hours of sweat equity towards their new home, and pay an affordable, zero-interest mortgage. Most of our home repair programs require both sweat equity and a small cash investment.

It takes all of us working together to make an impact and today we're asking you to consider giving your financial support so we can serve even more Arizona families that need help. Habitat homeowners really do experience the strength, stability, and self-reliance that owning their own home can provide. Children do better in school. Families are healthier. Neighborhoods become safer and stronger and our entire community benefits.

This is your opportunity to invest in your Arizona community. Your generous donation helps open a door for Arizona families, children, seniors, veterans and those who simply need a hand up.

There is no shortage of great causes that need financial help, so we are profoundly grateful that you would consider us worthy to be entrusted with your charitable investment. Together we will continue to build, renovate, and repair homes right here in the Valley of the Sun. **Your support opens doors and opportunities like never before.**

Gratefully,

Jason Barlow

President & CEO

Habitat for Humanity Central Arizona

work on 3D-printed home continues

In case you missed it, **Habitat is building its first 3D-printed home in the United States** with tremendous help from several generous partners. The home is still under construction in Tempe with completion estimated in late 2021. Habitat considers this first-of-its-kind home a 'proof of concept' and is excited to see where things can go from here.

Habitat hopes this emerging technology can be widely adopted, refined, and scaled to address the acute affordability issue. The lack of affordable housing in the Phoenix metro area is at an all-time high and what's needed are innovative ways to address this critical issue. The roughly 2,500 square foot home designed by Candelaria Design will have 1,800 livable square feet and be home to Shawn and Marcus, longtime Tempe residents, and now first-time homeowners.

Printing of the internal and external walls began in May, 2021, using a BOD 2 printer that exudes a concrete mix layer by layer while the rest of the home is being built using more standard construction methods. As it nears completion, Habitat is evaluating the entire process and is optimistic about the future implications. **Learn more at habitatcaz.org/3D**

"The design flexibility of this technology has allowed Habitat to look at our layouts and designs in new ways. Imagine a street of two-story or even three-story homes, each unique and custom fitting for the family that lives there. We believe, in time, the construction industry and local building codes will allow for and benefit from even more innovation in this area and could address the affordable housing need in Arizona and beyond in the long term," says Habitat President & CEO, Jason Barlow.

"If we can get to a place where we're building in less time, with less cost and with less waste, then that would be ideal - that's our goal and why we thought it important to try something new. We'd like to thank PERI, City of Tempe, Candelaria Design, Lowe's, Cox and so many more, for standing with us at such an exciting time in our history."

impact report fiscal year 20/21

Financial information for Annual Report			
	2020	2021	
Support & Revenue			
Contributions	$ 5,976,637	$ 7,994,483	47.3%
Donated Services and Materials	259,600	139,477	0.8%
Home Sales to Qualified Families	2,110,852	1,892,292	11.2%
Mortgage Discount Amortization	1,404,965	1,503,017	8.9%
Grants and Contracts	436,905	404,340	2.4%
Investment Income	112,126	801,533	4.7%
Home Repair Program	911,596	616,367	3.6%
Restore Net Income/(Loss)	(128,292)	453,547	2.7%
Gross Profit on Special Events	1,299	225,071	1.3%
Other Income	368,378	499,568	3.0%
Gain on Sale of Mortgages	713	990,740	5.9%
Cancellation of Debt Income	1,638,810	1,116,400	6.6%
Gain on Sale of Land	54,936	223,727	1.3%
Change in Deferred Gifts	-	30,726	0.2%
Total	$ 13,148,525	$ 16,891,288	100%
Expenses			
Program Services	9,254,872	8,699,840	79.7%
Contributions to HFH International	285,323	176,632	1.6%
General and Administrative Services	1,183,720	1,199,716	11.0%
Fundraising	794,538	842,393	7.7%
Change in Deferred Gifts	1,096	-	0.0%
Total	11,519,549	10,918,581	100%
Net Assets Beginning of Year	28,592,263	30,221,239	
Net Assets End of Year	30,221,239	36,193,946	

