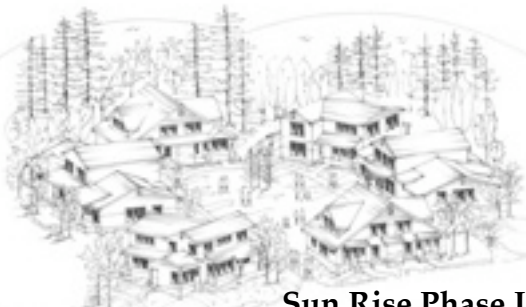


San Juan Community Home Trust

Building A Healthy Community One Permanently Affordable Home At A Time



Sun Rise Phase I
Completed March 2011



Salal Neighborhood
Completed April 2006

Planning For The Future

A Strategic Plan For 2011-2016

“So where are we going for the next five years?” That is the question the San Juan Community Home Trust asked itself about a year ago. The last strategic plan had been completed about 7 years earlier when a previous Executive Director had been in place and only one of the current Board members was part of the process. While many of the goals in the previous strategic plan had been completed, a number of new directions had been pursued and, as we all know, the world changed (e.g., recession, an increasing affordability gap on San Juan Island).

For the past year, the Board and our Executive Director have gone through a strategic planning process. Being an organization of, and for the community, we knew we couldn't answer the question of where to go without talking to a large number of people. Ultimately, we spoke with 54 people from across the Federal, State, County, and Town Governments, the San Juan Island business community, other local non-profits, other organizations involved in affordable housing and, of course, our Home Trust Community (residents, members, donors, Board members, and staff).

The feedback we received both pleased and surprised us. There was a genuine appreciation for the Home Trust's successful delivery of high quality, permanently affordable housing to low-to-moderate income families, thus contributing to the long-term stability of our community. There was also gratitude for the vision, hard work and dedication of a small group of people who performed a critical role that wasn't being adequately addressed by others. Given that success, people thought the Home Trust could do even

more – becoming the community's “voice” in broader affordable housing-related issues and leveraging our housing experience to address the broader affordable needs of San Juan Island. In order to do this, people recognized that the Home Trust would need help, both through adding staff (or staff-equivalents) and increasing financial support.

This feedback allowed the Board to identify six key issue areas that needed to be addressed to meet the future our community saw for us: clarifying the markets we would serve in the future, identifying the workload associated with our future direction, raising the funds to pay for the staff and projects associated with that direction, educating and engaging our community more in issues related to affordable housing, becoming more of a “partner” with the Town and County to address affordable housing needs, and strengthening our Board to meet this broader agenda. From these issues, the Board settled on a series of goals and supportive objectives to address these issues, ultimately compiled into the 2011-2016 Strategic Plan, which can be viewed on the Home Trust website.

- *Glen Bruels*

Our Mission

The San Juan Community Home Trust: Contributing to a vital island community through permanently affordable homes



From Executive Director Nancy DeVaux

The Proof of Perpetual Affordability

Even though there hasn't been a construction project going on this year, it has been a "proving period" -- in more than one way.

The Living Machine has been proving its ability to effectively treat wastewater (see article on page 3)-- AND the Home Trust's two neighborhoods have been proving that permanently affordable home ownership is expanding its impact here on San Juan Island.

Re-sales of Community Land Trust homes are showing the **true value** of the homes constructed by the Home Trust. This year we've had four re-sales--each with an enthusiastic buyer. The Home Trust has a continuing role in stewardship of its land, as well in providing homebuyer counseling, qualifying applicants to become homeowners and packaging their mortgages in the resale of our CLT homes.

With permanently affordable homes, subsidies are preserved by restricting the resale price of homes, keeping homes affordable to subsequent buyers. If the seller has owned the home for five years or more, they can earn enough equity for a down payment on a market rate home, as did Judy McManus with the recent sale of her home in the Salal neighborhood. This is a win-win-win situation: the buyer wins, the seller wins, and the community wins!

Four new homes have sold in Sun Rise this year, but, due to job loss and subsequent withdrawal of an applicant, there is still one 3-bedroom unit for sale. Thirteen units are occupied and the Sun Rise neighborhood is thriving. Sixteen children having the benefit of a home and close-knit community, and residents working together on common issues.

