

HABITAT FOR HUMANITY GREATER BOSTON, INC.

Financial Statements
JUNE 30, 2011
(With Comparative Totals for 2010)



SANDBERG & CREEDEN, P.C.

Certified Public Accountants

331 Page Street

Stoughton, MA 02072

HABITAT FOR HUMANITY GREATER BOSTON, INC.

FINANCIAL STATEMENTS
JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

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To the Board of Directors of
Habitat for Humanity Greater Boston, Inc.
Boston, Massachusetts

Independent Auditors' Report

We have audited the accompanying statement of financial position of Habitat for Humanity Greater Boston, Inc. as of June 30, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Habitat for Humanity Greater Boston, Inc. as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.


SANDBERG & CREEDEN, P.C.
Certified Public Accountants

Stoughton, Massachusetts
April 6, 2012

HABITAT FOR HUMANITY GREATER BOSTON, INC.

STATEMENT OF FINANCIAL POSITION
 JUNE 30, 2011
 (WITH COMPARATIVE TOTALS FOR 2010)

<u>ASSETS</u>		
	<u>2011</u>	<u>2010</u>
<u>Current Assets</u>		
Cash and cash equivalents	\$ 353,917	\$ 529,744
Pledges receivable	480,881	296,500
Prepaid expenses and other current assets	51,913	48,652
Current portion of note receivable	3,325	3,366
Current portion of mortgage and notes receivable	<u>279,945</u>	<u>274,762</u>
Total current assets	1,169,981	1,153,024
<u>Property and Equipment</u>		
Office equipment	33,547	26,742
Leasehold improvements	229,289	
Furniture and equipment	<u>18,570</u>	<u>18,570</u>
Subtotal	281,406	45,312
Less: accumulated depreciation	<u>51,007</u>	<u>30,235</u>
Total property and equipment	230,399	15,077
<u>Other Assets</u>		
Long term pledges receivable – net of discount	39,333	51,872
Note receivable – net of current portion	169,468	170,558
Mortgage and notes receivable - net of current portion	4,678,037	4,503,918
Housing-land and construction in progress	2,507,016	2,986,210
Security deposits	31,592	10,628
Other deposit	<u>13,000</u>	
Total other assets	<u>7,438,446</u>	<u>7,723,186</u>
<u>Total Assets</u>	<u>\$ 8,838,826</u>	<u>\$ 8,891,287</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accrued expenses and accounts payable	\$ 98,158	\$ 87,267
Down payment deposits	6,325	5,176
Notes payable - current portion	<u>251,746</u>	<u>67,116</u>
Total current liabilities	356,229	159,559
<u>Long-Term Liabilities</u>		
Notes payable - net of current portion	<u>1,174,739</u>	<u>1,055,223</u>
Total long-term liabilities	1,174,739	1,055,223
<u>Net Assets</u>		
Unrestricted	6,809,526	7,328,133
Temporarily restricted	<u>498,332</u>	<u>348,372</u>
Total net assets	<u>7,307,858</u>	<u>7,676,505</u>
<u>Total Liabilities and Net Assets</u>	<u>\$ 8,838,826</u>	<u>\$ 8,891,287</u>

See accompanying notes and Independent Auditors' Report.





HABITAT FOR HUMANITY BOSTON, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JUNE 30, 2011
 (With Comparative Totals for 2010)

