



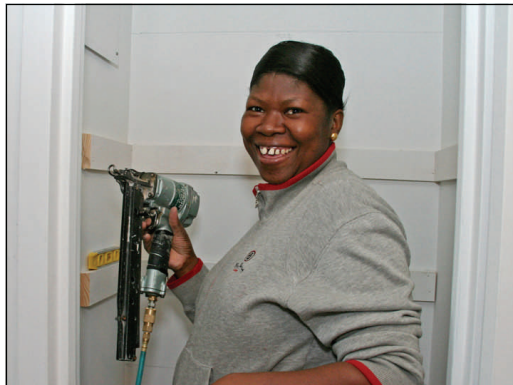
2009 Mid-Year Update

Constructing Record Numbers of Green Homes for Families in Need

In 2009, Habitat-NYC has taken our home production to a new level. With 70 homes in various stages of construction, we are increasing the total number of homes built in the history of our affiliate by a remarkable 40%. In transitioning to a new home financing model, Habitat-NYC has been able to boost our home production to a level unseen since our founding in 1984. As we complete 41 units in Brownsville, Brooklyn, and break ground on 16 units in Bedford-Stuyvesant, Brooklyn, volunteers are erecting drywall on 12 units in the South Bronx. In August, we are planning a special build at Citi Field in Queens with the Mets, where volunteers will frame a home that we will tithe to one of our upstate affiliates. The result of Habitat-NYC's surge in production is that more hard-working families than ever before will live in safe, affordable Habitat-NYC homes.



Esther Huambo and her family accepting the milled wood from the Rockefeller Christmas Tree.



Family Partner Waunda Lashley-Greer working on her new home, installing shelves made from the wood from the Rockefeller Christmas tree.

We are 95% complete on our 41-home "Atlantic Avenue" project in Ocean Hill-Brownsville, Brooklyn. Almost 10,000 volunteers have joined together to help complete our Atlantic Avenue project in Brooklyn, the largest and greenest multifamily project ever undertaken by Habitat for Humanity around the globe. In a difficult environment, we have rallied our supporters to help us bring this project home, with dozens of excited family partner homebuyers waiting to move into their homes. On Saturday, September 26, we will hold a celebratory ribbon-cutting and provide Habitat family partners with the keys to their new homes. Leading up to the dedication, we are offering site tours to our wonderful supporters, and we welcome you to join us!

For the first time, Habitat-NYC is partnering with another developer to construct a multifamily building in the South Bronx. Habitat-NYC is leveraging our staff's real estate expertise to forge partnerships that will expand the homeownership possibilities for the families in need whom we serve. Today, Habitat-NYC is partnering with Blue Sea Development, a leading for-profit affordable housing developer, to provide 12 homeownership opportunities to Habitat for Humanity family partners within a beautiful green, 50-unit, mixed-income co-op in the South Bronx.



Volunteers at Habitat-NYC's annual Women Build event. The building on Fox Street and Leggett Avenue in the South Bronx is Habitat-NYC's first co-development project.

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Making Critical Investments in Distressed Neighborhoods

Through all five boroughs of New York City, Habitat-NYC is undertaking targeted capital improvement projects to strengthen hard-hit New York City communities. At a time of high foreclosures, job loss and economic distress, Habitat-NYC has taken stock of our capabilities and set out to help the communities we serve. Understanding that many of the neighborhoods in which we build—Ocean Hill-Brownsville, Brooklyn; the Longwood section of the South Bronx; the North Shore of Staten Island; Harlem; and Jamaica, Queens—are facing unprecedented challenges, Habitat-NYC has sought to work with our local partners to effect meaningful changes. In the past several months, we have worked with our selfless volunteers to quickly rehabilitate the African Refugee Center in Fox Hill, Staten Island, paint public school classrooms in the Longwood section of the Bronx, transform a public park in Ocean Hill-Brownsville and rehabilitate community spaces in a series of New York City Housing Authority buildings across the city. These efforts are running parallel to homebuilding efforts in these communities.



Habitat-NYC Volunteers painting P.S. 62 classrooms across from your South Bronx construction site.



Habitat-NYC AmeriCorps and volunteers improving a community garden in Ocean Hill-Brownsville, Brooklyn.

Habitat-NYC is having a robust impact in underserved communities. In addition to providing affordable home-ownership opportunities for 41 low-income families in Ocean Hill-Brownsville, Habitat-NYC's construction and volunteer efforts will channel nearly \$2 million to businesses in the local community – ranging from purchases of construction materials to morning coffees purchased by our thousands of volunteers, to lunches and snacks purchased at the shops and bodegas abutting our build site. Over the next 40 years, it is expected to generate about \$34.5 million in economic development. Similarly, our volunteer projects in each borough are injecting resources and vitality into NYC's lowest-income neighborhoods. Similar impacts are being felt in the communities of Longwood in the South Bronx and Bedford-Stuyvesant in Brooklyn, where Habitat-NYC is currently building.

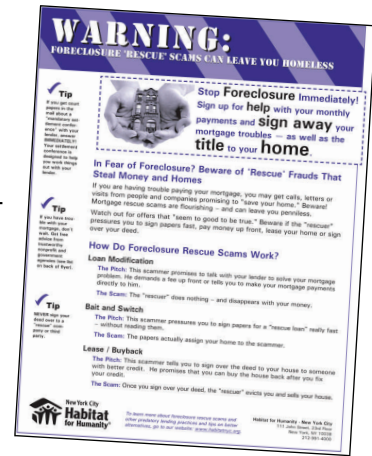


Volunteers and staff members chow down on pizza and other hot foods at this year's MLK Day Celebration.

