

2016  
MERCY HOUSING







Dear Partners in Hope,

**DURING THE MOST VITRIOLIC ELECTION CYCLE THIS COUNTRY HAS SEEN IN YEARS, MERCY HOUSING'S WORK GAVE US HOPE ABOUT OUR COLLECTIVE FUTURE.**

Every day, we see people from all walks of life collaborate with an intense sense of purpose to create stable, vibrant, and healthy communities for people with low incomes. This sense of purpose makes our neighborhoods strong and gives us hope that, no matter what the obstacles, we can come together to build a stable future for our families, our children, and ourselves.

Thanks to our founding communities of Sisters, partners, and donors, we have been able to preserve and create safe, affordable homes for 35 years. As the affordable housing crisis continues, and as funding for community

development is at risk of being cut, the support we receive from caring donors and supporters is more critical than ever.

Our mission is not small. But thanks to many of you, it is possible. Thank you for everything you do, and as always,

Live in Hope!

	
Jane Graf President and CEO, Mercy Housing	Barry Zigas Chair of the Board, Mercy Housing



## A BANNER YEAR

MERCY  
HOUSING GREW  
ITS PORTFOLIO  
BY MORE THAN  
**24%**

MERCY LOAN FUND  
(MLF) REACHED A  
HISTORIC MILESTONE OF  
**\$2 billion**  
LEVERAGED IN TOTAL  
DEVELOPMENT COSTS  
SINCE MLF'S FOUNDING

NATIONWIDE,  
MERCY HOUSING BUILT

**7 New  
Communities**

AND ACQUIRED 33  
EXISTING COMMUNITIES

OPENED  
**559**

NEW HOMES FOR SENIORS,  
PEOPLE WITH DISABILITIES,  
LGBTQ SENIORS, AND VETERANS









John Oliverio, Sr. Pat Norton, Sr. Shirley Krull, Jane Graf, Susan Dillberg celebrating the transition of the Franciscan Ministries, Inc. portfolio to Mercy Housing.



MERCY HOUSING

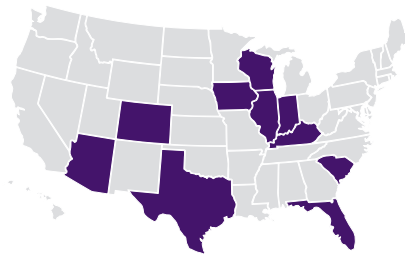
# FRANCISCAN MINISTRIES INC.

GIFTED  
MERCY HOUSING  
**33**  
COMMUNITIES

WELCOMED  
**150**  
NEW  
EMPLOYEES

In 2015, the Wheaton Franciscan Sisters approached Mercy Housing with a request that we take over ownership and management of their 33 affordable housing communities spanning 10 states. In 2016, we successfully transferred these communities to Mercy Housing.

We would like to thank the Wheaton Franciscan Sisters for their decades of work serving society's most vulnerable, and are honored that they chose us to continue and protect their legacy.



*"The decision came after a long deliberation process. As the Sisters age and our numbers decrease, we wanted to transfer our corporate ministries while they are healthy, fiscally sound, and have a strong sense of mission and values. We chose Mercy Housing to assume stewardship of our housing ministry to ensure the continued health of these communities."*

## SISTER PAT NORTON

Chair of the Sponsor Member Board for Wheaton Franciscan Healthcare

*"We are deeply honored by the Wheaton Franciscan Sisters' decision to entrust us with the stewardship of their housing ministry, and are committed to carrying on their legacy. Like Franciscan Ministries, Mercy Housing is dedicated to serving the communities in which we operate with the vision of our founding Sisters."*

## JANE GRAF

President and CEO, Mercy Housing

PRESERVED  
**3,666**  
AFFORDABLE HOMES  
IN 10 STATES

Arizona, Colorado, Florida, Kentucky, Iowa, Illinois, Indiana, South Carolina, Texas, and Wisconsin







MERCY HOUSING



## MEET LILIANA

"I'm strong-willed," says Liliana. "I've always said that I will take care of my own stuff."

But when Liliana gave birth to her daughter Aubrey in 2006, she found that even with her resourcefulness, she needed help. Aubrey was born with cerebral palsy as well as hypoplastic left heart syndrome, a condition that would be fatal without surgery. At only two days old, Aubrey underwent the first of what would be three heart surgeries.