	2011					2010	
	Family Services Expenses	Pre/Post Conveyance Expenses	Restore	Total Program Expenses	General and Administrative Expenses	Fundraising Expenses	Total
Salaries	\$ 99,096	\$ 277,155	\$ 43,277	\$ 419,529	\$ 79,448	\$ 149,094	\$ 648,070
Payroll Tax	10,383	23,567	5,315	39,265	9,575	13,351	62,191
Benefits	15,165	24,107	4,530	43,802	847	20,579	65,228
Salaries and related expense	<u>124,644</u>	<u>324,829</u>	<u>53,122</u>	<u>502,596</u>	<u>89,870</u>	<u>183,024</u>	<u>775,489</u>
Advertising		120	3,747	3,867			3,867
Applicant costs	5,757	3,855		9,612			9,612
Bank Charges	1,971		111	2,082	1,152		3,234
Bonds & permits							
Consultants	1,661	56,207	32,007	89,875	34,951	22,852	147,678
Cost of Goods Sold			44,951	44,951			44,951
Cost of homes sold	5,644	1,190,697		1,190,697			1,190,697
Depreciation		6,232		11,876	2,321	6,574	20,771
Dues, fees and subscriptions					262		262
Equipment small tools		6,523	1,510	8,033		2,748	10,781
Equipment rental							
Imputed interest							74
Insurance		6,398		6,398	6,888		13,286
Interest		16,728		16,728			16,728
Miscellaneous	889	2,026	1,788	4,703	263	364	5,330
Office supplies	4,912	5,209	2,171	12,292	2,051	3,738	18,081
Payroll services	583	1,518		2,101	402	791	3,294
Postage	1,558	1,242		2,800	389		12,113
Printing		928	80	1,008		25,808	26,816
Professional fees					13,200		13,200
Real estate taxes		20,327		20,327			20,327
Rent	28,439	28,947		142,544	5,455	15,445	163,444
Repairs and maintenance	127	4,163		6,662	24	96	6,782
Security		22,715		22,715			22,715
Site cleaning and disposal		13,386	360	13,746			13,746
Special events							
Staff training						31,175	31,175
Supplies		6,519	323	6,842			6,842
Tithe expense		25,755		25,755			25,755
Truck expenses	350	5,522	8,611	14,483			14,483
Telephone	3,689	2,925	1,257	7,871	699	2,791	11,361
Travel	3,931	13,609	1,049	18,589	5,957	8,335	32,881
Utilities	1,288	9,703	9,390	20,381	282	1,145	21,808
Total	<u>\$ 185,444</u>	<u>\$ 1,776,083</u>	<u>\$ 248,007</u>	<u>\$ 2,209,534</u>	<u>\$ 164,166</u>	<u>\$ 316,999</u>	<u>\$ 2,690,699</u>
							<u>\$ 2,403,567</u>

See accompanying notes and Independent Auditors' Report.

HABITAT FOR HUMANITY GREATER BOSTON, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	2011			2010
	Unrestricted	Restricted	Temporarily Total	Total
<u>Support and Revenue</u>				
Contributions and grants	\$ 800,081	\$ 470,332	\$ 1,270,413	\$ 1,034,182
Inkind contributions	363,397		363,397	292,614
Special events	160,107		160,107	12,709
Released from restriction	320,372	(320,372)		
Restore	44,951		44,951	
Interest/dividend income	703		703	3,031
Realized gain (loss) on investments				(298)
Sale of property	370,000		370,000	725,000
Other income	112,481		112,481	97,558
<u>Total Support and Revenue</u>	2,172,092	149,960	2,322,052	2,164,796
<u>Expenses</u>				
Program services				
Family services expenses	185,444		185,444	183,576
Pre/post conveyance expenses	1,776,083		1,776,083	1,726,582
Restore	248,007		248,007	
Total program services	2,209,534		2,209,534	1,910,158
General and administrative	164,116		164,166	320,498
Fundraising	316,999		316,999	172,911
<u>Total Expenses</u>	2,690,699		2,690,699	2,403,567
<u>Change in Net Assets</u>	(518,607)	149,960	(368,647)	(238,771)
<u>Net Assets - Beginning of Year</u>	7,328,133	348,372	7,676,505	7,915,276
<u>Net Assets - End of Year</u>	\$ 6,809,526	\$ 498,332	\$ 7,307,858	\$ 7,676,505

See accompanying notes and Independent Auditors' Report.