It's also been rewarding this year to get feedback from stakeholders in the community acknowledging the important role played by the San Juan Community Home Trust. Since its inception, 36 households have had the benefit of owning permanently affordable home. And with land and infrastructure for 106 more homes in the future, the Home Trust's impact will only continue to grow.

Special thanks to the Board of Directors this year, for going the distance with developing a new Strategic Plan!

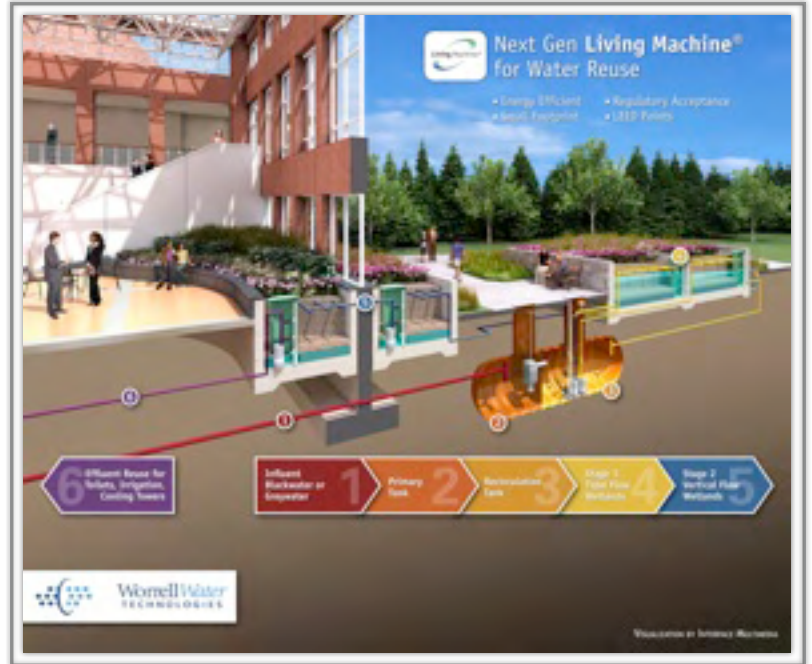
Nancy DeVaux
Nancy DeVaux

Building A Healthy Community One Permanently Affordable Home At A Time

News On The Living Machine Wastewater System



Engineers on the scene in February kicked off the pilot study on the LOSS system: Michael Vieira, Henning Gatz, Mark Buehrer, and Dave Maciolek.



The innovative wastewater treatment system at Sun Rise has been undergoing study this year, to prove that it is functioning as anticipated. Both water quality and flow (amount of water) are being tested on a weekly basis.

One goal is to show that the quality of water being discharged would be suitable for non-potable uses, such as irrigation and toilet flushing. The Home Trust is advocating for change in State regulations that will allow small scale systems such as ours to re-use the treated water. This will be an important step in water conservation.

Another goal is to show that the amount and quality of water being discharged into the drain-field is low enough to add more homes without increasing the size of the drain-field.

According to Dave Maciolek of Aquanova Engineering, lead engineer on the proving study,

the system is required to meet fairly stringent discharge limits for nitrogen (<10 parts per million). Reducing nitrogen to this level results in very high effluent quality, equivalent to tertiary treatment.

The flow rates are now at about 1,000 gallons per day. The residents on the system are utilizing water conservation fixtures in their homes. The current flows into the system appear to be very low, much lower than projected. However the wastewater concentration is higher than projected, which is OK and is expected with low flow.

San Juan Community Home Trust received a \$22,000 grant from the Russell Family Foundation this year to help pay the costs for testing the system and proving that it works to conserve water, to protect the marine ecosystem by not having an outflow pipe emptying into the Sound (like traditional systems) and move towards greater acceptance of this alternative, sustainable technology.

In Appreciation

*The following individuals and organizations generously donated funds and services in 2012.
Thank you for your continuing support!*

