

Return of Organization Exempt From Income Tax

2007

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning **JUL 1, 2007** and ending **JUN 30, 2008**

B Check if applicable:

- Address change
- Name change
- Initial return
- Termination
- Amended return
- Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
THE NEIGHBORHOOD OF AFFORDABLE HOUSING INC.

Number and street (or P.O. box if mail is not delivered to street address)

143 BORDER STREET

City or town, state or country, and ZIP + 4

EAST BOSTON, MA 02128

D Employer identification number

04-2964630

E Telephone number

617-567-5882

F Accounting method: Cash Accrual

Other (specify) _____

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number **N/A**

G Website: **WWW.NOAHCDC.ORG**

J Organization type (check only one) 501(c) (3) (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **5,439,490.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b	533,308.		
	c Indirect public support (not included on line 1a)	1c	76,000.		
	d Government contributions (grants) (not included on line 1a)	1d	404,394.		
	e Total (add lines 1a through 1d) (cash \$ 1,013,702. noncash \$ _____)	1e			1,013,702.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			561,901.
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			46,542.
	5 Dividends and interest from securities	5			
	6 a Gross rents SEE STATEMENT 1	6a	50,116.		
	b Less: rental expenses	6b			
c Net rental income or (loss). Subtract line 6b from line 6a	6c			50,116.	
7 Other investment income (describe _____)	7				
8 a Gross amount from sales of assets other than inventory	(A) Securities	8a		(B) Other	
	3,767,229.	8a			
	b Less: cost or other basis and sales expenses	8b	3,526,392.		
	c Gain or (loss) (attach schedule)	8c	240,837.		
d Net gain or (loss). Combine line 8c, columns (A) and (B) STMT 2	8d			240,837.	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ _____ of contributions reported on line 1b)	9a			
	b Less: direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events. Subtract line 9b from line 9a	9c			
10 a Gross sales of inventory, less returns and allowances	10a				
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c			
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			1,913,098.	
Expenses	13 Program services (from line 44, column (B))	13			1,230,562.
	14 Management and general (from line 44, column (C))	14			396,456.
	15 Fundraising (from line 44, column (D))	15			125,277.
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17			1,752,295.
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18			160,803.
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			532,989.
	20 Other changes in net assets or fund balances (attach explanation)	20			0.
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			693,792.

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	101,336.	47,628.	28,272.	25,436.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	621,660.	509,111.	62,663.	49,886.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27	88,242.	74,708.		13,534.
29 Payroll taxes	65,955.	50,788.	8,493.	6,674.
30 Professional fundraising fees				
31 Accounting fees	31,685.	13,490.	18,195.	
32 Legal fees	150.		150.	
33 Supplies	27,728.	25,372.	952.	1,404.
34 Telephone	26,924.	20,556.	4,700.	1,668.
35 Postage and shipping				
36 Occupancy	136,983.	107,376.	18,466.	11,141.
37 Equipment rental and maintenance	33,150.	23,489.	7,234.	2,427.
38 Printing and publications				
39 Travel	13,379.	9,412.	2,665.	1,302.
40 Conferences, conventions, and meetings				
41 Interest	18,892.		18,892.	
42 Depreciation, depletion, etc. (attach schedule)	30,370.		30,370.	
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 3	555,841.	348,632.	195,404.	11,805.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,752,295.	1,230,562.	396,456.	125,277.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ; (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

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Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 4</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a <u>COMMUNITY SERVICES-WORKS WITH COMMUNITY MEMBERS FROM EAST BOSTON TO IMPROVE THE ENVIRONMENT AND ENHANCE THE QUALITY OF LIFE</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	405,187.
b <u>PROPERTY MANAGEMENT-ADDRESSES THE ONGOING HOUSING CRISIS AND THE GREAT NEED FOR SAFE AND AFFORDABLE HOUSING</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	304,402.
c <u>SENIOR HOME REPAIR- ASSISTS INDIVIDUALS UPGRADING THEIR RESIDENCE AND FINDING AFFORDABLE RENTAL UNITS</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	180,803.
d <u>BHA PROGRAM - PROVIDES SERVICES RELATING TO HOME BUYING TO FIRST TIME HOMEBUYERS WHO ARE LOW TO MODERATE INCOME INDIVIDUALS/FAMILIES.</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	181,233.
e Other program services (attach schedule) <u>SEE STATEMENT 5</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	158,937.
f <u>Total of Program Service Expenses (should equal line 44, column (B), Program services)</u>	1,230,562.

