

HABITAT FOR HUMANITY - BUFFALO, INC.

FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Habitat for Humanity - Buffalo, Inc.
Buffalo, New York

We have audited the accompanying financial statements of Habitat for Humanity - Buffalo, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Habitat for Humanity - Buffalo, Inc., as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Federspiel, Pfeifer & Kubicki, CPA, PC

October 26, 2017

HABITAT FOR HUMANITY - BUFFALO, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 93,878	\$ 473,512
Investments	230,402	222,554
Grants receivable	185,540	87,000
Mortgages receivable	7,794,654	7,932,239
Unamortized discount on mortgages receivable	(4,655,772)	(4,711,138)
Escrow deposits receivable	8,717	10,353
Other receivables	64,161	8,813
Prepaid expenses	15,261	30,009
Construction in progress	282,732	532,814
Real estate held for development	-	36,544
Homes available for resale	-	275,325
Homes and real estate held for sale	852,738	-
Mortgage closing costs, net	6,075	7,074
Property and equipment, net	458,521	454,392
	TOTAL ASSETS	\$ 5,336,907
	\$ 5,336,907	\$ 5,359,491
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Line of credit	\$ 200,000	\$ -
Accounts payable and accrued expenses	106,952	95,434
Escrow deposits liability	12,791	-
Mortgage deposits liability	36,763	-
Long-term debt	263,770	282,098
	TOTAL LIABILITIES	377,532
	620,276	377,532
 NET ASSETS		
Unrestricted	4,716,631	4,981,959
	TOTAL LIABILITIES AND NET ASSETS	\$ 5,336,907
	\$ 5,336,907	\$ 5,359,491

See accompanying notes.

HABITAT FOR HUMANITY - BUFFALO, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended June 30, 2017 and 2016

	2017	%	2016	%
CHANGES IN UNRESTRICTED NET ASSETS				
REVENUE AND SUPPORT				
ReStore sales	\$ 725,450	28.60%	\$ 767,948	20.30%
Contributions:				
Cash	515,742	20.34%	693,384	18.33%
Services	96,253	3.80%	51,218	1.35%
In kind	66,149	2.61%	235,742	6.23%
Transfers to homeowners	484,776	19.12%	1,195,228	31.59%
Mortgage discount amortization	374,405	14.76%	365,463	9.66%
Grants	247,237	9.75%	458,000	12.11%
Other income	11,321	0.44%	11,829	0.31%
Investment income	14,661	0.58%	4,696	0.12%
	<u>2,535,994</u>	<u>100.00%</u>	<u>3,783,508</u>	<u>100.00%</u>
EXPENSES				
Program services	2,511,847	99.05%	3,442,900	91.00%
Administrative	207,143	8.16%	143,390	3.79%
Fundraising	82,332	3.25%	18,088	0.48%
	<u>2,801,322</u>	<u>110.46%</u>	<u>3,604,378</u>	<u>95.27%</u>
INCREASE (DECREASE) IN NET ASSETS	(265,328)	<u>-10.46%</u>	179,130	<u>4.73%</u>
NET ASSETS, BEGINNING	<u>4,981,959</u>		<u>4,802,829</u>	
NET ASSETS, ENDING	<u>\$ 4,716,631</u>		<u>\$ 4,981,959</u>	

See accompanying notes.

HABITAT FOR HUMANITY - BUFFALO, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2017 and 2016

