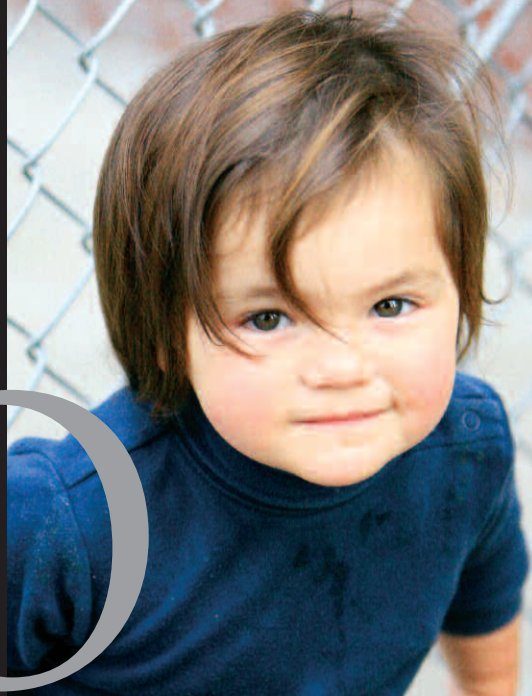


IPO



Immediate
Public
Opportunity...
to end
homelessness



Prospectus



**Homeward
Bound**
OF MARIN



A Message from Mary Kay and Father Phil

Dear Friends, Investors, and Ad-Venture Capitalists,

Thank you for your interest in the very first nonprofit IPO. This prospectus will provide an insight into the work of Homeward Bound, an overview of *The Next Key* project, and details of this “Immediate Public Opportunity...to end homelessness.”

Homeward Bound of Marin was founded in 1974 by Marin County’s compassionate inter-faith community. From a single program serving homeless families, we have grown to our current status as one of the area’s most respected nonprofit agencies, operating 10 inter-related programs with a 343-bed capacity, serving homeless adults, families and people with persistent mental illness.

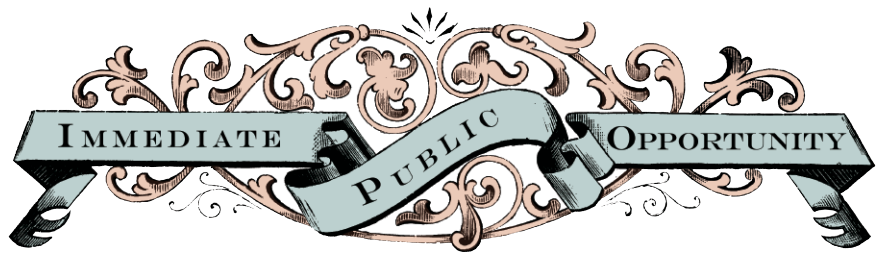
Homeward Bound partners with a plethora of social service agencies to extend our reach and services on behalf of the local community. Successful employment training programs, a pioneering trauma treatment program, expressive art therapy, and innovative social ventures have ensured that our programming remains dynamic and effective.

The Next Key project is a critical continuum of our services and we pay tribute to the Initial Investors who have shared our vision and enabled us to reach this point. Over half of the funds for this project have already been generated and it is with great excitement that we launch the first nonprofit IPO. We invite you to seize this Immediate Public Opportunity...to end homelessness, to take stock in your community today, and share this vision of a brighter future for all.

With Gratitude,

Fr. Phil Rountree
President, Board of Directors

Mary Kay Sweeney
Executive Director



Introducing an IPO that's more than a tax shelter; it's a human shelter!

In May 2007, pioneering nonprofit Homeward Bound of Marin launched the first nonprofit "IPO"—an Immediate Public Opportunity...to end homelessness!

Up to 200,000 fundraising "shares" have been made available at just \$32 each.

Your investment will help to generate *The Next Key*, an innovative employment training and housing facility that will empower formerly homeless individuals to realize their growth potential.

What are the returns on my investment?

- 32 units of affordable housing and job training opportunities
- A long-term legacy of creating self-sufficient futures in our community
- Annual Keyholder Reports documenting the progress of the residents (all will be enrolled in job training programs)
- Invitations to Annual Open House events at the facility
- A share certificate to display in your office/classroom/home
- 10% discount when you hire Fresh Starts Catering for an event
- Public recognition in the Bay Area print media and at the facility
- A letter confirming that your share purchase is fully tax-deductible

The Returns On Investment from this project will have names and faces!

We can all be Angel Investors and Ad-Venture Capitalists. Take stock in your community today!

All funds raised during this "Immediate Public Opportunity" are tax deductible and will be used to build *The Next Key* facility at Hamilton Field, Novato, CA. The above named stockholder does not actually own stock or shares in the nonprofit public charity "Homeward Bound of Marin" or any of its assets. These IPO shares offer shareholders an opportunity to "take stock in their community."