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Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45	Cash - non-interest-bearing	295,219.	45	208,843.
	46	Savings and temporary cash investments		46	
	47 a	Accounts receivable		47a	
	b	Less: allowance for doubtful accounts		47b	47c
	48 a	Pledges receivable		48a	
	b	Less: allowance for doubtful accounts		48b	48c
	49	Grants receivable		49	
	50 a	Receivables from current and former officers, directors, trustees, and key employees		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a	Other notes and loans receivable	985,943.	51a	
	b	Less: allowance for doubtful accounts	587,675.	51b	51c
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	28,095.	53	21,696.
	54 a	Investments - publicly-traded securities		54a	
	b	Investments - other securities		54b	
55 a	Investments - land, buildings, and equipment: basis		55a		
b	Less: accumulated depreciation		55b	55c	
56	Investments - other		56		
57 a	Land, buildings, and equipment: basis	281,249.	57a		
b	Less: accumulated depreciation STMT 6	246,232.	57b	57c	
58	Other assets, including program-related investments (describe ► SEE STATEMENT 7)	3,968,338.	58	949,585.	
59	Total assets (must equal line 74). Add lines 45 through 58	4,666,607.	59	1,613,409.	
Liabilities	60	Accounts payable and accrued expenses	511,316.	60	187,992.
	61	Grants payable		61	
	62	Deferred revenue	2,925.	62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	b	Mortgages and other notes payable	3,526,478.	64b	534,204.
	65	Other liabilities (describe ► SEE STATEMENT 8)	92,899.	65	197,421.
66	Total liabilities. Add lines 60 through 65	4,133,618.	66	919,617.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted	181,686.	67	41,879.
	68	Temporarily restricted	321,528.	68	529,638.
	69	Permanently restricted	29,775.	69	122,275.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	532,989.	73	693,792.	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	4,666,607.	74	1,613,409.	

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Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
c	Dues, assessments, and similar amounts from members		
d	Section 162(e) lobbying and political expenditures		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	X	
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	X	
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90 a	List the states with which a copy of this return is filed <u>MA</u>		
b	Number of employees employed in the pay period that includes March 12, 2007		25
91 a	The books are in care of <u>THE CORPORATION</u> Telephone no. <u>617-567-5882</u> Located at <u>143 BORDER STREET, EAST BOSTON, MA</u> ZIP + 4 <u>02128</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
	If "Yes," enter the name of the foreign country <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

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Part VI Other Information (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c

If "Yes," enter the name of the foreign country ▶ N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a <u>PROPERTY MANAGEMENT FEE</u>					330,080.
b <u>CONTRACT AND OTHER FEES</u>					231,821.
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies ...					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ...			14	46,542.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	50,116.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					240,837.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		96,658.	802,738.
105 Total (add line 104, columns (B), (D), and (E))					899,396.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	SEE STATEMENT 12

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
SEE STATEMENT 11	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

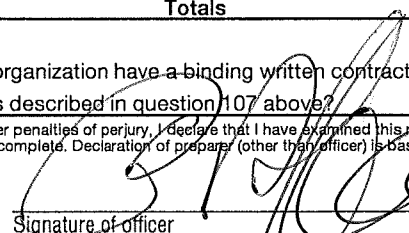
Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
Totals				

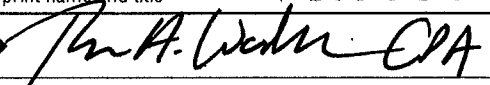
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  **PHILIP GIFFEY, EXECUTIVE DIRECTOR** Date: 2/6/09