	2017					2016				
	Program Services	Administrative	Fundraising and Development	Total	%	Program Services	Administrative	Fundraising and Development	Total	%
ReStore	\$ 628,503	\$ -	\$ -	\$ 628,503	24.78%	\$ 559,733	\$ -	\$ -	\$ 559,733	14.79%
Cost of homes transferred	579,839	-	-	579,839	22.86%	1,366,881	-	-	1,366,881	36.13%
Labor	409,163	102,220	34,015	545,398	21.51%	327,295	70,070	4,608	401,973	10.62%
Discount on mortgages receivable	319,037	-	-	319,037	12.58%	691,515	-	-	691,515	18.28%
Construction support	138,141	-	-	138,141	5.45%	50,944	-	-	50,944	1.35%
Americorps/Vista labor	116,000	-	-	116,000	4.57%	76,271	-	-	76,271	2.02%
Professional fees	38,218	43,145	1,430	82,793	3.26%	53,494	31,753	-	85,247	2.25%
Allowance for pending home sales	55,540	-	-	55,540	2.19%	-	-	-	-	0.00%
Office expense	14,582	26,104	1,882	42,568	1.69%	7,106	18,206	-	25,312	0.66%
Amerinat service fees	35,796	-	-	35,796	1.41%	26,352	-	-	26,352	0.70%
AHC grant development fee	35,000	-	-	35,000	1.38%	89,000	-	-	89,000	2.35%
Miscellaneous	7,152	10,253	15,598	33,003	1.30%	7,660	11,472	262	19,394	0.51%
Insurance	27,132	1,216	659	29,007	1.14%	16,169	859	-	17,028	0.45%
Vehicle expense	23,210	121	-	23,331	0.92%	-	-	-	-	0.00%
Depreciation/amortization	17,885	4,185	673	22,743	0.90%	41,397	1,378	-	42,775	1.13%
Employee benefits	15,450	3,886	3,312	22,648	0.89%	74,728	1,910	126	76,764	2.03%
Materials	21,575	-	-	21,575	0.85%	5,113	-	-	5,113	0.14%
Habitat International tithe	20,649	-	-	20,649	0.81%	46,604	-	-	46,604	1.23%
Printing & postage	689	2,287	14,903	17,879	0.71%	-	3,023	13,092	16,115	0.43%
Training/seminars	3,000	8,229	850	12,079	0.48%	-	-	-	-	0.00%
Fundraising expense	-	-	8,730	8,730	0.34%	-	-	-	-	0.00%
Telephone	3,037	4,453	-	7,490	0.30%	-	3,688	-	3,688	0.10%
Interest	2,249	-	-	2,249	0.09%	857	-	-	857	0.02%
Utilities	-	1,044	-	1,044	0.04%	-	1,031	-	1,031	0.03%
Bad debt expense	-	-	280	280	0.01%	1,781	-	-	1,781	0.05%
TOTAL	\$ 2,511,847	\$ 207,143	\$ 82,332	\$ 2,801,322	110.46%	\$ 3,442,900	\$ 143,390	\$ 18,088	\$ 3,604,378	95.27%

See accompanying notes.

HABITAT FOR HUMANITY - BUFFALO, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (265,328)	\$ 179,130
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	48,605	42,775
Unrealized/realized gain on investments	(7,848)	(3,004)
Donation of investments	-	(217,030)
Donation of materials	(66,149)	(18,712)
Mortgage discount amortization	(290,072)	(315,768)
Discount on mortgages receivable	319,037	691,515
Issuance of mortgage loans	(516,611)	(1,171,172)
Mortgage payments received	520,694	495,122
Mortgage adjustment for homes returned to Habitat	49,170	44,590
(Increase) decrease in:		
Grants receivable	(98,540)	(57,000)
Escrow deposits receivable	1,636	12,254
Other receivables	(55,347)	3,443
Prepaid expenses	14,748	2,348
Construction in progress	316,231	262,542
Real estate held for development	36,544	(4,191)
Homes available for resale	275,325	(198,364)
Homes and real estate held for sale	(852,738)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	11,518	228
Escrow deposits liability	12,791	-
Mortgage deposits receivable/liability	36,763	-
Deferred revenue	-	(31,500)
	<u>(509,571)</u>	<u>(282,794)</u>
NET CASH USED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, equipment and intangibles	<u>(51,735)</u>	<u>(15,769)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(51,735)</u>	<u>(15,769)</u>

See accompanying notes.

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	(19,039)	(18,352)
Discount on note payable	711	857
Proceeds from line of credit	<u>200,000</u>	<u>-</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>181,672</u>	<u>(17,495)</u>
NET DECREASE IN CASH	(379,634)	(316,058)
CASH, BEGINNING	<u>473,512</u>	<u>789,570</u>
CASH, ENDING	<u>\$ 93,878</u>	<u>\$ 473,512</u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	12,792	\$ 12,157

See accompanying notes.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE A—NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Habitat for Humanity - Buffalo, Inc. (the Organization) is a nonprofit corporation, organized as an affiliate of Habitat for Humanity International. They are an ecumenical Christian housing organization that works in partnership with people in need to build and renovate decent, affordable housing in Buffalo, New York and nearby Lackawanna.