"*The Next Key* project helps people in so many ways. It will help people become self-sufficient and provide increased housing for those involved in job training programs. This builds on Homeward Bound's wonderful track record of supporting and nurturing people through challenging life transitions, and we've been proud to support their efforts over the years".

—Thomas Peters, Ph.D., President and CEO of the Marin Community Foundation—announcing MCF's \$1.25 million grant to the project

"*The Next Key* project is a significant addition to the vitality of our community because it invests in the very foundation of the community itself—our people. It provides those who've faced some particularly difficult challenges with the financial, vocational, and life skills that will empower them to take control of their lives, become self-sustaining, and give back to our community as productive, engaged citizens.

Circle Bank was founded on the concept of pioneering new ideas and creative partnerships to achieve a common goal. We are proud to expand our relationship with Homeward Bound through this 'Key' community project."

—Kimberly A. Kaselionis,
President & CEO of Circle Bank





The Returns on Investment from this project will have names and faces!

Your share purchase will create progressive futures for people working their way out of homelessness and for members of the local community too. *The Next Key* will expand job-training and self-improvement opportunities for generations to come. The returns on this investment are most clearly conveyed by people who have already benefited from Homeward Bound's employment training curriculum.

Judy Orta-Locati

Judy Orta-Locati arrived at Homeward Bound's Family Emergency Center in 2002, divorced and expecting her fifth child. She left after several weeks, but returned in 2005 and staff supported her creation of a personal action plan. "When I first got to Homeward Bound, I was absolutely set on thinking that I could not work full time and I was not capable of discipline," says Judy. She built growth potential by enrolling in our Fresh Starts Culinary Academy, completed her training in March 2007 and now works as a shift supervisor for Starbucks Coffee Co. She recently moved to her own apartment in Novato. "I love the people I work with and I love the training support I've gotten from Starbucks," says Judy, who starts work at 5 a.m. "I really owe a lot to Homeward Bound. It's a great program."

Albert Long

Albert arrived two years ago at Mill Street Center, our adult emergency shelter. He recalls having "no dream or ambition whatsoever" after troubles with substance abuse and arrest. At Mill Street, Albert wrote a personal action plan and then

moved to the New Beginnings Center, where apprenticeships helped him develop skills in building maintenance and landscaping. He left the center after six months, began working as a home care aide and started freelancing as a handyman. He seized the growth potential of his own business, The Odd Job Guy, which now employs four people and contracts for everything from property management to landscaping to moving jobs. Albert invests in his community as a regular volunteer for Homeward Bound. "I can't say enough in favor of Homeward Bound. If someone like myself can find help here, anyone can," he says.

June Farmer

June Farmer began her journey home in 2003. A homeowner in San Francisco and a worker for the city transit system for 12 years, June operated a licensed day care with her mother to help make ends meet and care for her 8-year-old twin boys. When June's mother could no longer run the day care, June left her job at Muni to take charge but found her income was insufficient. Her house fell into foreclosure, leaving her and her sons homeless.

Needing to regroup, June moved into our Family Emergency Center, enrolled in our Fresh Starts Culinary Academy and invested in the future of her family. She graduated from this job-training program straight into employment at Beth's Fine Desserts. June is now in independent housing, still works at Beth's and her family is thriving. "I was able to accomplish so much at Homeward Bound," she says.

Georgina Aleman

A forlorn figure in 2001, Georgina Aleman came to our Family Emergency Center after living in a car with two young children and a new baby. A Nicaraguan native, she survived a rocky marriage with a man who forbade her to learn English or find work in her chosen profession as a teacher. When he was deported, she juggled two jobs to make ends meet but lost her income after an accident that broke her pelvis. She stabilized her family at Homeward Bound, moved to our transitional housing, and enrolled at College of Marin to learn English while studying to become a dental assistant. She proudly graduated from both courses, found employment in a job she loves at a Fairfax dental office, and moved into independent housing with her three children. "Homeward Bound allowed me to become self-sufficient. I don't know where I would be without them," she says.

Photos above from left to right: Judy Orta-Locati, Albert Long, June Farmer, Georgina Aleman

Components of the Next Key

The Next Key will supply viable opportunities to people transitioning out of homelessness. The 32 affordable studios will provide housing for adults investing in their futures, while expanded job training will build employment options for residents and members of the public. Other components that make this a truly unique investment are:

Social Enterprise

Social enterprises pursue a double bottom line—profit generation and social purpose. Homeward Bound of Marin will operate two proven social enterprise ventures from *The Next Key*, providing revenue to the agency and on-the-job training for students of our acclaimed Fresh Starts Culinary Academy.

