

Legacies

A newsletter by the Planned Giving Department
of Habitat for Humanity® International



KIM MACDONALD

Habitat founder Millard Fuller

Dear Habitat Partner,

July has arrived, and it gives me great pleasure to send you our summer issue of *Legacies*, Habitat for Humanity's planned giving newsletter.

In the feature article, you will read about how Habitat for Humanity's Save and Build program reaches families in need around the world. Habitat has historically been unable to help thousands of families because they are not able to make regular mortgage payments.

Save and Build makes it possible. You will read about Sarath Tikiribandara, a Sri Lankan farmer, who had dreamed of providing a decent home for his family for more than 10 years. He even built his own foundation in hopes of one day putting a house on it.

Through Save and Build, the Sri Lankan farmer joined his neighbors to save up enough money to build a dozen homes and quickly repay their debt.

Another article details how to give stocks to Habitat for Humanity. A gift of stocks in return for an annuity allows you to invest in the elimination of

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Save and Build

Chipping away at poverty housing a day at a time

Sarath Tikiribandara is just one of thousands of Sri Lankans who now live the dream of having a sound, stable roof over his head.

Sarath, his wife and three children once shared a deteriorating mud hut as their home. It was all he could afford ten years ago when his father and three brothers helped him make it. Their work took a month to complete.

He dreamed about building a new home for his family every day. He even invested in a foundation and began

making bricks on his own. Still, it seemed unlikely he'd finish his project until he met the treasurer of a Habitat for Humanity savings group and learned about the partnership method called Save and Build.

He went to the Habitat office to find out how he could have a house, too. Others had the same idea. "I didn't know the other members of the group before, but we all wanted a house," Sarath said.

Sri Lanka, where the cost to sponsor a home is \$1,600, is the birthplace of Habitat for Humanity's

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MIKEL FLAMMI

Sri Lankan farmer Sarath Tikiribandara, center, long dreamed of building a simple, decent home for his family. He now lives his dream after building a home through Habitat for Humanity's Save and Build program.

Save and Build

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Save and Build program.

Since 2000, Sri Lankan savings groups have constructed more than 1,300 houses, and plans call for these groups to build more than 2,000 homes by the end of 2004. Dozens of other countries in Asia, Africa and Latin America are following their lead.

Save and Build focuses on a “savings” model rather than a “credit” model, which empowers communities of people with very low incomes to work together to build their homes.

Sarath and fellow group members saved 20 rupees a day, 20 cents a day in the United States. At their monthly meeting they learned more about the savings program and about construction. They talked about their progress in saving money and materials and planned their upcoming build. Each member turned over his

or her payment, and the treasurer reported on how their savings was growing.

They also collected building materials, digging sand from the irrigation ditches and making bricks. “The clay and the water are here; we can make 250 bricks a day,” Sarath said confidently.

After six months of saving, the group had more than 40,000 rupees and asked HFH Anuradhapura to match it with Habitat’s donated funds. Matching funds come from the More Than Houses campaign, which includes donations from planned giving opportunities such as wills and charitable gift annuities.

Once the match had been made, the group started building small “core” houses for three families. Sarath’s was selected by the group to be one of the first.

Today, Sarath and his family have a decent shelter to call home, and the mud hut is a distant memory.

How it works

- Ten to 12 families band together to form a savings group. The groups are self-governing. They choose their own leadership and officers, and they manage themselves, which reduces the administrative burden on Habitat affiliates.
- Each family saves about 15-20 cents a day for six months. While saving, they collect building materials such as sand for bricks and wood for door frames to cut the cost of construction.
- After saving for six months, the group has enough money to build one house. Habitat for Humanity provides funds to build two more houses. Matching funds come from the More Than Houses campaign, which includes contributions through planned giving such as wills and charitable gift annuities. Planned giving donors can designate how their contributions are spent.
- The group provides the basic labor for construction as part of their “sweat equity” while Habitat funding pays for skilled labor. The houses are very basic, consisting of one or two rooms, although the plan allows for expansion after the initial building cycle.
- Families move into their homes and continue to make payments to the savings group until the group has paid off the match from Habitat for Humanity. Groups typically pay off the match in three to five years. The financial burden on families never increases because their payments remain the same throughout the process.
- The group continues to save money and build another set of houses every six months. In 24 months, all of the families live in small, core houses and continue to pay off their loans.