Audra Adelberger	Daniel Frymire & Nickie Davis	Richard Lawson Construction
David & Phyllis Adelman	Bob Gamble & Winnie Adams	Ted Leiker & Dolly Salazar, San Juan
William & Karin Agosta	Dodie Gann	Septic Service
Donna & Eugene Alexander	Patty Garcia	Juan & Heidi Lopez
Charles Anderson & Pamela Gross	Jim Gimlett	Walter & Ruth MacGinitie
Mark & Mary Jane Anderson	Patricia & David Giuliani	Jerry & Dede McCormick
Archdiocese of Seattle	Granola Girls	Louise Mc Nerney & Jan Sobieralski
William Arney & Pamela Stewart/Cafe	Scotty Greene	Mary Michael
Demeter	Ed Greub & Alice Acheson	Stacie Milam Grey
Courtland A Bell III	Friday Harbor Dentistry	The Moss Foundation
David Bentley	Michael & Jean Griffin	The George G Mulligan Revocable
Drs. Charles & Marcia Bieber	Wayne & Cynn timer Griffin	Intervivos Trust
Michael & Mary Bills	Griffin Bay Bookstore	Malcolm & Janet McWhorter
Charles Bodenstab	Leonie Griswold	Jeremy Means
Phillip & Sina Boyd	Susan Grout	Dina & Faim Melic
Jeff Brash	Tom & Lynn Grow	Jana Meredith
Rob Browne, Browne's Home Center	Lucy Hadac	Rhea Miller & Sandy Bishop
Glen & Debra Bruels	Julie Hanks	Richard & Barbara Miller
Mark Buehrer/2020 Engineering	Francie Hansen	Robert & Tana Miller
Sam Buck	Rochelle Harrington	Patrica Morse
Cynthia Burke	Mel & Florence Harrison	David Moulton
Simona Burla	Carolyn Haugen	William & Sally Neukom
Chinmayo	Beth Helstien & Marshall Sanborn	Jim & Katy Nollman
Jack Clay	Judith & Fred Henley	The Norcliffe Foundation
Sam & Emily Connery	Molly Hogan	The Oak Hill Fund
Archipelago Consulting	Home Port Flooring & Design	Tom & Connie Odegard
Mary Ellen Courtney	Verne Howard	Odle Consulting
Annette Crosby	Shaun Hubbard & Harold Kawaguchi	Merritt & Janet Olsen
Sarah Crosby	Alice Hurd	Suzanne & John Olson
Darby Crouss	Island Gardens Co.	P. P. Holdings LLC
Trudy Dallas	Islanders Insurance	Barbara Parnes
Kirsten & Philip Daniel	Carol Jackson	Charles & Doris Peckinpaugh
Becki Day	Elise Jensen	Thom Pence
Cere Demuth	Thor & Sara Jensen	Deb Pigman
Betti Deutsch & Jay Lien	Vanessa Johnson	Sharon Pigman
Joseph & Helen DeVaux	Martha & Peter Kaye	Anne Pope
Nancy DeVaux	Mr. & Mrs. Richard Keefe	Chris & Betsy Pope
Darryl & Mary Ann Dobras	David & Judy Kennedy	Lloyd & Sharon Powell
Eileen & Dan Drath	Keith Keyser & Deb Langhans	Boyd & Lovel Pratt
John & Louise Dustrude	Peter & Becky Kilpatrick	James & Judith Prince
Danielle Eisenhardt	King's Receipt Program	John & Priscilla Privat
William Egan	Rich Komen	Susana Quiroz
Steven & Monique Elfman	David & Karen Kratter	Ruthe Ramirez
John & Annette Elsbree	Carrie Lacher	Charles Richardson
Barbara Figelski	Margaret Langlie and Peter Goddu	Patricia Rishel
Daniel Finn & Therese Scott Finn	Angie Lausch	Roche Harbor Village Resort
Peter Fisher	Jim & Lisa Lawrence	Alan & Lynn Roochvarg

More In Appreciation!

Benj & Nomi Ross	Pauline & Edgar Stern Foundation
The Russell Family Foundation	Ed Stiles
Joe & Kathy Ryan	Lori Stokes
Cal & Mary Karen Ryan	Sue-Erin Stone
Roger & Claudia Salquist	Mr. & Mrs. Richard Strathmann
San Juan Interiors	Lee & Tal Sturdivant
San Juan Island	Don & Nancy Todd
Community Foundation	Laura & Doug Tuttle
Annette Schaffer	Doris Van Alen
Ken Sebens & Emily Carrington	Val & Leslie Veirs
Charles B. See Foundation	Mariluz Villa and Tom Reynolds
Cady Seiler	Bill & Carol Waxman
Ruth L. Semple	Judy Welch
Bill & Laura Jo Severson	Brian Wellman
Wendy Shepard	Henry & Holly Wendt
Jean & Ron Shreve	Westcott Bay Orchards
Courtney Smith	Polly White
Michael Smith & Mary O'Connell	Nancy Wight
Joyce Sobel	Wingate Enterprises
Larry Soll & Nancy Maron	Mark and Sharon Wood
Beth Spadafora	Maia Yip
Taiya Speed	

Fundraising Matching Grant Opportunity!