During their two-month stay in the hospital, Liliana desperately searched for a safe home she could afford, a home where she could give Aubrey what she needed while pursuing her dream of becoming a nurse. She found Mercy Housing.

"Soon after I moved in, I enrolled at the local community college," Liliana said. "Mercy Housing gave me a great starting point."

Liliana's home with Mercy Housing was not just an affordable place to live. It offered her a caring environment with a network of supportive services allowing her to pursue her dreams. Liliana became a nurse and was eventually able to save up enough money to buy her own home, where she lives with Aubrey, a happy 5th grader, and her four-month old son.

"To me, home means having my children in a stable, safe, and healthy environment," Liliana said.

Mercy Housing invested in Liliana so that she could invest in her children.



# BY THE NUMBERS

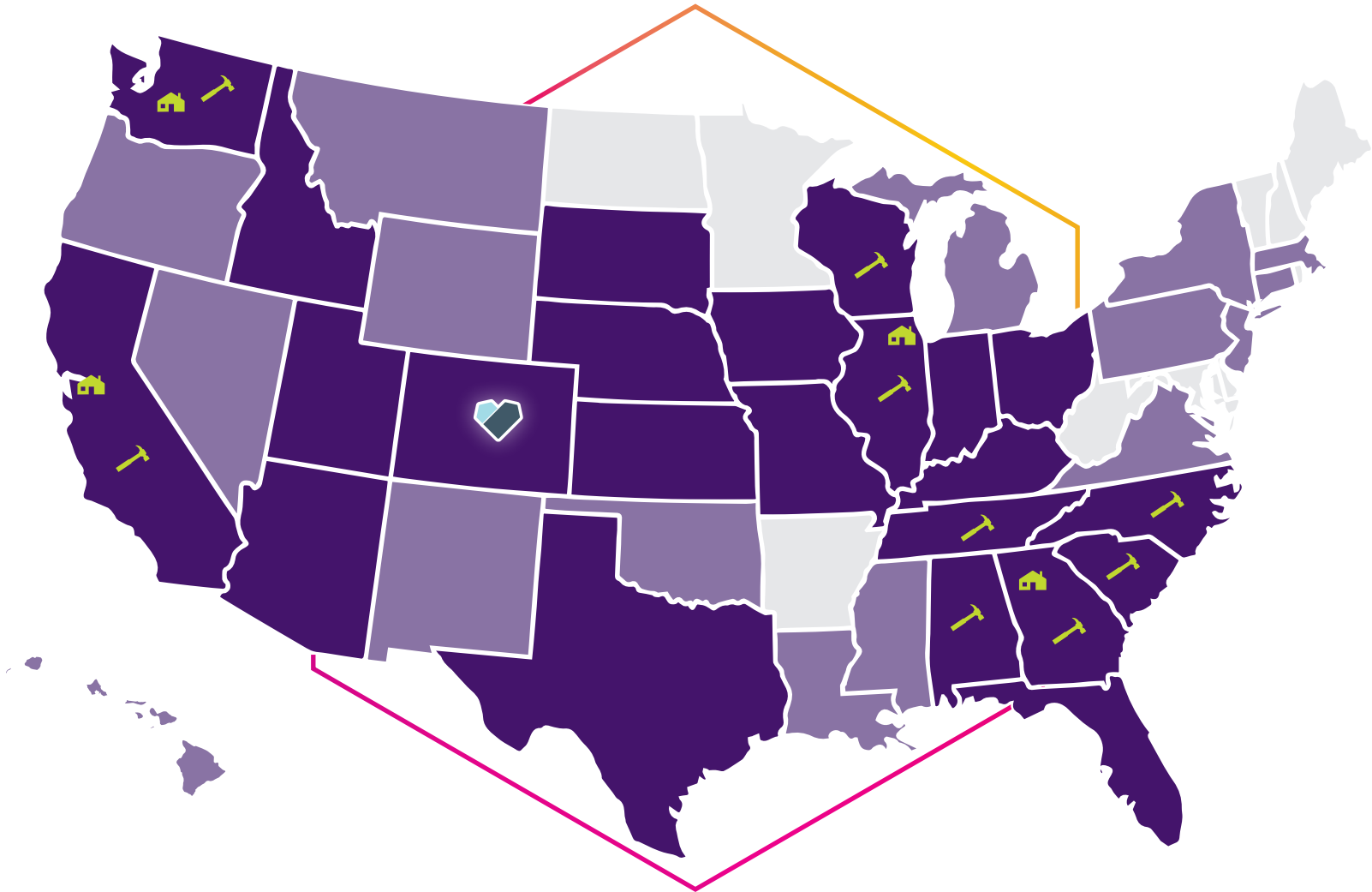
MEDIAN  
RESIDENT INCOME  
**\$13,368**  
ANNUALLY

