For Wesley Homes, 2016 was a monumental year in terms of growth and change. Today and in the future, our community residents, home health clients and their families demand superior care and a wide range of services; they are searching for lifestyle options that encourage them to be engaged with “life”. They expect more and are looking for Wesley Homes to lead. Over this last year, we responded in the following ways:

• Our new Rehabilitation & Care Center opened in Auburn. This completes the continuum of care on the Lea Hill campus and brings a holistic care approach to South King County.
• Renovations were completed at The Terrace, and spacious new Cottage homes are springing up on the south side of the Des Moines campus.
• Wesley Homes received the Certificate of Need and is now moving forward with building its own Hospice program.
• We completed pre-construction work and prepared to break ground on a new Wesley community in Puyallup - Wesley Homes Bradley Park. It has been uplifting to be embraced by the Puyallup community as this development helps to fill a need within that community. It is also rewarding to know that the reputation of Wesley Homes precedes us as we move into other locations. We are thankful for those who have come forward in support of this project.
• Planning continues on another campus in Renton. In 2016, we were able to rezone this property to accommodate our future community there.

We applaud the hard work of our staff, board members and corporation members. The support of our residents and friends is appreciated. We greatly value your partnership and prayers and welcome each of you to join us!
the revolution has begun

Revolutionizing senior living may seem like a daunting undertaking, but Wesley Homes is up to the challenge. We took major strides toward accomplishing that objective with the Wesley Homes Lea Hill Rehabilitation & Care Center.

The grand opening of the care center in April was a landmark event for Wesley. “When we built the Lea Hill campus, we planned it with the hope that we would be able to add a care center,” said Vice President of Marketing & Development Christine Tremain. “It has always been our goal to provide a complete network of services for residents right where they live. It’s been really wonderful to see so many people come together to accomplish this goal.”

This opening was particularly meaningful for residents and staff because so many of them contributed to the campaign that helped fund the state-of-the-art care center. They understand the importance of having quality skilled nursing and rehabilitative therapies on campus for residents as well as other seniors in the area.

an Olympian in our midst...

After being encouraged by his teacher to join, Marty Brady has participated regularly in the Special Olympics since he was in the eighth grade. He has won over 50 medals!

“It keeps me in shape, and it’s just a whole lot of fun,” said Marty. He bicycles two hours roundtrip from the Lea Hill campus in Auburn to Westfield Southcenter mall.

Marty also likes participating in the Special Olympics because of the great food, music, events and celebrity speakers. He’s had wonderful shared experiences with his family as well as opportunities to make new friends.

A dishwasher for the Lea Hill campus since 2014, Marty got Wesley involved. Special Olympics Washington relies heavily on volunteers to make the events successful. To support Marty and the event, Wesley and our contract foodservice company, Compass Group, provided, prepared and served food for participants and attendees.
the evolution of Des Moines

Built in 1961, The Terrace apartment building in Des Moines was ready for another update. Many of the common areas received complete make-overs including the main lobby, floor lounges, library, fitness center and lower-level community room. A bistro, learning center, aerobics room, communications center, mail room and creative arts studio were added.

The Des Moines campus held its first groundbreaking ceremony since 1992, and Walsh Construction started building the new Cottages in the first phase of the redevelopment of the south side of the campus. Prior to the demolition of Cottages 1-9, appliances, fittings and fixtures were sold to residents and staff with proceeds going to Wesley Homes Foundation.

Wesley Homes is taking this bold step of redeveloping the entire south side of the campus based on market research as well as the desires of new, potential and current residents. Continuing to maintain and retrofit the existing buildings to support technological advances was becoming too costly. Changes were necessary for Wesley to continue its commitment to residents and their families, to run the organization more efficiently and to provide modern amenities.

The first phase of the redevelopment of the Des Moines campus includes 32 new Cottages and a Brownstone with 24 spacious apartments. The first Cottages will be available mid-2017 with residents moving in shortly thereafter.

Beginning in 1949 with one Cottage on the Des Moines campus, Wesley has grown much over the years. With our focused mission, we look forward to helping seniors maintain or even improve their quality of life.