MIKEL FLAMM

Sri Lankan villagers study information about starting a Save and Build group. Savings groups in Sri Lanka, the birthplace of Habitat for Humanity’s Save and Build program, have built more than 1,300 houses since 2000.

Increase retirement income, cut your taxes and help Habitat

A charitable gift annuity is a powerful way to invest in Habitat for Humanity's future while keeping some money for yourself today.

If you have stocks that have increased in value, you can invest in the elimination of poverty housing, cut your tax burden and keep some income for yourself by partnering with Habitat for Humanity.

For example, let's say you're 76 years old and you invested \$10,000 in stock 10 years ago. Today, the stock is worth \$25,283 and pays yearly dividends of \$985.

If you sell the stock, you will owe capital gains taxes on \$15,283 in this tax year, and with interest rates so low, you won't be able to earn much more income from a fixed investment.

Instead, you can transfer your stock to Habitat's Charitable Gift Annuity in return for a guaranteed annual income of \$1,820 for as long as you live. Your taxable gain will drop from \$15,283 to \$8,500, and the gain will be taxed equally over 11 years instead of all at once.

Furthermore, creating the gift annuity will generate a charitable deduction of \$11,220, which could result in substantial



JULIE LOPEZ

tax savings.

Most importantly, after your lifetime, the remaining balance of the annuity will be released to Habitat for Humanity, so you will have the satisfaction of knowing that your final plans will help Habitat.

If you would like to consider using appreciated securities to fund a Charitable Gift Annuity, please contact the Planned Giving Department at (800) 422-4828, Ext. 2253, or plannedgiving@hfhi.org.

Legacy Society honors Habitat partners

Millard and Linda Fuller started Habitat for Humanity in 1976. They dreamed of a world in which all people have a simple, decent place to call home.

Habitat for Humanity has taken great strides toward eliminating poverty housing. More than 150,000 families worldwide have joined the Habitat movement to build new lives for themselves. But the work to rid the world of poverty housing will take more than a lifetime.

Future generations will continue to struggle against shacks and slums. Today, the Millard and Linda Fuller Legacy Society aims to help our children continue Habitat for Humanity's work.

The society gives recognition to those who share Habitat's vision for the future. You can leave a gift in your will, name Habitat as a beneficiary of your retirement plan or fund a charitable gift annuity to enjoy income and tax benefits now while supporting Habitat's future work.

Charter members of the Legacy Society include

Joseph & Margaret VanAndel
John & Diane Weaver
Peter F. Said
Richard C. Miller
Carol W. Anderson
Maureen F. Mulhall
Hugh & Jeanne Sweeny, Jr.
Benjamin & Norma Westrate
Alden M. Jones
Mary Jane Cloud
Chris & JoAnn Brekke
Kenneth A. Kreinheder
Jess Sadowsky
Jack Tatum
Renee Rojahn
Fred & Carol Redmore
Mary E. Wylong
Margaret Cook-Levy
John H. Weaver
Gordon Lubold
Barbara Nickel
Terry & Mary Beth Limpert
Donald S. Gingrich
Sterling & Ruth Challert
Ken & Linda Elliott
Dr. & Mrs. R. W. Meinhard
Rev. Edward T. Triem