Fresh Starts Catering—a business where students build skills, experience, and confidence needed to succeed in the Bay Area’s busy food service industry.

Halo Truffles and **Halo HomeMades**—an array of delicious chocolate truffles made by academy students and staff, along with a line of salsas, sauces, jams and preserves that give the community a chance to “take a bite out of homelessness.”

Both of these growing ventures will make use of *The Next Key’s* expanded commercial kitchen and bigger classroom space.

Sustainability

Reflecting the progressive values of the Bay Area, *The Next Key* has been designed as a sustainable facility in the following ways:

Green Building—The design includes photovoltaic roof panels, a solar hot-water system, green construction materials and use of green products in the catering business.

Organic Produce—A 21-row organic vegetable garden will supply produce for Fresh Starts Catering, as well as residents, contributing to human and environmental health and minimizing our carbon footprint.

Self-Sufficiency—This pioneering facility has been planned to generate enough revenue to cover its operating costs when completed.

Bringing the Community Together

Community members and local neighbors played a vital role in conceiving of this facility, offering ideas at forums and speaking in support of *The Next Key* at public meetings. This support derives from involvement: Rotary Clubs, government agencies and other community groups hold luncheon meetings at the New Beginnings Center and hire Fresh Starts Catering, while schools, congregations and businesses partner with Homeward Bound to deliver services.



The Next Key will enrich this relationship with a 150-seat conference center available for rent, expanded job-training programs open to the public and a demonstration kitchen offering fee-based culinary classes by local chefs. This facility will serve people from all walks of life, bringing them together to build a stronger community.

Photo at right: Detail of Mildred Howard’s installation for the San Francisco Arts Commission on Stevenson Street, San Francisco.

World Class Art

The City of Novato requires every new commercial project to feature public art and *The Next Key* is no exception. Our building will feature exceptional art! Internationally acclaimed Berkeley artist Mildred Howard will work from the question of what constitutes home. How is the feeling of home defined, redefined, remembered, forgotten and acquired?

Her work co-mingles the past with the present, creating a model of the world; a model that toys with one’s emotions by questioning beliefs and misconceptions of how the world is viewed by different voices. Howard will develop a work that integrates into the overall architecture of the building, giving those who live and visit it a sense of ownership and connection to the end goal, ending homelessness. After visiting New Beginnings Center and witnessing the transformation of an acquaintance from her own neighborhood, Ms. Howard immediately committed to the project.

Known for site-specific sculptural installations, Ms. Howard has exhibited from England to Egypt. Among the many museums and galleries displaying her work are the de Young Museum and MoAD in San Francisco and the Oakland Museum of California. Her new work is currently on exhibit from May 9 to June 2 at Gallery Paule Anglim at 14 Geary St. in San Francisco.



EDITORIAL

New Beginnings a Good Investment

PSSSST. Looking for a hot stock tip? A successful local operation with decades of a proven track record is looking to expand. It operates in a market where there is no shortage of customers and little competition. In fact, it often has to turn away business.

If you are an investor attracted by dividends, this is an opportunity of a lifetime. Top executives are deeply passionate about what they do and are committed to making Marin a better place to live.

We are talking about Homeward Bound's plans to expand its New Beginnings Center in Novato.

New Beginnings opened seven years ago as Marin's largest year-round homeless shelter. It has been successful in helping homeless residents get back on their feet and make the tough transition back to the working world through its 80-bed shelter and jobs programs, which include computer, culinary, landscaping, building maintenance and janitorial training.

The program has outgrown its facilities and wants to add 32 studio apartments to augment its 80-dormitory-style beds, a

larger culinary facility with a commercial kitchen, job-training classrooms, offices and a 150-seat conference center that will be available to the public.

The expansion has been in the works for several years. When first planned, the cost was estimated at \$6.5 million; about \$5 million has been raised, including a \$1.5 million commitment from the Marin Community Foundation.

Building material costs, unfortunately, have jumped, thanks to Hurricane Katrina and other factors, pushing the cost to an estimated \$9.5 million.

Executive Director Mary Kay Sweeney remains optimistic, saying the effort is "in the homestretch."

Advocates hope that residents and businesses that were so supportive in giving money to build the center a decade ago will open their wallets and validate the important work New Beginnings does each day. Nearly 70 percent of those who complete the program move on to independent housing.

To reinforce the role New Beginnings plays in the county, Homeward Bound in May will offer a nonprofit "IPO"—modeled after the initial public offerings of stock that

companies sell to raise money for expansion. We all will have the opportunity to invest in New Beginnings—and by doing so, invest in the fabric of our county. Helping people turn their lives around and become productive members of society is a pretty powerful mission statement.

