

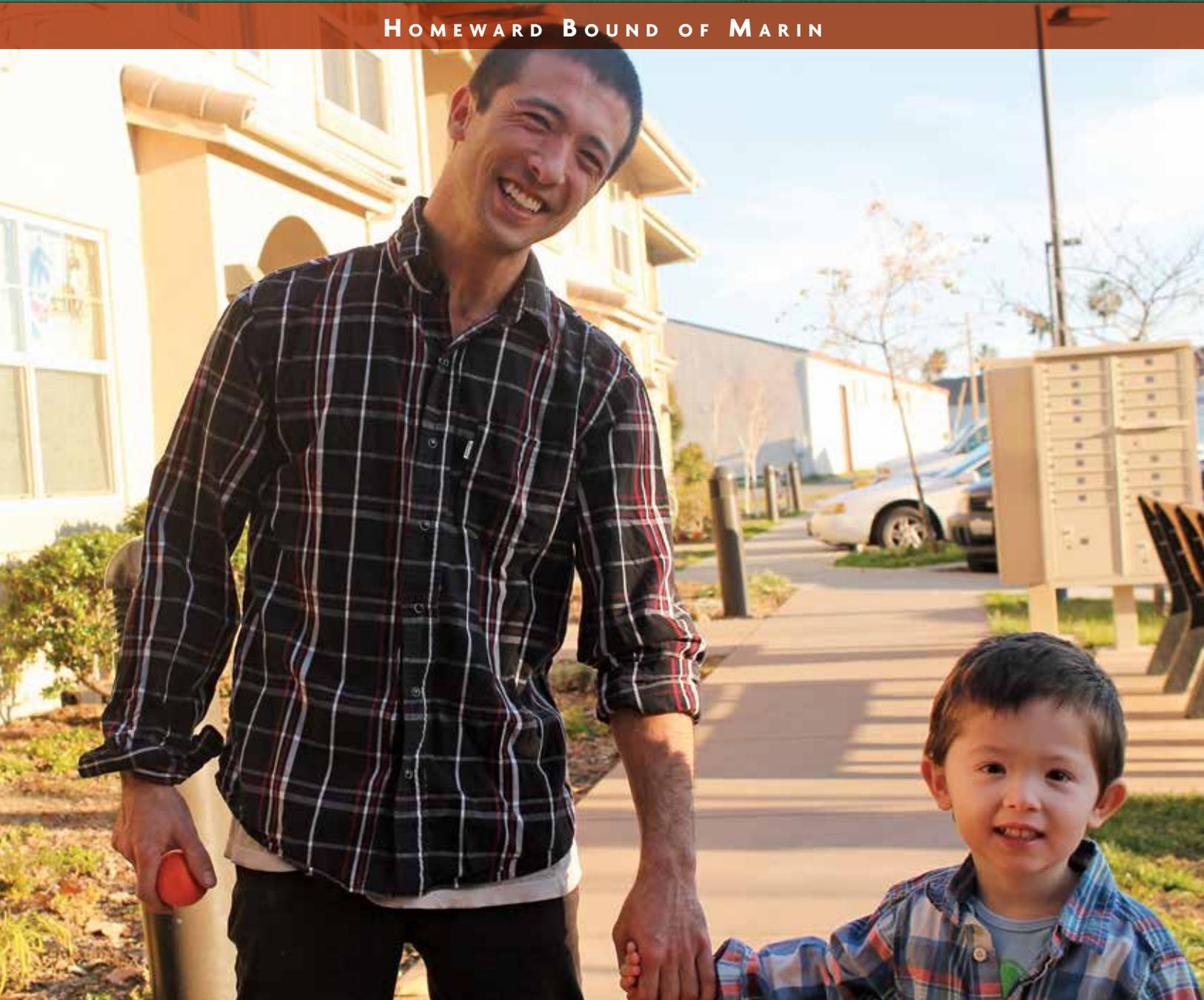
2015 ANNUAL MEETING OF NEXT KEY SHAREHOLDERS



Join us on Sunday, March 8, 2015 – 3 to 5 p.m.
The Key Room – 1385 N. Hamilton Parkway, Novato

As a special dividend, join our chefs and culinary students to make hand-rolled truffles. Meet other investors and learn about your ROI from our residents.