98.8% of residents would recommend Wesley Homes as a place to live
97.5% of residents believe Wesley Homes has ample activities.
for people **who love life™**

Resident life at Wesley is changing for the better! The Learning Is ForEver (LIFE) program became Wesley U, a more robust continuing education program for adults ages 50 and over. Wesley U was developed by the Des Moines campus’ Resident Engagement staff, who partner with the Des Moines/Normandy Park Activity Center and Highline College on these instructor-led courses. Funded by Wesley Homes Foundation, Wesley U is free and open to Wesley residents as well as the greater community.

For those who enjoy more interactive, hands-on pursuits in a less formal setting, staff added Silver Kite workshops. Also funded by Wesley Homes Foundation, these are free intergenerational workshops for people who like to take part in the creative arts, such as poetry, dance, storytelling and watercolors.

Wesley residents also participate in our Millennium Preschool Kids intergenerational program. Every week, children from the Millennium Preschool Creative Center spend the morning doing arts and crafts with residents. This has been such an enjoyable time that residents made aprons to protect the children’s clothing during their creative activities.

To keep these and other programs fresh and appealing, Wesley added staff to the Resident Engagement team including a Health and Wellness Fitness Coordinator and a Wesley U and Music Coordinator.

“*This is a remarkable place. The staff and residents are friendly and helpful. Having been in four other places for rehab and so forth, for me, Wesley comes out on top for comfort, care and culinary experience.*”

LEA HILL RESIDENT
the new kids on the block

The Washington State Department of Health issued an In-Home Services license to Wesley for Hospice, expanding Wesley’s network of services to end-of-life care. Now that the documents, policies and procedures to practice hospice care have been approved, Wesley Homes Hospice has started working with private pay hospice and palliative patients.

Designed to offer a superior level of palliative and hospice care, the Wesley Homes Hospice program focuses on symptom management, honors patient goals and supports a meaningful life for patients. Our Hospice services concentrate on the dignity and an improved quality of life for patients and their families.

This type of transitional care includes comfort to relieve emotional, physical and spiritual suffering. Our strong, highly trained interdisciplinary team brings exceptional compassion and expertise managing palliative care and end of life situations. Hospice also provides families with education on proper use of medications, their rights and their responsibilities during their loved one’s end of life journey.

Every four years, King County reviews and updates the King County Comprehensive Plan. When the most recent plan was approved in December of 2016, the community supported Wesley’s request to rezone its property in Fairwood to better meet the requirements for a new Wesley community.

The comprehensive planning process occurs so the county has a long-range guiding policy document for all growth, land use and development regulations in unincorporated King County. They also use the plan to determine regional services throughout the county, including parks, sewers, transit, open space and trails.

Rezoning of the Fairwood property is significant for Wesley’s planning. We are now able to construct the number of apartments needed to serve the area. When the time comes, the rezoning will also get us closer to building a skilled nursing center.

“My thoughts frequently go to the wonderful care you and your entire team took, not only of dad, but of me on a weekly basis, as well as my sisters when they visited from out of state. Your leadership and genuine care was reflected in every caregiver on your team.”

KAREN LEE
Wesley Homes & Subsidiaries

Including Wesley Homes Des Moines, Wesley Homes Lea Hill, Wesley Homes Bradley Park, Wesley Homes Foundation and Wesley Homes Community Health Services.

Statement of Operations

Income Statement for the year ended December 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>(in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$40,568</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$43,699</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$(3,131)</td>
</tr>
<tr>
<td>All Other Unrestricted Activity</td>
<td>$2,268</td>
</tr>
<tr>
<td>Change in Unrestricted Net Assets</td>
<td>$(863)</td>
</tr>
<tr>
<td>Change in Temporarily Restricted Net Assets</td>
<td>$(12)</td>
</tr>
<tr>
<td>Change in Permanently Restricted Net Assets</td>
<td>$16</td>
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</tbody>
</table>

Change in Net Assets (859)

The portions of operating expenses spent on administrative and fundraising for Wesley Homes and its subsidiaries were 23% and 1.2% respectively.

Wesley Homes financial highlights are presented for convenience and information purposes. A copy of the audited financial statements will be provided upon request.

