Greetings from the HWR President
Brian Sullivan

First and foremost, I would like to say that it is an honor and privilege to be a member of the Homes Within Reach Board of Directors. To be associated with such a great organization and mission is uplifting and a point of pride.

In reflecting upon the past year, I am happy to report that HWR has had many significant accomplishments, including helping 11 families purchase homes in seven suburban communities of Hennepin County. Additionally, in the first nine months of 2015, HWR assisted another 11 families in becoming homeowners.

These are not small feats, especially considering the limited resources available to us. We are fortunate to have funders, donors, vendors, volunteers and staff all diligently focused on meeting our strategic and operational goals.

HWR has capitalized on opportunities and rose to challenges over the years, including adjusting to our current rapidly-changing housing market, where a low inventory and rising prices make it difficult to find the appropriate homes for our program. Despite this, our results have been significant; since 2002 HWR has helped 139 families obtain affordable homes, bringing the number of parcels of land held in trust to 122.

Our success is due to many factors, but none more than our outstanding Board of Directors. Several members will be retiring this fall. They are part of a core group that guided HWR through the difficult years of the housing and economic downturn, and who also set the stage to ensure that we remain a viable organization.

They will be missed!

Continued on the next page

Our retiring members are listed below.

- Robert Hamilton our past President, led HWR through the recession with energy and a positive attitude that kept the board focused on developing alternative funding sources. He spearheaded HWR strategic planning, fund raising events and several other key initiatives. His strong leadership and vision are directly attributable to the viability of HWR.

- Winnie White-Scherber served as Secretary and member of the Executive Committee of the board for eight years, and was also a member of the Resident Committee. She designed, constructed and donated three quilts that were auctioned at HWR fund raisers. Her kindness and willingness to help with any task have been invaluable.

- Joel Papa served on the Community Relations Committee, and his marketing insights were key to developing our fund raising events and identifying other new initiatives. It was Joel who encouraged me to join the board seven years ago.

- Patti Marrinan is a past Board Vice President, has served on our Executive and Community Relations Committees, and has been our overall HWR cheerleader. Her generosity of spirit, positive influence, and business and fund raising insights helped guide us through the lean housing years.

- Chris Trailer and Jennifer Smith will also be stepping down from their board positions. They have both served as board members for over two years, and have provided crucial insights from a homeowner perspective that were essential in setting our strategic and annual goals.

Thank you for your help and support.
We look forward to the many opportunities ahead!

2014 Financials

Statement of Activities & Changes in Net Assets

<table>
<thead>
<tr>
<th>Support &amp; Revenue</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants, Contributions &amp; Other Revenue</td>
<td>$1,302,734</td>
<td>$1,574,703</td>
</tr>
<tr>
<td>Ground Lease Fees</td>
<td>$38,170</td>
<td>$35,404</td>
</tr>
<tr>
<td>Property Sales</td>
<td>$922,000</td>
<td>$1,118,500</td>
</tr>
<tr>
<td>Interest</td>
<td>$169</td>
<td>$214</td>
</tr>
<tr>
<td>Total Support and Revenue</td>
<td>$2,263,073</td>
<td>$2,728,821</td>
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</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Costs</td>
<td>$1,241,963</td>
<td>$1,455,412</td>
</tr>
<tr>
<td>Program Services</td>
<td>$85,730</td>
<td>$86,117</td>
</tr>
<tr>
<td>Management &amp; General</td>
<td>$142,099</td>
<td>$155,807</td>
</tr>
<tr>
<td>Fund Raising</td>
<td>$36,940</td>
<td>$30,862</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$1,505,732</td>
<td>$1,728,188</td>
</tr>
<tr>
<td>Increase in Net Assets</td>
<td>$757,341</td>
<td>$1,000,633</td>
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</table>

Statement of Financial Position as of December 31, 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$368,133</td>
<td>$248,749</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$9,166</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid Expense</td>
<td>$5,597</td>
<td>$5,493</td>
</tr>
<tr>
<td>Supplies on Hand</td>
<td>$5,597</td>
<td>$5,493</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$11,774,889</td>
<td>$10,457,115</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities and Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$364,652</td>
<td>$368,133</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$1,615,285</td>
<td>$1,051,011</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$10,159,704</td>
<td>$9,406,104</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>$11,774,889</td>
<td>$10,457,115</td>
</tr>
</tbody>
</table>

2014 HWR Support & Revenue

- Federal Housing Administration (FHA) | 40.7% |
- Gov’t Grants | 53.3% |
- Property Sales | 6% |

HWR Housing Production Chart

2002 - Sept. 2015

- Resales
- Sold Homes
- Purchased Properties
- Families Served

Homeowner Benefits
- Quality properties
- Affordable homes
- Attractive suburban locations

Community Benefits
- Stable local workforce
- Improved properties
- Retained community wealth

"You not only gave us a home...you returned our dignity."
HWR Homeowner

"We want our teachers, nurses and police officers to be able to afford to live in the communities where they work."
HWR Community Partner
Thank you to our Funders and Donors for their generous support!

This allows Homes Within Reach to meet its mission of creating and preserving affordable homeownership opportunities for working households in Hennepin County.