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Habitat-NYC “Loan Rangers” are blanketing low-income neighborhoods with critical, financial literacy information. Predatory businesses routinely target low-income, New York City communities of color with financial products that can destroy a family’s fiscal well-being. These products included refund anticipation loans, rent-to-own products and even some credit cards that are marketed aggressively in NYC’s low-income communities of color. Habitat-NYC “Loan Rangers” volunteers work in these communities, distribute flyers and hold forums and workshops for individuals seeking to avoid or climb out of a spiral of debt. We are proud to report that thousands of individuals and families have received this enlightening financial literacy information, which will help them repair their credit standing and make informed choices for the future.

Volunteers have distributed thousands of Loan Rangers “Foreclosure Scam” flyers.



Habitat-NYC has tithed funds to build desperately-needed homes in Mexico and the Dominican Republic. Habitat-NYC not only builds in New York City, we also sponsor important homebuilding projects in slum areas around the world. This year, our Board of Directors has designated areas in Mexico and the Dominican Republic as the recipients of home sponsorships. In addition, Habitat-NYC staff has helped to build homes (on their respective breaks and vacations) in Brazil, Vietnam, China and India.

Habitat-NYC staff built in Brazil in May 2009.

Performing at a High Level to Serve More Low-Income Families

Habitat-NYC has been named 2009 “Non-Profit of the Year!” At its annual conference on May, 2009, the New York State Affordable Housing Association (NYSFAFH) named Habitat-NYC and our sister affiliates across New York State as Non-Profit Developer of the Year.

In receiving this award, NYSFAFH cited Habitat-NYC’s construction of the “largest, greenest multi-family building in the history of Habitat for Humanity” in Ocean Hill-Brownsville, Brooklyn, and Habitat-NYC’s recent launch of the “first multifamily joint venture project for Habitat for Humanity nationwide” in the South Bronx on Fox Street and Leggett Avenue. Coupled with our recent *4-Star Charity Navigator Rating*, the highest possible, the NYSFAFH award provided us with strong encouragement that we are performing at the highest level as we seek to broaden our impact in distressed neighborhoods.

Habitat-NYC Executive Director Josh Lockwood (right) accepting NYSFAFH “Not-for-Profit of the Year” award.

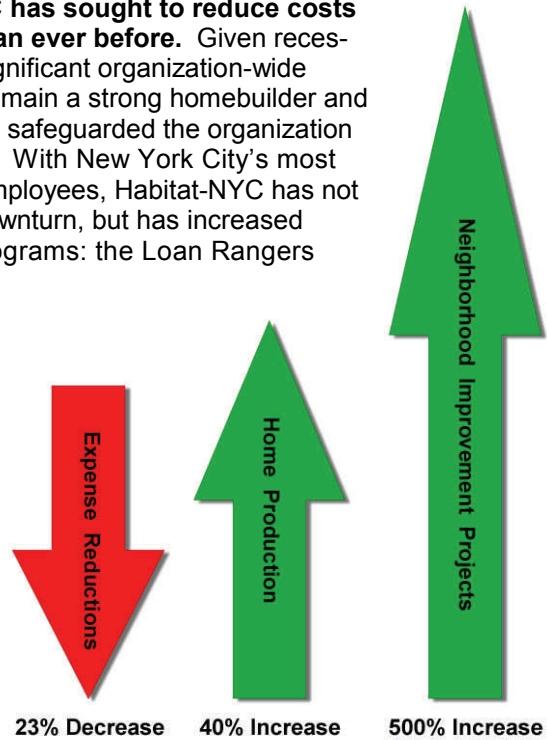


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Ensuring Donor Dollars Have Maximum Impact

In an environment of scarce resources, Habitat-NYC has sought to reduce costs and maximize efficiencies to serve more families than ever before. Given recessionary pressures, Habitat-NYC adopted difficult and significant organization-wide changes in late 2008 to ensure that our affiliate could remain a strong homebuilder and advocate for low-income families. These changes have safeguarded the organization while empowering us to adhere to longstanding goals. With New York City's most talented and committed team of board members and employees, Habitat-NYC has not only met the challenges brought on by the economic downturn, but has increased home production and launched two important new programs: the Loan Rangers anti-predatory lending public awareness campaign and the Brush with Kindness neighborhood improvement project.

At our marquee annual benefit, Habitat-NYC's Board of Directors and our honorees have stepped up to underwrite all event costs. Each year, Habitat-NYC relies on a celebratory fundraising dinner to support our operations. Recognizing the difficult economic circumstances in the city at this time, the Habitat-NYC board of directors is funding all 2009 event costs so that all attendees and grantors can be confident that they are funding Habitat-NYC programs only. Please join us on November 9 as we honor Delta Airlines, St. John's University, Faith Partner True Holy Church and Family Partner Candace George and her children. For more information contact James Andrews at (212) 991-4000 ext. 330.



Habitat-NYC'S 2009 Family Partner of the Year Candace George and her family in front of their Habitat home in Brooklyn.