The houses are sold to pre-qualified families at no profit and with no interest charged while the Organization holds the mortgages. Homeowners and volunteers build the houses under trained supervision. Homeowner families are selected based on their level of need, willingness to work, acceptance of responsibilities and ability to repay their mortgage. Families must complete 500 hours of "sweat equity," which includes attending workshops, working at the Organization's ReStore, and by educational achievement. Veteran's Build families must complete 300 hours of "sweat equity."

Habitat for Humanity - Buffalo, Inc. operates two ReStore locations where they sell new and gently used household items. Proceeds from the sale of goods go directly towards building more houses for low income families in Buffalo, New York.

The Organization is financed by private cash donations from individuals, community groups, corporations, charities, foundations, schools, and religious organizations, as well as grants from public entities. They also receive contributions of construction materials, household items, land, and volunteer labor and professional services.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization had concentrated its credit risk by maintaining deposits in banks located within the same geographic region. The maximum loss that would have resulted from that risk totaled \$0 at the end of June 2017 and \$203,556 at the end of June 2016 for the excess of the deposit liabilities reported by the bank over the amounts that would have been covered by federal insurance.

Investments

Investments are carried at fair value, based upon quoted market prices in the statement of financial position. Realized and unrealized gains and losses are reflected in the statement of activities.

Mortgages Receivable

Mortgages receivable are non-interest bearing notes which are secured by real estate and payable in monthly installments over the life of the mortgage. The Organization's management closely monitors outstanding balances and writes off any balances deemed uncollectible.

Non-interest bearing mortgages have been discounted based upon the discount rate established by Habitat for Humanity International as of June 30th of each year. The mortgage discount interest rate is determined according to an annual simple average, by taking the average rate for twelve months, published by IRS "Revenue Ruling 2002-32 section 42(b)(2)" for buildings placed in service during the period. The rates in effect were 7.47% and 7.48% for June 30, 2017 and 2016, respectively. Discounts are amortized using the straight-line method over the lives of the mortgages.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

The Organization outsources the administration of a majority of their mortgages to AmeriNat.

Construction in Progress

Costs incurred in conjunction with home construction are accumulated in construction in progress on the statement of financial position until the house is transferred to a homeowner.

Real Estate Held for Development

Real estate held for development includes the costs associated with acquiring real estate for potential home sites. Once construction has begun, the recorded value of the real estate is transferred to "Construction in Progress."

Homes Available for Resale

Homes available for resale represents homes that had previously been sold to disadvantaged families who were unable to make the mortgage payments and the homes were then deeded back to the Organization. It is the Organization's intention to prepare these homes so that they will be available for resale back to qualifying families.

Homes and Real Estate Held for Sale

Homes held for sale consist of homes owned by the Organization that are valued at the lower of cost or market value. As of the statement of financial statement date, these homes are either awaiting closing or the current tenants are in a probationary period prior to being eligible for ownership.

Mortgage Closing Costs

Mortgage closing costs are being amortized by the straight-line method over the life of the related loan.

Property, Equipment and Depreciation

Property and equipment are recorded at cost. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets.

Escrow Deposits Receivable/Liability

Habitat for Humanity - Buffalo, Inc. collects and escrows payments received from homeowners for insurance and real estate taxes, and remits these payments when they are due for the mortgage servicing retained in house.

AmeriNat handles the escrow administration for the mortgages that they service.

Escrow deposits receivable represents delinquent escrow payments owed to the Organization or to the loan servicing company from the homeowners.

Contributed Services

A substantial number of volunteers have made significant contributions of their time to the Organization's program and supporting services. The value of this contributed time is not reflected in these financial statements since it does not require a specialized skill. However, certain other contributed services that require specialized skills, were provided by individuals possessing those skills and otherwise needing to be purchased if not provided by donation, are recognized as revenue and expense.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

Transfers to Homeowners

Transfers to homeowners are recorded at the gross mortgage amount plus down payment received.