An anonymous donor has pledged to match up to \$15,000, dollar-for-dollar, for donations made to San Juan Community Home Trust by the end of the year. SJCHT relies on membership donations and charitable contributions and does not receive government funding to support its administration.

Please send your check to:

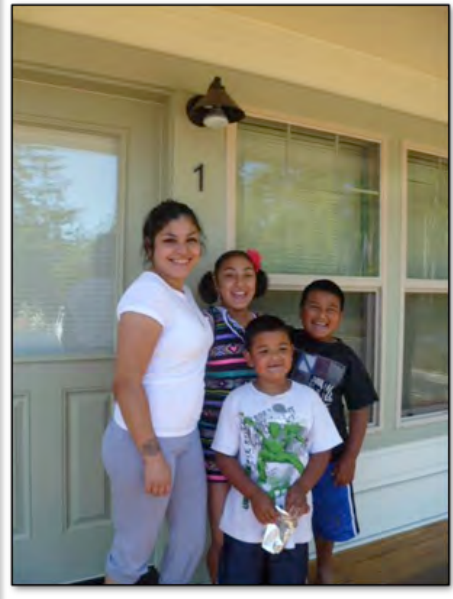
San Juan Community Home Trust
P.O. Box 2603
Friday Harbor, WA 98250

and note "match" on the check. You may also pay by credit card, via Network for Good, from the Home Trust webpage: www.hometrusted.org or over the phone at (360) 378-5541.

2011 Abbreviated Statement of Financial Position	2011	2010
Current Assets: Checking/Savings	\$176,201.25	\$255,860.23
Accounts Receivable	\$59,077.35	\$93,353.96
Other Current Assets	\$6,007.05	\$4,391.42
Total Current Assets	\$241,285.65	\$353,605.63
Fixed Assets (Land & Improvements)	\$4,413,342.09	\$5,791,946.77
Amortization		-\$13,291.92
Total Assets	\$4,654,627.74	\$6,132,260.48
Liabilities: Accounts Payable	\$27,485.09	\$197,749.35
Other Current Liabilities	\$313,251.33	\$167,662.90
Total Current Liabilities	\$340,736.42	\$365,412.25
Long Term Liabilities	\$1,202,629.51	\$2,366,019.03
Total Liabilities	\$154,365.93	\$2,731,431.28
Equity	\$3,111,261.81	\$3,400,829.20
Total Liabilities & Equity	\$4,654,627.74	\$6,132,260.48