Basis for Preparation - *This financial statement for Habitat for Humanity Central Arizona does not include all of the financial statements or footnotes required by generally accepted accounting principals. Habitat for Humanity Central Arizona is audited by CliftonLarsonAllen LLP. Copies of the audited financial statements will be made available at **habitatcaz.org/about-us/financial-information.**

Because of you, **Habitat was able to help 824 people** build or improve the place they call home. This includes **16 new homes**, **352 repairs** through the Neighborhood Revitalization Program, and **128 Emergency Home Repairs** including **31 veteran families.**

newest homeowners

Abdulkadir – Phoenix
St. Patrick Catholic Community
Episcopal Coalition

Kali - Phoenix
Lutherans Building for Christ

Alantably – Phoenix
Southeast Valley Lutheran Coalition

Mohamed - Phoenix
State Farm
Cisco
Bank of America

Bijende – Glendale
West Valley Lutherans
City of Glendale HOME Funds

Ochoa - Phoenix
The Verdes

Habonimana – Phoenix
Wells Fargo

since 1985

1180	1614	1550	4048
homes built / renovated	**affordable repairs**	**emergency home repairs**	**families served**

Since 1985, with the help of generous donors and volunteers, Habitat for Humanity Central Arizona has been privileged to build more than **1,180 homes**, affect more than **3,000 repairs**, and improve a place called home for more than **4,000 Arizona families**.

every door opens a new opportunity

shop, donate and volunteer at habitatcaz.org

love thy neighborhood

A safe and livable home significantly adds to the quality of life for Arizona families. Not having to choose between buying food and medication and much-needed home repairs can be a tipping point for not only a homeowner, but also the neighborhood at large as neglected homes often bring down values of adjacent homes. Through Habitat's Neighborhood Revitalization program, homeowners in a defined area are able to get their homes fixed up at a significantly reduced rate as generous sponsors help offset the costs. As part of the Habitat model, homeowners pay a portion and are also expected to help with repairs when possible.

Partnerships are key as Habitat works closely with sponsors and the community to define the goals, needs, and aspirations of a given neighborhood. And there's no shortage of need. Habitat relies heavily on word-of-mouth referrals because once volunteers come out to work on a home, word gets out quickly that Habitat is doing work/investing in the neighborhood and the phones start ringing. Timely repairs are critical to a healthy neighborhood but can be costly to those on a fixed or limited income.

As a quality-of-life issue, it can be transformative for those who need a hand up. This was never more true than during the height of the pandemic when most everyone was trying to stay home to stay safe. Trying to work or go to school from home when the roof is leaking, or maybe the air conditioner is not working, is simply untenable.

Over time, building new homes in infill lots sparked many conversations about repairing existing homes which in turn led many Habitat supporters to dream even bigger and ask, "What if we adopt a whole neighborhood and fix up all the homes?" This kind of big-picture thinking from those initial investors who understand that safe homes are so important to a strong community is what drives the Neighborhood Revitalization program and leads to real progress.

"The progression from new builds, to home repairs, to now serving entire neighborhoods has really allowed our partners and investors to make an even larger community impact." says Tina Burgoz, Chief Development Officer at Habitat. "The more we can help organizations invest in the communities like Central City South, Palomino, and Sunnyslope and keep families from falling into poverty, that's a win for everyone." **Learn more at habitatcaz.org/neighborhood-revitalization.**

two new homes for veterans

Last year, Habitat was **privileged to serve 31 veteran families** with critical home repairs, e.g., plumbing issues, leaky roofs, bad windows and faulty AC systems. With generous backing and support from The **Milanovich Fund for Veterans Assistance**, Habitat is committed to helping serve even more veterans in the new year through more repairs, and our construction training program. As we partnered with veterans service organizations across the valley like **US Vets**, the VA, and the AZ Coalition of Military Families, to help us find those in need, the proverbial flood gates opened. We now have a list of some 100 veterans and their families that cannot afford necessary repairs and could use our help. Our goal would be to help them all this next year.