HABITAT FOR HUMANITY GREATER BOSTON, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	<u>2011</u>	<u>2010</u>
<u>Cash Flows From Operating Activities</u>		
Change in net assets	\$ (368,647)	\$ (238,771)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	20,772	3,637
Donated construction costs	(217,504)	(20,834)
Imputed interest expense	(112,481)	113,171
(Increase) in:		
Pledges receivable	(171,842)	80,325
Prepaid expenses and other current assets	(3,261)	33,747
Increase (decrease) in:		
Accrued expenses and accounts payable	10,891	(360,954)
Deposits and escrows	<u>1,149</u>	<u>1,526</u>
<u>Net Cash (Used) by Operating Activities</u>	<u>(840,923)</u>	<u>(388,153)</u>
<u>Cash Flows From Investing Activities</u>		
Purchase of fixed assets	(236,094)	
Purchase of certificate of deposit		
Refund deposit	(33,964)	18,600
Construction of housing and improvements	696,698	(111,643)
Housing and property conveyed		390,624
Collection of notes receivable	1,131	3,343
Mortgage receivable from sale of housing and property	(361,547)	(715,000)
Collection of Mortgage notes receivable	<u>294,726</u>	<u>251,722</u>
<u>Net Cash Provided (Used) in Investing Activities</u>	<u>360,950</u>	<u>(162,354)</u>
<u>Cash Flows From Financing Activities</u>		
Principal payments on notes and loans	<u>304,146</u>	<u>657,551</u>
<u>Net Cash Provided in Financing Activities</u>	<u>304,146</u>	<u>657,551</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	(175,827)	107,044
<u>Cash and Cash Equivalents - Beginning of Year</u>	<u>529,744</u>	<u>422,700</u>
<u>Cash and Cash Equivalents - End of Year</u>	<u>\$ 353,917</u>	<u>\$ 529,744</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	<u>\$ 16,728</u>	<u>\$ 9,812</u>

See accompanying notes and Independent Auditors' Report.



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 1. Organization

Habitat for Humanity Greater Boston, Inc. (HFHGB) is a charitable nonprofit Massachusetts corporation organized in December 1987. It is an affiliate of Habitat for Humanity International (HFHI), an organization with a grassroots structure which is dedicated to eliminating poverty housing from the earth and making poverty housing and homelessness socially and politically unacceptable in the world. HFHGB's mission is to help low-income families become homeowners in the Greater Boston area using the Habitat model of volunteer labor, donated materials and charitable contributions to construct housing. Each Habitat family helps build their home by providing at least 300 hours of "sweat equity." When the home is complete Habitat sells it to the family for an affordable price which is equal to or less than the final accumulated development cost and also provides the family with a no-interest mortgage loan. HFHGB is responsible for raising funds for all of its projects, its annual operating budget and for "tithing" 10% of its unrestricted revenues to HFHI projects overseas.

In 2011, the Organization opened up the Habitat ReStore. The Habitat ReStore is a retail business that accepts donations of new and gently-used building materials, furniture, appliances, and housewares and resells them to the general public through a retail storefront warehouse. ReStores help to protect the environment by keeping hundreds of tons of material out of our landfills and in this tight economy they provide a low-cost outlet for home improvement materials making home renovations and improvements more affordable.

Note 2. Summary of Significant Accounting Policies

a. Standards of Accounting and Reporting

The Organization follows the standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide for "Not-for-Profit Organizations".

b. Financial Statement Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. No permanently restricted assets were received or held during 2011 and 2010 and accordingly, these financials do not reflect any activity related to this class of net assets for 2011 and 2010.



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- c. Cash and Cash Equivalents
For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Escrows required by financing arrangements are not considered cash or cash equivalents for financial statement purposes.
- d. Promises to Give
Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.
- e. Property and Equipment
These assets are recorded at cost when purchased or, if donated, at their estimated fair market value at the date of the donation. All acquisitions of property and equipment in excess of \$2,500 and all expenditures for repairs and betterments that materially prolong the useful lives of assets are capitalized.
- f. Depreciation
Provisions for depreciation are made in the accounts using the straight-line method. Building improvements and the buildings to be conveyed to qualified buyers are not depreciated. Other fixed assets are depreciated over 5 to 7 years.
- g. Capitalization of Construction Costs
Construction expenses, which represent a significant portion of the Organization's operating budget, are capitalized pursuant to generally accepted accounting principles for financial statement purposes. Consequently, construction expenses are not shown as program expenses until conveyed.
- h. Housing Activities
As discussed above, HFHGB is a charity engaged in providing homeownership opportunities to low-income families living or working in the Greater Boston area. Upon completion of construction, the home is conveyed to a selected family for an affordable price which is equal to or less than the final accumulated development cost. HFHGB takes back a note for the purchase price at 0% interest and the note is secured by a first mortgage on the home. HFHGB takes back a second note, secured by a second mortgage, for the difference between the sale price of the home and its fair market value as determined by an independent appraisal.