Nathan & Lillian Ackerman
Madonna Yates
Jimmie & JoAnne Spiller
Curt Kampmeier
Ann O'Sullivan
Frederick & Anne Buck
Jerry & Andra Hamilton
Earl & Vera Mitchell
Arthur & Elaine Wahrenberger
Stephen & Eleanor Ash
Gerard Noteboom
Kurt & Suzanne Reichle
Joe & Janet Yambrovich
Ralph & Deann Megee
Terry & Elizabeth Renninger
Joan Longmire
J. David & Barbara E. Matthews
Catherine Lomuseio
Elaine S. Jackson
Nona Wynne
M. K. "Trina" Baldwin
Robert J. Busch
Anthony & Marian Moon
David & Sue Gay
Jo Haraf
Hugo Bedau & Constance Putnam

Rev. Matthew C. Stabe
Mattie P. Howze
Mr. & Mrs. Rex J. Spivey
Samuel A. Dicola, Jr.
Marvin Fisher
Sheila T. Burris
Robert J. Buehler
Mrs. Charles M. Butler
Lynn F. Cassidy
Richard & Rena Byers
Leslie Grimes
Donald Stripling
Renee Rojahn
Philip Suomu
Janet W. Hilton
Carol J. Hoffine
Lorraine M. Cogan
George & Frances Ricker
Martin & Mildred Gilman
Lorraine Cohen
David Daley
Dr. David Fraser
David D. & Lois Vogelmann
Thomas R. & Douglass D. Trumble
Diane M. Dressel
William H. Bowman

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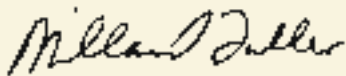
poverty housing while cutting your tax burden and keeping some income for yourself.

Most importantly, after your lifetime, the remaining balance of the annuity will be released to Habitat for Humanity, so you will have the satisfaction of knowing that your final plans will help eliminate poverty housing.

Please call our Planned Giving Department at (800) 422-4828, Ext. 2253, if you'd like to discuss any of Habitat's planned giving opportunities. We'd be happy to send you brochures that explain our planned giving programs in detail.

On behalf of all the families your generosity helps us serve, I would like to thank you. May you and your loved ones be blessed with joy and peace throughout the year.

With appreciation,



Millard Fuller
Founder and President

Contact us

There are several ways you can find out more information about planned giving:

Write:

Planned Giving Department
Habitat for Humanity International
121 Habitat Street
Americus, GA 31709

Call: (800) 422-4828, Ext. 2253

E-mail: plannedgiving@hfhi.org

Web: www.habitat.org/giving/planned

Campaign speeding toward goal

Habitat for Humanity's **More Than Houses** campaign is making significant strides toward fulfilling its commitment to build more houses in less time than ever before.

The campaign's goal is to build 100,000 houses and extend Habitat's reach to at least 100 countries by raising at least \$500 million by the end of 2005.

With about 18 months to go, the campaign has raised more than \$382 million, built 60,000 houses with partner families and made its presence felt in 92 countries. More than 10 percent of the campaign's contributions come through planned giving.

Despite the campaign's rapid work, more than 1 billion people around the world struggle through life in shacks and slums.

"Countless families live in shacks with insufficient heat and little or no access to clean water, proper plumbing or any reliable means of sanitation," said Jack Kemp, the campaign's chairman and a member of Habitat's International Board of Directors. "Every day, more than a billion people suffer the hardships

of poverty housing and dream of a better, more dignified way of life."

The International Board of Directors initiated the campaign in 2000 to accelerate Habitat's ability to combat poverty housing. From 1976 to 2000, Habitat built 100,000 houses. The campaign will give Habitat the ability to redouble its efforts in one-fifth the time.

Corporations, foundations, faith communities and individuals have joined the cause in large numbers.



KIM MACDONALD

Jack Kemp: "Through affordable housing, families have short-circuited the cycle of poverty and built firm foundations on which to plan their futures."

Still, the campaign needs more support to reach its ultimate goal of helping people to live better lives.

"Through affordable housing, families have short-circuited the cycle of poverty and built firm foundations on which to plan their futures," Kemp said. "People suffer the hardships of poverty housing and dream of a better, more dignified way of life."