THIS COPY FOR YOUR FILES

Paid Preparer's Use Only: Preparer's signature:  Date: 01/08/09 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. X):
 Firm's name (or yours if self-employed), address, and ZIP + 4: **ALEXANDER, ARONSON, FINNING & CO., P.C.**
21 EAST MAIN STREET
WESTBORO, MA 01581 EIN: Phone no.: **508-366-9100**

Form 990 (2007)

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **THE NEIGHBORHOOD OF AFFORDABLE HOUSING INC.** Employer identification number **04 2964630**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
LINDA MILLER-FOSTER 143 BORDER STREET, EAST BOSTON, MA 02	DIR. COMM./RES. DEV. 37.50	48,720.	13,715.	
VINNY QUALTIERI 143 BORDER STREET, EAST BOSTON, MA 02	SR. STAFF ACCT. 37.50	61,366.	0.	
ANTHONY D'ANDREA 143 BORDER STREET, EAST BOSTON, MA 02	PROGRAM DIRECTOR 37.50	45,764.	13,647.	
STACEY CHACKER 143 BORDER STREET, EAST BOSTON, MA 02	DIR. COMM. BLDG. 37.50	56,173.	2,310.	

Total number of other employees paid over \$50,000 ▶ 0

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
ACCOUNTING MANAGEMENT SOLUTIONS 800 SOUTH STREET, SUITE 195, WALTHAM, MA 02453	FINANCIAL CONSULTING	103,347.

Total number of others receiving over \$50,000 for professional services ▶ 0

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶ 0

THE NEIGHBORHOOD OF AFFORDABLE HOUSING

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3	a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4	a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?	N/A	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	N/A	
d	Enter the total number of donor advised funds owned at the end of the tax year	N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	0.	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year	0.	

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

THE NEIGHBORHOOD OF AFFORDABLE HOUSING

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	710,887.	924,191.	527,257.	1,095,922.	3,258,257.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	917,323.	951,328.	924,977.	1,166,329.	3,959,957.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	39,019.	39,019.	3,420.	3,508.	84,966.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,667,229.	1,914,538.	1,455,654.	2,265,759.	7,303,180.
24 Line 23 minus line 17	749,906.	963,210.	530,677.	1,099,430.	3,343,223.
25 Enter 1% of line 23	16,672.	19,145.	14,557.	22,658.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 66,864.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 138,180.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 3,343,223.
d Add: Amounts from column (e) for lines: 18 84,966. 19 _____ 22 _____ 26b 138,180.					26d 223,146.
e Public support (line 26c minus line 26d total)					26e 3,120,077.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 93.3254%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A (2006) _____ (2005) _____ (2004) _____ (2003) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A (2006) _____ (2005) _____ (2004) _____ (2003) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

THE NEIGHBORHOOD OF AFFORDABLE HOUSING

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
	If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

THE NEIGHBORHOOD OF AFFORDABLE HOUSING

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table -		
	If the amount on line 40 is -	The lobbying nontaxable amount is -	
	Not over \$500,000	20% of the amount on line 40	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A (e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Table with 2 columns: Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

N/A

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No (X) No

b If "Yes," complete the following schedule: N/A

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

FORM 990	RENTAL INCOME	STATEMENT	1
KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME	
	1	50,116.	
TOTAL TO FORM 990, PART I, LINE 6A		50,116.	

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	2
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
GAIN ON REAL ESTATE DEVELOPMENT	3,767,229.	3,526,392.	0.	240,837.	
TO FORM 990, PART I, LINE 8	3,767,229.	3,526,392.	0.	240,837.	