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- i. Restricted and Unrestricted Support and Revenue
Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.
- j. Contributed Goods and Services
Contributed services are recognized as contributions in accordance with SFAS No. 116 "Accounting for Contributions Received and Contributions Made" if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by HFHGB. In-kind contributed goods and services were recorded as follows:

Capitalized costs	
Construction goods and services	\$ 226,553
Professional fees (non-capital)	91,893
Cost of goods - ReStore	<u>44,951</u>
	<u>\$ 363,397</u>

In addition, HFHGB received other donated materials and supplies and the services of a substantial number of volunteers. These goods and services are not recognized as contributions in the financial statements since the criteria under SFAS No. 116 were not met. In the case of volunteers, whether construction related, administrative or Board Members, it is the policy of Habitat for Humanity Greater Boston, Inc. not to recognize the value of these services in the financial statements. While there are volunteers serving many needs of the Organization, it is not practical to quantify the value of these commercial services.

- k. Compensated Absences
Vacation and sick pay are considered expenditures in the year paid. The Organization has not accrued compensated absences because the amount cannot be reasonably estimated.
- l. Use of Estimates
The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

m. Allocation of Expenses

Expenses are allocated among program and supporting services directly or on the basis of time records and utilization estimates made by the Organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Note 3. Tax Status

Habitat for Humanity Greater Boston, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code under a group exemption obtained by Habitat for Humanity International, Inc. (Atlanta, Georgia). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

Unrelated business income, of which the Organization had none for the year ending June 30, 2011, would be subject to Federal and State taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

Note 4. Concentration of Credit Risk

Non-interest bearing cash accounts at banks have an unlimited coverage. Accounts that make in excess of .5% are insured up to \$250,000. Amounts in excess of insured limits totaled \$0.

Credit risk with respect to pledged contributions is considered low as the balance has either been received or from well established entities.

Note 5. Pledges Receivable

At June 30, 2011 the Organization had pledged contributions as follows:

Due FY 2012	\$ 480,881
Due FY 2013	20,000
Due FY 2014	<u>20,000</u>
	520,881
Less discount	<u>667</u>
Total pledged receivables	<u>\$ 520,214</u>



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 6. Housing Activities

The following provides a summary of the Habitat for Humanity Greater Boston, Inc.'s construction and housing activities:

<u>Housing Units</u>	
Units Conveyed, subject to Mortgage Loans Serviced by Bank	61
Units under renovation	3
Housing Units under Construction	<u>11</u>
Total	<u>75</u>

Note 7. Lease Commitments

In 2008, the Organization entered into a five year lease agreement expiring January 2013 with an additional five year option to renew. The lease required a \$5,000 security deposit plus the last month rent of \$5,628 in advance. Rent is stated at \$5,000 per month with a 3% increase each year. Total rent expense under this lease amounted to \$64,313 for 2011. Future minimum lease payments are as follows:

2012	\$ 66,383
2013	39,393

On August 1, 2010, the Organization entered into an agreement for the third floor at 240 Commercial Street as a tenant-at-will basis. Rent is stated at \$600 per month with a 60 day notice to quit. Total rent expenses under this lease amounted to \$6,600 for 2011. Future minimum lease payments are as follows:

2012	\$ 7,200
2013	7,200

On September 1, 2010, the Organization entered into a 5 year lease agreement for the located of the ReStore. The lease required \$8,489 upon the execution of the lease, \$4,245 for the first month's rent and \$4,245 which will be held as a security deposit that will be refunded to the Organization at the end of the lease. In addition, the Organization shall pay the real estate taxes levied against the land and building, and the cost of the insurance premiums on the Building and Shopping Center. Total rent expense under this lease amounted to \$73,873 for 2011. Future minimum lease payment are as follows:

2012	\$ 50,936
2013	61,548
2014	63,670
2015	63,670
2016	10,612



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

(Continued)