HOMeward BOUND OF MARIN



FREE to current and prospective shareholders! (Shares will be sold at the event.)



Chef Tanya Holland cooks at Fresh Starts Chef Events; The Key Room offers full-service catering; resident Andre P. works for Sears.

DEAR SHAREHOLDERS,

You're a valued investor in The Next Key Center. As a smart shareholder, you helped open a unique housing, training and event center in November 2008 and you're continuing to produce big returns for real people moving out of homelessness.

The social ROI (Returns on Investment) for the last fiscal year include 82 people housed in our Transition to Wellness program and Next Key Apartments, 68 homeless and low-income people receiving culinary job training and \$855,433 generated through on-site social enterprise businesses. For more details on these remarkable returns, please see the adjacent page.

We hope you can join us for our fifth annual Shareholder Meeting at 5 p.m. Sunday, March 8, and that you'll take advantage of this year's chocolate dividend – a complementary truffle-making workshop!

We know that the path to end homelessness will be paved by housing, training, and jobs. Thank you for creating these solutions at the Next Key Center.

Sincerely, Mary Kay Sweeney



Investing in People

As a shareholder in our nonprofit IPO, an "Immediate Public Opportunity...to end homelessness," you helped open the Next Key Center and its programs to assist residents making positive changes in our housing and job-training programs. Two of our residents share their stories here.

DENNA H. COOKS UP NEW FUTURE

A year after graduating from Fresh Starts Culinary Academy, resident Denna H. says she's built a new life with career growth and personal progress.

Her major steps in 2014 included a job with La Boulange, opening a savings account and moving to the Next Key Apartments.

She arrived at Mill Street Center in 2013, ending a period of repeated moves prompted by domestic violence. "I raised my daughter in Fairfax. I felt comfortable starting again in Marin," Denna says.

Her training at Fresh Starts enabled her to start work with confidence. "I'm a line cook, a prep cook, a dishwasher, a barista and a cashier. I can do it all," she says.

The Next Key Apartments have allowed her to build savings and resilience while staying close to people who support her progress. *"I feel very grateful. I stop in to say hello and I also work on catering events at The Key Room. This place has really helped me turn things around," she says.*



MICHELLE F. AIMS FOR HIGH NOTES

Renewing her career in marriage and family therapy has been the top goal – along with health – for Michelle F. at the Next Key Apartments. Now a College of Marin student, she also revived a specialty pet care business for animals with medical or behavior issues.

Michelle came to the Next Key Center in 2013, after effects from a car accident sent her health into a life-threatening spiral of emergency room visits and hospital care. Unable to work and fighting to maintain disability benefits, Michelle became homeless.

The Transition to Wellness program supported her slow recovery and helped her transition to other Homeward Bound programs. She rejuvenated her love of singing, earning a space last summer in the Merola Opera's student program and performing last fall with the College of Marin chorus.

Though she has another surgery on the horizon and continues working with physical therapists, Michelle has a straight-A average and is working for her future. *Homeward Bound has been the springboard, Michelle says: "They have truly given me a launching point and a second chance at life."*



Return on Investment – The Numbers

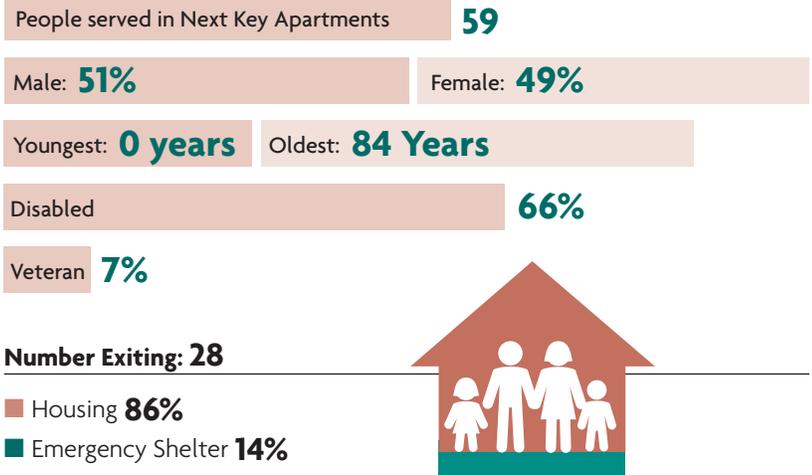
RESIDENTS OF NEXT KEY APARTMENTS – FY 2013-14



By investing in the Next Key Center, you helped build a foundation for people transitioning out of homelessness. Tenants at the Next Key Apartments, where we offer 29 studio units at a below-market rent, may stay up to two years while engaged in long-term education or vocational training programs designed to enhance their incomes. The tenants include five families (usually one parent, one child).