Our female veteran population is also in need. According to a report by the National Housing Conference, nearly half of our veterans who are single mothers spend more than 30 percent of their income on housing and are particularly vulnerable to housing cost burdens compared with our overall veteran population. We have also heard the fastest growing component of homeless veterans are females. That said, **Habitat hopes to start two new homes this fall** on donated land in Phoenix to help address this. The plan is to build two five-bedroom homes to help homeless women vets. This is in partnership with the Milanovich Trust, US Vets Phoenix, and The Arizona Sustainability Alliance. To learn more or to partner with us, **please visit habitatcaz.org/veterans**.

opportunity knocks

Give today and take advantage of the Arizona Qualifying Charitable Tax Credit for your 2021 taxes.

The Arizona charitable tax credit is a wonderful opportunity for you and Habitat to help build affordable homes, revitalize neighborhoods, and improve Arizona Communities. Individuals may utilize a $400 tax credit and couples filing jointly may take an $800.

Other ways to give

Donor advised funds - A donor advised fund, which is like a charitable savings account, gives you the flexibility to recommend how much and how often money is granted to Habitat for Humanity Central Arizona and other qualified charities. You can recommend a grant or recurring grants to create more homeownership opportunities for local families.

Direct gifts from an IRA - If you are at least 70½ years old, you can make a gift of up to $100,000 each year to Habitat directly from your IRA. An IRA Charitable Rollover Gift allows you to make a gift to Habitat, satisfy part or all of your annual required minimum distribution from your IRA, and exclude part or all of the distribution from your taxable gross income, thereby reducing your tax liability. It's easy to get started! Contact your IRA plan administrator to make a gift. Your funds will be directly transferred to Habitat to avoid tax penalties.

Stock gifts - Gifts of appreciated stock and securities can help us purchase land, tools, and consturction materials to build more homes for Arizona families. The IRS allows a charitable tax deduction for the full market value of the appreciated security.

Many of our friends are updating their estate plans. If you would like to support Habitat with a charitable bequest, we can help. Please contact us for a copy of our free estate planning guide. We can provide you with a copy of our bequest language. Please contact us for assistance with creating and updating your plans.

Learn more at habitatcaz.org/donate

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Habitat for Humanity® Central Arizona

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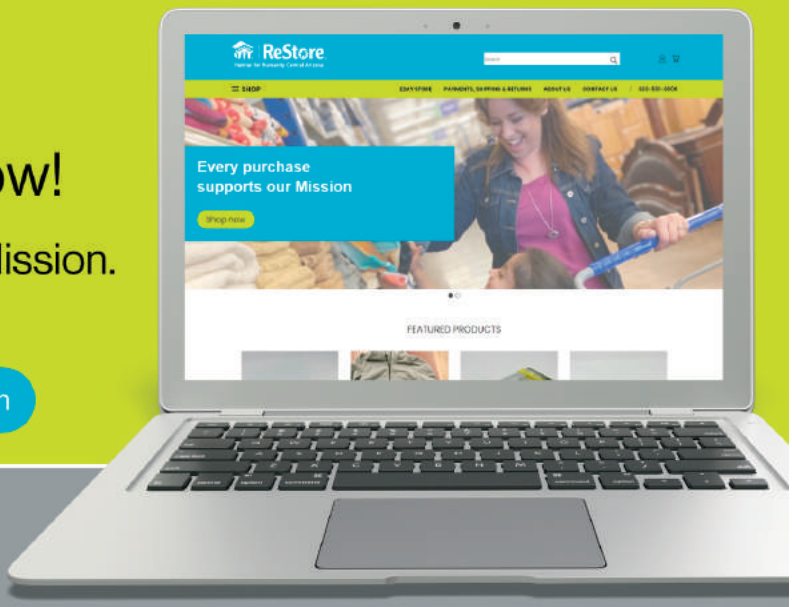

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