Note 8. Notes Receivable

The Organization is due funds under a note receivable dated May 18, 2009 totaling \$177,267 from an individual purchasing the commercial unit at Blue Hill Place. The note is secured by a mortgage, assignment of leases and rents and security agreement. The note was adjusted in FY2011. The note requires monthly payments plus interest adjusted annually each July with a balloon payment due July 2015. Payments are due as follows:

Period	Total Payments	Interest	Principal	Balance due
FY2012	\$ 13,602	\$ 10,277	\$ 3,325	\$ 169,468
FY2013	14,844	11,765	3,078	166,390
FY2014	16,097	13,207	2,890	163,500
FY2015	17,355	14,603	2,752	160,748
FY2016	160,748		160,748	-0-

Note 9. Mortgage Receivable

At conveyance of a unit to a homeowner, HFHGB receives a 20 to 30-year mortgage note with 0% interest. The amount reported in the statement of financial position is net of imputed interest. The rate used to calculate the imputed interest is the market rate at the time of conveyance. The following is a summary of the notes receivable at June 30:

Total unpaid balance	\$ 4,801,454
Imputed interest	<u>156,528</u>
Net present value of mortgage notes	<u>\$ 4,957,982</u>
Current portion	\$ 279,945
Long-term portion	<u>4,678,037</u>
Total	<u>\$ 4,957,982</u>

Estimated principal payments for the next five years:

2012	\$ 279,945
2013	288,521
2014	291,860
2015	279,378
2016	273,140
Thereafter	3,545,138



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 10. Temporarily Restricted

Temporarily restricted net assets at June 30, 2011 consist of the following:

	<u>Total</u>
Foreclosure Intervention Time	\$ 62,332
Housing Development Time	436,000
Total	<u>\$ 498,332</u>

Note 11. Tax-Deferred Annuity Plan

The Organization maintains a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers any employees electing to participate and is entirely funded with employee contributions up to the maximum amount allowed by the Internal Revenue Code.

Note 12. Notes Payable

	<u>2011</u>		<u>2010</u>
	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
<u>Habitat for Humanity International (FlexCap):</u>			
Loan pool to affiliates, secured by collateral assignments of mortgages on eight mortgage loans receivable dated 06/23/2011; totaling \$323,000; 4.95% interest; seven year term; quarterly payments of \$13,710 due June 2018.	\$ 39,782	\$ 283,218	\$ 323,000
			\$ --
<u>Dedham Institution for Savings:</u>			
Line of credit for development of Arrowhead Project dated 9/19/2003; maximum \$500,000; 0% interest; 36 month term; 42 month pay-down required; extended to July 13, 2012 at 3% maximum. In February 2011, an additional \$185,000 was drawn down.	143,340	282,000	425,340
			389,070
<u>Massachusetts Housing Finance Agency:</u>			
Loan dated November 29, 2001 totaling \$300,000 secured by five property loans conveyed to buyers; at a rate of 2.5%; at 6/30/08 requiring monthly payments of \$2,000 due to balance outstanding; due 2016.	20,733	100,753	121,486
			140,468



HABITAT FOR HUMANITY GREATER BOSTON, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(Continued)

Note 12. Notes Payable

	Short-Term	2011 Long-Term	Total	2010 Total
Loan dated April 2, 2008 totaling \$600,000 secured by five property loans conveyed to buyers; at a rate of 2.5%; requiring monthly payments of \$158 due to balance outstanding; due May 2023. In April 2010, an additional \$560,000 was drawn down.	40,391	508,768	549,159	585,301
Lawrence Model Lodging Houses Trust Loan dated May 21, 2008 totaling \$7,500 at zero interest due on sale of 31 Ashton Street or within three (3) years.	7,500		7,500	7,500
Total Notes Payable	\$ 251,746	\$ 1,174,739	\$ 1,426,485	\$ 1,122,339

Principal payments due over the next five years:

2012	\$ 251,746
2013	252,167
2014	242,467
2015	112,017
2016	116,019
Thereafter	452,069

Note 13. Evaluation of Subsequent of Subsequent Events

The Organization has evaluated subsequent events through April 6, 2012 the date the financial statements were available to be issued.

There were no subsequent events to be disclosed based on this evaluation.