When homes are transferred to family partners, the sales price is typically less than the cost of construction and overhead. The deficiency is met through two types of homeowner subsidies: (a) funds received from government grants that are applied towards the sales price upon closing and, (b) private contributions and grants provided by Habitat for Humanity - Buffalo, Inc. donors and applied toward the sales price to close the gap.

Presentation of Sales Tax

The State of New York, as well as certain counties located in New York State, imposes a sales tax on specific ReStore sales that the Organization has to nonexempt customers. The Organization collects that sales tax from ReStore customers and remits the entire amount to New York State. The Organization's accounting policy is to exclude the tax collected and remitted to New York State from ReStore revenues and expenses.

Income Taxes

Habitat for Humanity - Buffalo, Inc. has received exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Additionally, the Organization is exempt from registration with the New York Department of State due to its status as a religious corporation.

Advertising

The Organization expenses the cost of advertising in the year incurred. Total advertising costs were \$3,607 and \$4,407 for the years ended June 30, 2017 and 2016, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. All of its activities and net assets are classified as unrestricted.

Date of Management's Review

Management has evaluated subsequent events as of October 26, 2017, the date the financial statements were available to be issued. There were no subsequent events noted.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B—INVESTMENTS

The following is a summary of available-for-sale securities at June 30:

	<u>2017</u>			<u>2016</u>		
	Cost	Fair Value	Unrealized Gain(Loss)	Cost	Fair Value	Unrealized Gain(Loss)
Common Stock	\$ 113,260	\$123,478	\$ 10,218	\$ 113,260	\$ 116,663	\$ 3,403
Mutual Funds	34,877	38,461	3,584	34,877	35,091	214
Municipal Bonds	71,024	68,463	(2,561)	71,024	70,800	(224)
Total	<u>\$ 219,161</u>	<u>\$230,402</u>	<u>\$ 11,241</u>	<u>\$ 219,161</u>	<u>\$ 222,554</u>	<u>\$ 3,393</u>

Investment income consisted of the following at June 30:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 6,813	\$ 1,692
Unrealized gain	7,848	3,004
	<u>\$ 14,661</u>	<u>\$ 4,696</u>

Fair value for all investments is determined by reference to quoted prices in active markets of identical assets, which is a level 1 input per FASB ASC 820-10.

NOTE C—GRANTS RECEIVABLE

Grants receivable consisted of New York State grants awarded to the Organization to assist in subsidizing the cost of homebuilding and a grant from a corporation to support a house rehabilitation project. The New York State grant revenue is earned by the Organization upon the sale of a home and upon satisfactory interim project reports for the corporation grant. As of June 30, 2017 and 2016, there was \$185,540 and \$87,000, respectively, of grants that had not been received by the Organization as of year-end. The amounts were fully collected and therefore no allowance for doubtful accounts was deemed necessary.

NOTE D—PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2017</u>	<u>2016</u>
Building and improvements	\$ 549,536	\$ 547,908
Office equipment	36,452	22,990
Vehicles	204,122	167,477
Land	24,366	24,366
	<u>814,476</u>	<u>762,741</u>
Accumulated depreciation	<u>(355,955)</u>	<u>(308,349)</u>
	<u>\$ 458,521</u>	<u>\$ 454,392</u>

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE E--HOME BUILDING ACTIVITY AND REAL ESTATE HELD FOR DEVELOPMENT

The following is a summary of home building activity and real estate held for development for the year ended June 30, 2017:

	<u>Number</u>	<u>Construction in Progress</u>	<u>Real Estate Held for Development</u>
Balance at July 01, 2016	14	\$ 532,814	\$ 36,544
Additional costs incurred	2	320,929	-
Transfer of real estate	(4)	8,828	(36,544)
Homes transferred during the year	<u>(5)</u>	<u>(579,839)</u>	<u>-</u>
Balance at June 30, 2017	<u>7</u>	<u>\$ 282,732</u>	<u>\$ -</u>

As of June 30, 2017, the Organization had 15 homes being held for sale totaling \$852,738. These are completed homes that are waiting for the closing process.