Statement of Financial Position

Balance Sheet as of December 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>(in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Unrestricted Investments</td>
<td>$21,603</td>
</tr>
<tr>
<td>Restricted Investments</td>
<td>$26,470</td>
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<tr>
<td>Property and Equipment</td>
<td>$79,324</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$4,831</td>
</tr>
</tbody>
</table>

Total Assets 132,228

<table>
<thead>
<tr>
<th>Description</th>
<th>(in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>$4,955</td>
</tr>
<tr>
<td>Resident Entrance Fees</td>
<td>$27,543</td>
</tr>
<tr>
<td>Annuities Payable</td>
<td>$913</td>
</tr>
<tr>
<td>Loans and Mortgages</td>
<td>$70,843</td>
</tr>
</tbody>
</table>

Total Liabilities 104,254

Net Assets 27,974

Total Liabilities & Net Assets 132,228

Funds your gifts supported

- Capital Investment 2%
- Greatest Need 6%
- Circle of Concern 4%
- Other 1%
- Endowment 87%

For the year ended December 31, 2016, 100% of all restricted contributions to the Foundation were used for program expenses.
Recognizing a Lifetime of Support. The Stanley Logan Lifetime Giving Society recognizes the cumulative contributions of donors. When a donor’s total of irrevocable giving reaches $25,000 or more, the donor becomes a permanent member.

$1 million or more
The Eby Family
Estate of Robert Trimble
Estate of Grace Wilson

$500,000 and above
Estate of Kenneth T. Worthington

$250,000 and above
Anonymous
Absher Construction Company
Bernard and Rita Bailie
Millard and Martha Battles
Janet Eby Norris
Tillie Loucks
Northwest Christian Community Foundation
Charles Reagen
Mary Frances Van Scoyoc
Estate of Ingrid A. Wolf
Estate of Benjamin Wolfgram

$100,000 and above
Anonymous
Kevin and Barbie Anderson
City of Auburn
Debbie and Jim Bevier
Arlene Brandes
Fred Brandes
Margaret Christopher
Estate of Blanche Corning
Joseph and Helen Devaux
Harriet J. Farman
Dr. William Freitag, Sr.
Corinne Garland
Theodore Gary
James Hall
Robert Klopfenstein
Ray and Mary Lee
Lowe Family 1998 Trust
Terrence McCarthy
Esther Miller
Dr. Donald & Beret Mott
Sam and Mary Ann Nagel, Jr.
Judy Pigott
Pinnacle Design Group Inc
The Gardens Resident Council
Lea Hill Resident Council
Richard and Mary Schoeneman
Robert Stevens and Phyllis Mortensen
Josephine St. Jean
Ardis Johnson Svenning and Arvill Svenning
Robert Trimble
Charline Tuell
Estate of Virginia Vaupel
Estate of Barbara Walker
Annie Yoshimoto
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Margot and Paul Hightower
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Kert Kertson and Norma Lee Smith
Mary Kohli
Jeri Lindsey
Rex and Sandra Lund
John and Patty McKenna
Wallace and Edith Meyers
Jean Morton
Douglas and Suzy Myers
Roger and Dorothy Neill
Cora Oleson
The Terrace Resident Council
Karen Satterberg
Jane Shafer
Estate of Janette M. Simms
Simpson UMC
Christine S. Tremain
Jack and Marji Tuell
Mildred Wade
Florence Waggoner
Bob and Joan Whitney
Jack Wimpress

$50,000 and above
Anonymous (6)
Dan and Daria Absher
Sue and Virgil Baker
Viola Bird
Carrie and Lee Boulet
Reginald and Dawn Branston
Wilbert Cadle
Pat and Larry Carney
Will and Priscilla Clardy
Thomas and Jan Crews
Ray and Deanna Dally
Lars Erickson
LeeAnn Farrell
Melvin Finkbeiner
Sandra Finkema
Ted and Carol Gary
GE Foundation
Terese Grady Moon and Steven Moon
Elizabeth “Betty” Hall
Fred and Helena Hanna