Families	Seniors	Special Needs
\$19,448	\$12,204	\$10,433



- **FAMILIES (48%)**
- **SENIORS (37%)**
- **SPECIAL NEEDS (15%)**

- Mercy Housing Communities
- Mercy Housing Impact (including Mercy Loan Fund)
- National Headquarters
- ✚ New Development
- 🏠 Regional Office



We have participated in the development, preservation, and/or financing of more than

**54,000**  
AFFORDABLE HOMES  
OVER 35 YEARS

WE OWN 323  
PROPERTIES WITH OVER

**22,000**  
APARTMENT HOMES

MORE THAN  
**35,000**  
RESIDENTS CALL  
MERCY HOUSING HOME



**223**  
PROPERTIES  
OFFER RESIDENT  
SERVICES





# THANK YOU TO OUR DONORS

*"Be the change you want to be! I greatly admire people who see a problem and figure out a solution or at least start some kind of project and take action to make things better. This is why I'm sending Mercy Housing a gift."*

**JANICE**

Loyal Donor

Thanks to donors like Janice, thousands of people are able to build a bright future for themselves and their families. Mercy Housing helps people all over the country live to their full potential by offering affordable homes, coupled with life-changing services.



**INDIVIDUAL  
DONORS**

**1,688**

Including 815  
New Donors

**DONOR  
ORGANIZATIONS**

**530**

Including 188  
New Organizations

**TOTAL DONATIONS RAISED:**

**\$10,768,500**

# 2016 BOARD

## MERCY HOUSING, INC. BOARD OF TRUSTEES

Sr. Barbara Busch, SC  
Sisters of Charity; Executive  
Director, Working In  
Neighborhoods

Yvonne Camacho  
Former CFO, Simpson Housing  
LLLP

Patricia Cochran  
Retired

Adrienne Crowe  
(Vice-Chair)  
Retired

Charlie Francis  
Senior Executive Vice  
President, Dignity Health

Sr. Diane Hejna, CSJ  
Sisters of St. Joseph of Orange

Sr. Rose Marie  
Jasinski, CBS  
Sisters of Bon Secours

Douglas Jutte, MD  
Executive Director, Build  
Healthy Places Network

Barbara J. Kelley  
Retired

Sr. Pat  
McDermott, RSM  
Sisters of Mercy

Jim Park  
The Mortgage Collaborative

Scott Pocock  
Shea Mortgage

Suzanne Swift  
President/Owner, Buffet  
Concepts Inc., Retired

Bob Tetrault  
CFO, Highridge Costa  
Companies

Sr. Linda  
Werthman, RSM  
Sisters of Mercy

Carol Wetmore  
Retired

Leslie Wittmann  
TrustHR

Barry Zigas (Chair)  
Zigas & Associates

Special Advisor  
to the Board:

Jack Diepenbrock  
Principal, Diepenbrock, Elkin &  
Gleason LLP

## CORPORATE MEMBER GROUP

Sr. Barbara Busch, SC  
Sisters of Charity

Sr. Diane Hejna, CSJ  
Sisters of St. Joseph of Orange

Sr. Rose Marie Jasinski, CBS  
(Chair) Sisters of Bon Secours

Sr. Pat McDermott, RSM  
Sisters of Mercy

Sr. Linda Werthman, RSM  
Sisters of Mercy

## SPONSOR COUNCIL

Sr. Rose Ann Aguilar, DC  
Daughters of Charity, Province of  
St. Louise

Sr. Rose Marie Jasinski, CBS  
Sisters of Bon Secours, USA

Sr. Joanne Lappetito, RSM  
Sisters of Mercy, South Central

Sr. Diane Hejna, CSJ  
Sisters of St. Joseph of Orange

Sr. Betty Marie Dunkel, DC  
Daughters of Charity, Province of  
the West

Sr. Maureen Mitchell, RSM  
Sisters of Mercy, Northeast

Sr. Pat McDermott, RSM  
Sisters of Mercy, West Midwest

Sr. Charlotte Davenport, CSJP  
Sisters of St. Joseph of Peace

## FOUNDING COMMUNITIES

Daughters of Charity, Province of  
St. Louise

Daughters of Charity, Province of  
the West

Sisters of Bon Secours

Sisters of Mercy, Northeast

Sisters of Mercy, South Central

Sisters of Mercy, West Midwest

Sisters of St. Joseph of Orange

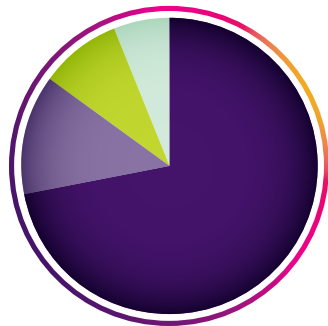
Sisters of St. Joseph of Peace





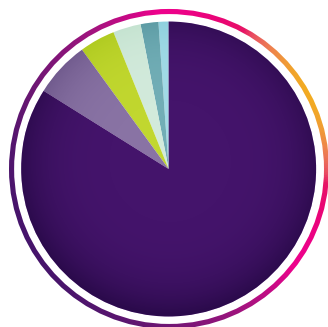


# FINANCIALS FY 2016



## ORGANIZATION WIDE REVENUE BY SOURCE

Property Rental Income	72%
Other	13%
Earned Fees	9%
Philanthropy	6%



## ORGANIZATION WIDE EXPENSES BY PROGRAM

Property Operations & Management	84%
Corporate Operations	6%
Resident Services	4%
Housing Development	3%
Fundraising	2%
Mercy Loan Fund	1%



## PROGRAM EFFICIENCY RATIO

92%

Percentage of Total Expenses Used Directly in  
Program Activities

# FINANCIALS FY 2016

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For Years Ended December 31, 2016 and 2015

<b>ASSETS</b>	2016	2015
Cash and Investments	268,199,059	212,077,581
Notes, pledges and grants receivable	43,939,448	53,363,242
Receivables and investments	12,725,164	8,565,997
Net property and equipment	2,141,078,112	1,891,722,349
Other assets	24,806,751	22,670,548
<b>TOTAL ASSETS</b>	<b>2,490,748,534</b>	<b>2,188,399,717</b>
<b>LIABILITIES</b>	2016	2015
Accounts payable, accrued expenses & accrued interest	187,891,573	153,890,000
Notes Payable	1,443,054,857	1,211,967,086
Other Liabilities	45,901,667	50,097,937
<b>TOTAL LIABILITIES</b>	<b>1,676,848,097</b>	<b>1,415,955,023</b>
Non Controlling Interest	539,616,947	520,367,923
Total Net Assets - Controlling Interest	274,283,490	252,076,771
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>2,490,748,534</b>	<b>2,188,399,717</b>

## CONSOLIDATED STATEMENT OF ACTIVITIES

For Years Ended December 31, 2016 and 2015

	2016	2015
Total revenues	247,644,361	215,005,822
Total expenses	302,477,500	278,183,057
Excess (deficiency) of revenues over expenses	(54,833,139)	(63,177,235)
Attributable to noncontrolling	(60,481,170)	(59,398,699)
Excess (deficiency) of revenues over expenses		
Attributable to Mercy Housing	5,648,031	(3,778,536)





**MERCY HOUSING, INC. (MHI)**, is a leading national affordable housing nonprofit headquartered in Denver, Colorado. Established by the Sisters of Mercy in 1981, and in operation in 41 states, MHI has 35 years' experience developing, preserving, managing, and financing affordable housing. MHI supplements much of its housing with Resident Services, programs that help residents build stable lives. MHI's subsidiaries further the organization's mission: Mercy Housing Management Group (MHMG) offers professional property management and Mercy Loan Fund (MLF) finances nonprofit organizations.

**MISSION:** To create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities.