Our residents have wide-ranging areas of study and job training – take a look:

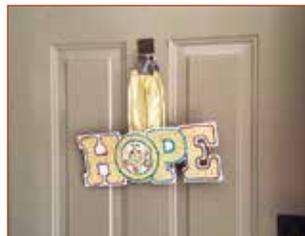
Culinary: 6	Child Development: 1
Drug/Alcohol Counseling: 4	Jewelry Artist: 1
Business Studies: 4	Physical Therapy: 1
Nursing/Nursing Assistant: 3	Web Design: 1
Truck Driving: 3	Office Management: 1
A.A. Degree: 3	Administrative Assistant Certification: 1
Maintenance/Janitorial: 2	Certification: 1
Cosmetology: 2	GED: 1
Accounting: 2	On-the-job Training: 7
Doula/Midwifery: 2	(Lenscrafters, Goodwill, Whole Foods Market, Home Depot, Sports Authority)
Art Studies: 1	
Psychology Studies: 1	
Architecture: 1	



TRANSITION TO WELLNESS PROGRAM – FY 2013-14



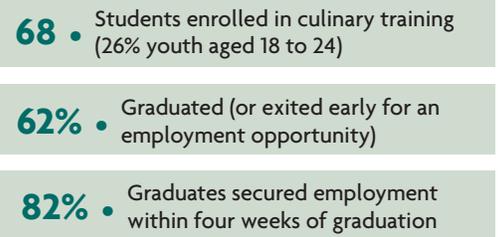
People exiting from hospital care without stable housing can recuperate in three double-bedded units at the Next Key Center. This partnership with local hospitals and social service agencies last year saw 48% of residents move into other Homeward Bound programs.



FRESH STARTS CULINARY ACADEMY – FY 2013-14



This ground breaking 16-week employment training program received a 2014 Heart of Marin Award for Excellence in Innovation, recognizing the successes of students enrolled from Homeward Bound programs as well as the broader community. Based at the Next Key Center, this program prepares students for work in the busy culinary industry.



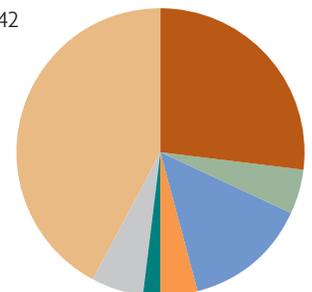
SOCIAL ENTERPRISE REVENUES – FY 2013-14

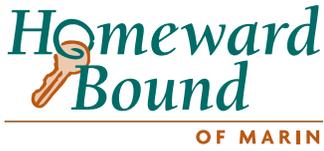


A better business outlook boosted activity in The Key Room, our on-site event venue, while revenues for Fresh Starts Chef Events rose 30% with word-of-mouth marketing and a corps of regular guests. A lively lunch business continued at Jackson Café in San Rafael, our partnership with Whistlestop. The cost of producing meals for other Homeward Bound programs also is part of social enterprise accounting.

Social Enterprise Revenue Totals: **\$855,433**

- The Key Room - Catering & Events:** \$230,042
- Off-Site Catering:** \$41,654
- Jackson Café:** \$120,000
- Halo Product Sales:** \$35,134
- Commercial Kitchen Rental:** \$20,503
- Celebrity Chef Events:** \$46,080
- Shelter Meals:** \$362,020





1385 N. Hamilton Parkway
Novato, CA 94949

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Find out about your Return on Investment from the first-ever nonprofit IPO inside...

The Key Room

FINE FOOD~EXCEPTIONAL EVENTS



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Dedicated event venue with easy access from Hwy 101 and ample parking.

The Key Room ~ 1385 N. Hamilton Parkway, Novato, CA 94949

www.thekeyroom.com / keyroom@hbofm.org

WEDDINGS ∞ RECEPTIONS ∞ CORPORATE & PRIVATE EVENTS