$25,000 and above
Anonymous (2)
Walter M. Arthur M.D.
Caryl Bloom
William and Colleen Castner
Dale Chihuly and Leslie Jackson Chihuly
Pricilla and Will Clardy
Molly Cone
Sylvia DeVaux
Helen and Joseph DeVaux
Lena Dumescic
Eleanor Finkbeiner
Ruth Frederick

Richard Garrity
Glaser Foundation, Inc.
Maryln Hahn
June Harris
Anne Hartley
Thurman Hince
Dorothy Higgins
Walter M. Higgins, Jr.
Dale Hollister
Mary Hulse
Ronald and Wilma Johnson
Evelyn Klopfenstein
Esther Knell
Jerry and Germaine Korum
Leon and Janet Leonard
Doris Linkletter
Levi T. Lovelace Trust
Estate of Resi MacDonald
Vernon and Madelyn Mann
Irene McCoy
Edith and Wallace Meyers
Carol Mohler
Steven and Terese Moon
Mary Ann and Sam Nagel
Marie Neifert
Helen Oak
Margaret Race
Wilma Reagen
Jean and John Skelly
Doris Smith
Betty Sperline
Maurine Taylor
Thrivent Financial
Lois Toevs
Edwin and Marian Towle
Marjorie Tuell
Virginia Vaupel
Betty Wahlen
Janice C. Watson
Kenneth Worthington
Gregory Zimmer

Thank you for your support in 2016!
Every gift is greatly appreciated, and every effort has been made to ensure the accuracy of this listing; we apologize for any errors and ask that you report omissions or corrections to the Foundation office at 206.870.1334.
Recognizing Commitment Through Deferred Giving. Legacy Society members have made a deferred gift commitment to support Wesley Homes’ retirement communities and programs.

Anonymous (6)  
Kevin and Barbie Anderson  
Anne Avery and James Elliott  
Bernard and Rita Baillie  
Martha and Millard Battles  
Betty and Paul Beeman  
Louise and Ralph Black  
Dawn and Reginald Branston  
Jo Ann Brown  
Mary Bruce  
Elizabeth Buford  
Scott and Diane Burns  
Peggy J. Campbell  
Colleen and William Castner  
Lee-Lee Castor  
Priscilla and Will Clardy  
Molly Cone  
Barbara Cooper  
Jan and Tom Crews  
Helen and Joseph DeVaux  
George Doolin  
Freda Drake  
Lena Dumesic  
Leon and Sandra Eby  
Janet Eby Norris  
Dennis and Cathleen Elbe  
Harriet J. Farman  
Melvin Finkbeiner  
Jeanne Galletty  
Corinne Garland  
Betty and Will Gering  
Earl Gish  
Jay Gruenfeld  
Elizabeth “Betty” Hall  
Kathrine Hansen  
Frank Harris  
Anne Hartley  
Anna S. Hasegawa  
Dorothy Higgins  
Ken and Nancy Hoben  
Wilma and Ron Johnson  
M. Mae Jung  
Barbara Just  
Ruth M. Kenyon  
Dorothea Kewley  
Dorothy Kimbrell  
Robert Klopfenstein  
Beverly Klose  
Eloise Lauritsen  
Norman Lawson  
Mildred Leberg  
Mary Lee  
Agnes Lee  
Joseph Matsen  
Jane Maurich  
Irene McCoy  
Wilda McOmber  
Wallace Meyers  
Carol Mohler  
Mary Ann and Sam Nagel  
Marylyn Notling  
Jeanne Pearson  
Enola Peters  
Dan and Jane E. Pryor  
Margaret Race  
M. June Ross  
Carol and James Russell  
Dorothy Scheppke  
Paul and Onalee Schneider  
Jane Shafer  
Mildred Smith  
Barry Smith  
Doris Smith  
Janey L. Smith  
Janet and Denman Smith  
J. David Snow and Barbara McLain  
Betty Sperline  
Margaret Squires  
Blythe and Edmund Stanton  
Foster Stockwell  
Peg and Harold Sutlief  
Marian and Edwin Towle  
Christine S. Tremain  
Frederick and Judith Triggs  
Marjorie Tuell  
Janice C. Watson  
Joan Whitney  
Jack Wimpress  
Joan Zatlowkal  

In Memoriam
Lola Lawson  
Helen Reed  
Don and Mary Jane Wasson  
Bob Whitney  
Jean Witt
Recognizing Leaders in Annual Giving. The President’s Club recognizes the annual contributions of donors totaling $1,000 or more in a calendar year. These gifts support initiatives, such as resident and staff programs, resident and staff assistance, capital campaigns and greatest needs.