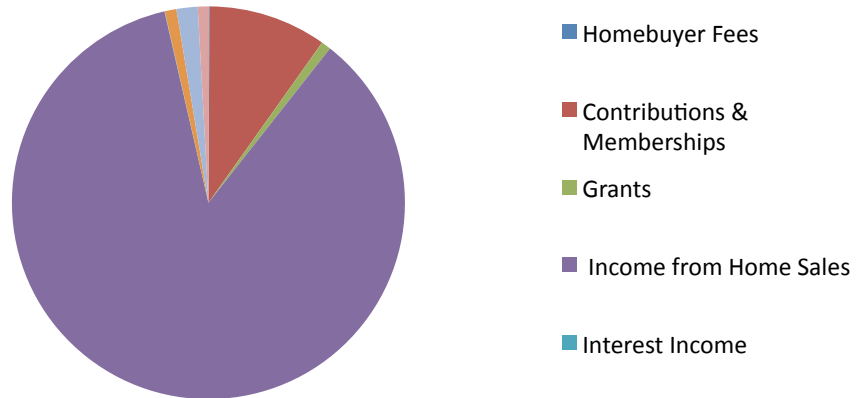
2011 Abbreviated Financial Reports

From Statement of Activities

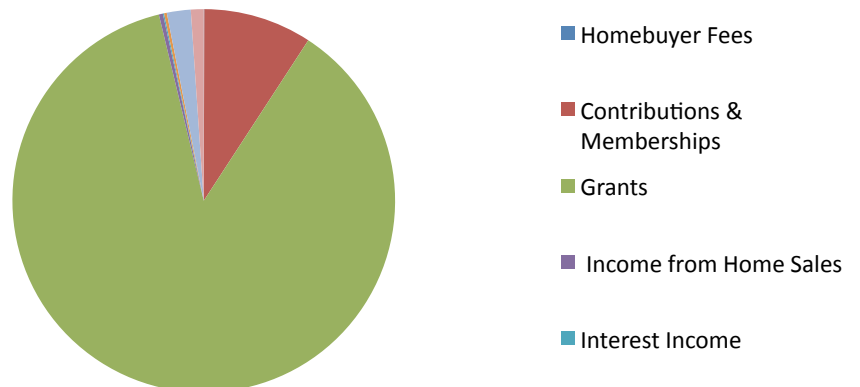


Income	2011	2010
Homebuyer Fees	\$1,547.20	\$710.00
Memberships & Contributions	\$176,323.61	\$133,338.84
Grants	\$14,500.00	\$1,267,630.00
Income From Home Sales	\$1,554,442.37	\$4,980.00
Interest Income	\$576.81	\$1,474.71
Rental Income	\$17,307.20	\$3,383.00
Salal Operating Income	\$31,528.11	\$29,341.49
Salal Reserve Income	\$15,768.00	\$15,780.00
Total Income	\$1,811,993.30	\$1,456,638.04

2011 Income



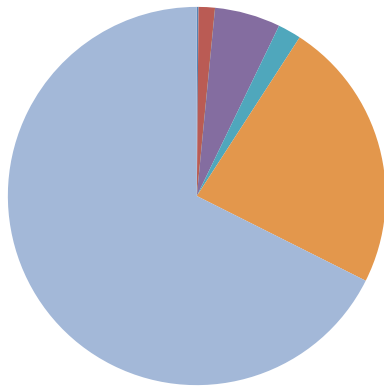
2010 Income



Expense	2011	2010
Sun Rise Maintenance	\$4,009.90	0.00
Sun Rise Operations (KWAN LAMAH)	\$38,357.38	\$2,404.69
Operations: Homebuyer Counseling, Sales, Property Management, Public Outreach	\$154,518.63	\$143,671.23
Salal Operations & Maintenance	\$54,658.14	\$46,965.72
Adjustment: Construct Expense to Assets	-\$637,882.76	-\$4,206,287.49
Cost of Homes Sold	\$1,856,090.58	0.00
Total Expense	\$2,726,964.84	\$4,364,620.95
Total Net Income	-\$287,790.44	\$1,284,615.88

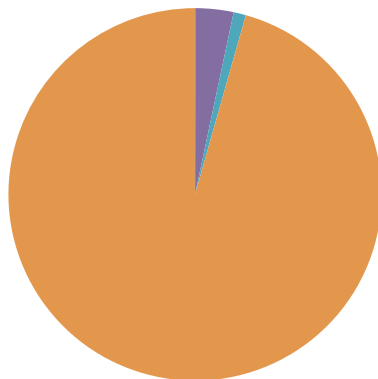


2011 Expense



- Sunrise Maintenance
- Sunrise Operations(KWANLAMAH)
- Operations: (homebuyer counseling, sales, property management, public outreach)
- Salal Operations & Maintenance
- Adjustments (Construct. Expense to Assets)
- Cost of Homes Sold

2010 Expense



- Sunrise Maintenance
- Sunrise Operations(KWANLAMAH)
- Operations: (homebuyer counseling, sales, property management, public outreach)
- Salal Operations & Maintenance
- Adjustments (Construct. Expense to Assets)
- Cost of Homes Sold

Full financial audits by Sanders and Sanders CPAs, PSC, are available on file in the Home Trust Office

San Juan Community Home Trust

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2011 Board of Directors

Barbara Starr — President
Mary Ellen Courtney — Secretary
Glen Bruels
Sam Buck
Peter Kilpatrick
Jim Lawrence
Dina Melic
Lee Sturdivant

Board Members Emeritus

Dr. Larry Soll
Roger Salquist

Executive Director

Nancy DeVaux



Contact Information

San Juan Community Home Trust
435-C Argyle Avenue
P.O. Box 2603
Friday Harbor, WA 98250
fax: 360-378-3742
phone: 360-378-5541
email: info@hometrusted.org
www.hometrusted.org

San Juan Community Home Trust Annual Report 2012



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P.O. Box 2603
Friday Harbor, WA 98250