The following is a summary of home building activity and real estate held for development for the year ended June 30, 2016:

	<u>Number</u>	<u>Construction in Progress</u>	<u>Real Estate Held for Development</u>
Balance at July 01, 2015	14	\$ 776,644	\$ 32,353
Additional costs incurred	14	1,110,851	16,391
Transfer of real estate		12,200	(12,200)
Homes transferred during the year	<u>(14)</u>	<u>(1,366,881)</u>	<u>-</u>
Balance at June 30, 2016	<u>14</u>	<u>\$ 532,814</u>	<u>\$ 36,544</u>

NOTE F--MORTGAGE CLOSING COSTS

Mortgage closing costs consisted of the following at June 30:

	<u>2017</u>	<u>2016</u>
Mortgage closing costs	\$ 9,986	\$ 9,986
Accumulated amortization	<u>(3,911)</u>	<u>(2,912)</u>
	<u>\$ 6,075</u>	<u>\$ 7,074</u>

NOTE G--LINE OF CREDIT

The Organization has a revolving line of credit with KeyBank of \$350,000. The line carries an interest rate of prime plus .50% per annum (4.75% at June 30, 2017). The line is secured by general assets of the Organization. There was \$200,000 and \$0 outstanding at June 30, 2017 and 2016, respectively.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE H—LONG-TERM DEBT

As of June 30, 2017 and 2016, long-term debt consisted of the following:

	<u>2017</u>	<u>2016</u>
KeyBank – a \$300,000 mortgage note due in monthly installments of \$2,257, including interest at 4.25%. The note matures July 2023 and is secured by the real property at 1675 South Park Avenue, Buffalo, New York.	\$ 239,042	\$ 255,582
West Side Neighborhood Housing Services Inc. – a \$50,000 noninterest-bearing note discounted at the imputed interest rate of 3.0% and due in annual installments of \$2,500. The note matures November 2029.	24,728	26,516
	<u>\$ 263,770</u>	<u>\$ 282,098</u>

The carrying value of the noninterest-bearing obligation is shown net of total unamortized discount of \$5,272 and \$5,983 at June 30, 2017 and 2016, respectively.

Annual maturities of long-term debt subsequent to June 30, 2017 are as follows:

June 30, 2018	\$ 19,054
2019	19,857
2020	20,694
2021	21,566
2022	22,475
Thereafter	<u>160,124</u>
	<u>\$ 263,770</u>

NOTE I—TITHE TO HABITAT INTERNATIONAL

The Organization tithes a portion of the non-designated contributions and non-operating income it receives to Habitat International. These funds are used to construct houses in economically depressed areas around the world. The Organization contributed \$20,649 and \$46,604 for the years ended June 30, 2017 and 2016, respectively. These amounts are included in program services expense in the statements of activities and changes in net assets.

NOTE J—LEASES

Operating Leases

The Organization leases property located in Buffalo, New York, for one of their ReStore locations. The three year lease expires October 2018 and calls for monthly payments of \$2,513 until September 1, 2017 and \$2,639 for the remaining lease term. Rent expense of \$29,918 and \$30,772 is reflected in the statements of activities and changes in net assets as part of ReStore expenses for the years ended June 30, 2017 and 2016.

HABITAT FOR HUMANITY - BUFFALO, INC.
NOTES TO FINANCIAL STATEMENTS

The future lease payments under this operating lease are as follows:

June 30, 2018	\$	31,290
June 30, 2019		10,556

The Organization is also leasing warehouse space in Buffalo, New York for additional storage space. The lease began June 1, 2015 and is on a month-to-month basis. The lease calls for monthly payments of \$1,500. Rent expense totaled \$16,500 and \$19,500 for the years ended June 30, 2017 and 2016, respectively.

The Organization is leasing solar panels to help lower energy costs at one of their ReStore locations. The 15 year lease expires April 2028 and calls for monthly payments of \$100. The \$1,200 lease expense for June 30, 2017 and 2016, was included with ReStore expenses.

The future lease payments under this operating lease are as follows:

June 30, 2018	\$	1,200
2019		1,200
2020		1,200
2021		1,200
2022		1,200
Thereafter		7,000