$100,000 and above
Harriet J. Farman

$50,000 and above
Anonymous
Terrance McCarthy
Jane Shafer

$25,000 and above
Millard and Martha Battles
Bob and Joan Whitney

$10,000 and above
Anonymous (3)
Bernard and Rita Bailie
Carrie and Lee Boulet
Ronald Champoux
Dr. William Freitag, Sr.
Ted and Carol Gary
Theodore Gary
GE Foundation
Elizabeth “Betty” Hall
Eloise Lauritsen
Rex and Sandra Lund
Lawrence and Carol Malcom
Paul and Joanne Marr
Dr. Donald & Beret Mott
MultiCare Community Partnership Fund
Estate of Helen A. Ranstrom
Karen Satterberg
Marilynn Van Hise

$5,000 and above
Kevin and Barbie Anderson
The Boeing Company
BPCI
Marilyn Brown

Cornforth-Campbell CARSTAR
Thomas and Jan Crews
Richard and Margaret Fiedler
Anne Hartley
Anna S. Hasegawa
Insite Architects, Inc.
Dick and Cathy Jobst
Evelyn Joneson
Mary Kohli
Leon and Janet Leonard
Irene McCoy
Ann and Marlen Miller
Carol Mohler
Roger and Dorothy Neill
The Gardens Resident Council
Betty Sperline

$2,500 and above
Anonymous
Virginia Dymen
Don J. Eskelin
Gretchen & Brian Frederick
Ruth Frederick
Marsha E. Goodwin
Sally and Richard Hanna
Gretchen Heider Herris
Margot and Paul Hightower
Estate of Jean Keller
Kert Kertson and Norma Lee Smith
Marilyn Knutson
Theodore and Penelope Lawrence
Frank and Ann Lindeke
Shirley M. Martinsen
Lea Hill Resident Council
Everett Righmire
Robert Stevens and Phyllis Mortensen
Linda and Phil Yates

$1,000 and above
Phil Abbenhouse
Bill and Donna Anderson
William and Laura “Ginny” Andrews Estate
Eugene and Janice Barker
Richard and Ruth Barnhart
The Benevity Community Impact Fund
Chuck and Leilah Booth
David and Jean Boyles
Dorothy Bullitt
Suzanne Burke
Alex Candall
Larry and Pat Carney
Mei Castor
Charlie’s Produce
Columbia Bank
Patricia Cox
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Margaret Easterbrooks
Dorothy Erhard
Alan and Joan Gangl
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Amy Mohler
Hope Mohler
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The Terrace Resident Council
Edward and Debra Rogel
The Rottle Family
Janet and Philip Schempf
The Seattle Foundation
John Shaffer and Barbara Dadd Shaffer
Charles and Arlene Simpson
Rick and Judy Slater
Denman and Janet Smith
Doris Smith
J. David Snow and Barbara McLain
Edmund and Blythe Stanton
Aija Stapars
Charles Swanson
Denis and Sylvia Taft
Thrive Financial
Christine S. Tremain
Washington Women’s Foundation
Bernard Wiemann
Jack Wimpress
E. Eileen Wise
Colleen M. Wojciechowski
Jim Yamamoto
Wesley Homes, a not-for-profit organization, is affiliated with the Pacific Northwest Conference of the United Methodist Church.

Kevin Anderson
President/CEO

Greg Byrge
Executive Director, Lea Hill

Alex Candalla
Executive Director, Des Moines

Jesse Dykshoorn
VP Information Technology

Susan McConnell
Executive Director Foundation

Melinda Moore
Executive Director Home Health

Aija Stapars
VP Human Resources

Christine Tremain
VP Marketing & Development

Jim Yamamoto
VP Finance