Major Funders

B.C. Gamble and P.W. Skogmo Fund
City of Brooklyn Park
City of Eden Prairie
City of Edina
City of Golden Valley
City of Maple Grove
City of Minnetonka
City of New Hope
City of Richfield
City of St. Louis Park
City of Wayzata
Doshaven Cove / Steven Scott Dev.
Fannie Mae MN Partnership Office
Family Housing Fund
Greater Twin Cities United Way
Halley's Custom Homes
Hennepin County HRA
HOME Partnership
Homes for All
Interfaith Outreach (IOCP)
Local Initiatives Support Corporation
McKnight Foundation
Metropolitan Council
Minnetonka United Methodist Church
Minnesota Bank & Trust
Minnesota Housing Finance Agency
Otto Bremer Foundation
Ryland Homes
St. Luke Presbyterian Church
St. Joseph the Worker Church
United Way
Thrivent Financial for Lutherans
ZB Companies

Organizational Donors

Alerus Mortgage
Barnes & Noble
Best Buy
Blue Plate
Bremer Bank
Convention Grill
Cooks of Crou Hill
Counselor Realty
Cowlies Center
Crave Restaurant
D'Amico & Sons
Dundee Nursery
Eden Avenue Grill
Edina Art Center
Edina Cinema
Edina Country Club
Edina Grill
Edina Landscaping
Edina Realty
Energy Saver
Fifth Avenue Optical
Garden by Den
Granite Transformation
Gunflint Lodge
Haskell's
Heartland Payment Systems
Jerry's Hardware
Joseph A. Bank
Kohler Gallery
Lang Law Office
Lorie Line Music, Inc
MUCR & P.A., Auditors
Mc Cormick's Pub and Rest.
Mc Cormick's & Schmick's
Metro Concierge
MGM Liquors
Mill Valley
Minnesota Arborium
Minnesota Bank & Trust
Minnesota History Center
Minnesota Twins
Minnesota Wild
Nakamori Japanese Bistro
Nordic Walking
Omni Floors
Oreck Clean Home Center
Original Pancake House
Parasole Restaurants
Pittsburgh Blue
Premier Bencing
Prima Restaurant
Private Design Decorating
Q. Cumbers
Quantum Restoration
R.F. Moeller Jeweler
Sail Pepin
Salut Bar & Grill
Schmitt Music
Skunkmaker, LLC
Snuffy's
Soules, William Atty at Law
Stoakes, Loren & Lavorn
Sunnyside Gardens
Tavern on France
TCF Foundation
The Brass Handle
TJU Construction
TLC Toys
Toro
Twin Cities Closets
UPS Store 1779
Warner's Stellian
Wells Fargo Bank
Westin Edina Galleria Hotel
Wille Willette Works, LLC
William Henney Atty at Law
William Sonoma
YMCA – Southdale & Ridgedale

Individual Donors

Allen, Mr. & Mrs.
Anderson, Karen
Anderson, Kris
Bergquist, Elaine
Callison, Jan
Carlson, JoAnna
Elkins, Kelly
Elrhersenby, Tarek & Ameena
Erickson, Bill
Fryhling, Pamela
Gabler, William
Gallagher, Chrisy
Gardiner, Trish
Gewitz, Alan R.
Gruis, Doris
Hamilton, Robert
Hammer, Bette
Hanna, Terry
Hardy, John
Hartwell, David & Elizabeth
Haupf, Robert & Mary
Haugland, Gene
Hoel, Dr. Roger & Donna
Hokenson, Louise & Edward
Jacques, Louis F.
Johnson, Gwen
Jordano, Barbara
Keller, Stephen & Robin
Lang, Gregory
Lenz, Mark
LeVine, Ruth
Lewis, Gene & Judy
Lienemann, Pamela
Lindbo, John & Janet
Maninin, Tim & Patti
Mattson, James
McNamara, Doug
Michaels, Lorraine
Monksy, Lee
Mrachek, Len
Nelson, Susan
Nystuen, Gerald
O'Brien, Stephen
Ollila, Erik
Osborne, Tish & Rick
Paepcke, John
Papa, Joel
Radermacher, Lee
Rosenbaum, Harry
Rosenbaum, Sue
Schaclas, Sharon
Schneider, Terry
Schnitker, Michele
Siskin, Michael & Vicki
Stoakes, Loren
Sullivan, Brian
Theis, Kevin
Trailer, Chris & Angela
Wangen, R. K.
Warren, Jane
White-Scherber, Winnie

2015 Board of Directors

Brian Sullivan, President
Chris Trailer, Vice-President
Terry Schneider, Treasurer
Winnie White-Scherber, Secretary
Robert Hamilton
Christine Johnson
Patricia Marroinan
Joel Papa
Jennifer Smith
Margaret Willie

Staff

Doris Grunau
Project Administrator
Janet Lindbo
Executive Director

HWR Strategic Goals

- Expand and sustain the HWR Community Land Trust program.
- Ensure a financially stable, efficient and transparent environment.
- Strengthen HWR and community partnerships.
- Influence housing and transit-oriented policies and regulations that enable HWR to provide affordable homeownership options in Hennepin County.