The "IPO" will consist of 200,000 shares priced at \$32 each and will be available at Homeward Bound's Web site, www.hbofm.org. There is no limit on how many shares you can buy.

"It is a fund-raising strategy geared for people to take stock in their community and see how return on investments in people can yield more satisfying and long-lasting results than simple monetary investments in companies that may or may not survive," Sweeney told the IJ.

Homeward Bound and New Beginnings have given much back to Marin over the years. Residents and businesses now have the opportunity to repay all that success and devotion by helping New Beginnings raise the additional money needed to complete its Next Key program.

This is a stock tip we gladly share with anyone who cares about the future of this county.



Recognition for Homeward Bound of Marin

2006 Awards

Golden Bell Award for Innovative and Sustainable Education Programs to Carol Menard, Director of Culinary Education

Marin Economic Commission Award for Community Leadership and Service to Homeward Bound and Executive Director Mary Kay Sweeney

Martin Luther King, Jr. Humanitarian Award of Marin County Human Rights Commission, to Bob Puett, Deputy Director

Violet Richardson Award, Soroptimist International of the Americas for Volunteer Service to Cailen Wright, Volunteer

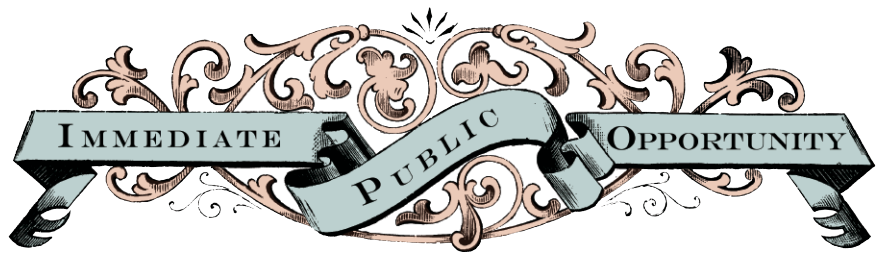
2005 Awards

The Jefferson Award for Public Service to Kimball Kaufman, Volunteer

Heart of Marin Award for Achievement in Non-Profit Excellence to Homeward Bound

Heart of Marin Award for Excellence in Non-Profit Leadership to Mary Kay Sweeney, Executive Director,

Heart of Marin Award Youth Volunteer of the Year to Trey Bullieri, Volunteer



Take Stock In Your Community!

A ground floor opportunity to end homelessness!

For a limited time, you can purchase fundraising shares in *The Next Key*. At \$32 per share, this outlay guarantees a return on investment, every 2 years, as people graduate from the program into housing and employment.

Stockholders, meet Keyholders!

Here's how it works. Once we have enough investors to build *The Next Key*, 32 people will move in and start their journey to self-sufficiency. These formerly homeless adults will be engaged in job training and income building for the duration of their stay, enabling them to move out of poverty and on with their lives. You will learn of their progress in the annual Keyholders Report and be able to meet them at an annual open house.

When our stocks go up, homelessness goes down!

Homeward Bound of Marin invites you to take advantage of this remarkable opportunity to purchase shares in the very first nonprofit IPO. Your investment today will benefit people for many years to come. Simply complete and return the IPO share order form below or buy shares on-line at www.hbofm.org and take stock in your community today!



IPO Immediate Public Opportunity...to end homelessness

Thank you for your support. With your help we will create this vital next key to ending homelessness in Marin.

I would like to purchase _____ shares at \$32 each. My check for \$ _____ is enclosed.

I would like my name to be displayed on the share certificate as _____

My tax-deductible letter and share certificate should be mailed to:

Name: _____

Address: _____

Phone: () _____ Email: _____

Please cut out this form and mail it with payment to:

Homeward Bound IPO, 199 Greenfield Avenue, San Rafael, CA 94901

Homeward Bound OF MARIN

Thank you

Homeward Bound of Marin would like to thank all of our donors and volunteers who enable us to make strides toward ending homelessness. We would like to salute the following Initial Investors who have already pledged significant capital to *The Next Key* project:

Marin Community Foundation, HomeAid Foundation, San Francisco Foundation, Workforce Housing, LLC, Centex Homes, Nordby Construction, Fredric Devine Architects, the Hamilton Neighbors for Responsible Growth, Bank of Marin, Circle Bank, First Republic Bank, Wells Fargo Bank, World Savings, GreenPoint Mortgage, Cal Land Title, Autodesk, Marin Airporter, Marin Independent Journal, County of Marin, Marin County Community Development Agency, Department of Veterans Affairs, City of Novato, Marin County Board of Supervisors, John E. & Helen K. Cahill Fund, The Drexler Estate Fund, Gruber Family Foundation, Pell Family Foundation.

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