FORM 990	OTHER EXPENSES				STATEMENT	3
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING		
CONSULTING AND CONTRACT LABOR SPECIAL EVENTS AND OTHER PROGRAM EXPENSES	216,804.	101,733.	108,404.	6,667.		
INSURANCE	223,614.	219,481.		4,133.		
PROFESSIONAL FEES	40,045.	17,398.	22,540.	107.		
BAD DEBTS	1,964.		1,964.			
DUES AND SUBSCRIPTIONS	57,983.	4,996.	52,987.			
MISCELLANEOUS	9,013.	1,700.	6,715.	598.		
ADVERTISING	5,184.	2,249.	2,635.	300.		
LOSS ON INVESTMENT IN SUBSIDIARY	979.	820.	159.			
TOTAL TO FM 990, LN 43	255.	255.				
	555,841.	348,632.	195,404.	11,805.		

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
PART III

EXPLANATION

TO PROVIDE SERVICES, UNDERTAKE ACTIVITIES, MAKE LOANS TO HOMEOWNERS, AND OVERSEE DEVELOPMENT RELATING TO HOUSING NEEDS, ECONOMIC DEVELOPMENT AND COMMUNITY SERVICES IN EAST BOSTON, AND THE SURROUNDING AREAS WITHIN BOSTON.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 5

DESCRIPTION OF OTHER PROGRAM SERVICES	GRANTS AND ALLOCATIONS	EXPENSES
REAL ESTATE AND ECONOMIC DEVELOPMENT/HOUSING COUNSELING	0.	158,937.
TOTAL TO FORM 990, PART III, LINE E		158,937.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 6

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
OFFICE & COMPUTER EQUIPMENT	266,451.	239,353.	27,098.
OFFICE FURNITURE	3,200.	1,494.	1,706.
LEASEHOLD IMPROVEMENTS	11,598.	5,385.	6,213.
TOTAL TO FORM 990, PART IV, LN 57	281,249.	246,232.	35,017.

FORM 990 OTHER ASSETS STATEMENT 7

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
DUE FROM AFFILIATES	277,857.	241,249.
PROJECT UNDER DEVELOPMENT (AMANI PROPERTIES, LLC)	3,660,591.	585,862.
RESTRICTED DEPOSITS	29,890.	122,474.
TOTAL TO FORM 990, PART IV, LINE 58	3,968,338.	949,585.

FORM 990	OTHER LIABILITIES	STATEMENT	8
DESCRIPTION	BEGINNING OF YEAR	END OF YEAR	
DUE TO AFFILIATES	45,000.	175,000.	
CAPITAL LEASE	47,899.	22,421.	
TOTAL TO FORM 990, PART IV, LINE 65	92,899.	197,421.	

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PHILIP GIFFEE 143 BORDER STREET EAST BOSTON, MA 02128	EXECUTIVE DIRECTOR 37.50	87,325.	14,011.	0.
DHARMENA DOWNEY 143 BORDER STREET EAST BOSTON, MA 02128	PRESIDENT 1.00	0.	0.	0.
DAVID FOSS, ESQ. 143 BORDER STREET EAST BOSTON, MA 02128	VICE PRESIDENT 1.00	0.	0.	0.
ROSE FIORE 143 BORDER STREET EAST BOSTON, MA 02128	TREASURER 1.00	0.	0.	0.
JOHN CANNON 143 BORDER STREET EAST BOSTON, MA 02128	ASSISTANT TREASURER 1.00	0.	0.	0.
ANGIE PRESTON 143 BORDER STREET EAST BOSTON, MA 02128	CLERK 1.00	0.	0.	0.
JEAN HEALEY, ESQ. 143 BORDER STREET EAST BOSTON, MA 02128	ASSISTANT CLERK 1.00	0.	0.	0.

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04-2964630

MARY ELLEN WELCH 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
ANDREW DANFORTH 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
KEMPTON FLEMMING 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
CHRISTIAN A. RIVERA, ESQ. 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
KYLA PEIRCEY, C.P.A. 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
KATHY BURLINSON 143 BORDER STREET EAST BOSTON, MA 02128	BOARD MEMBER 1.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		87,325.	14,011.	0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS STATEMENT 10
PART VI, LINE 80B

NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
PEACE PROPERTIES, INC.	X	
NOAH COMMUNITY DEVELOPMENT FUND, INC.	X	
PAZ PROPERTIES, INC.	X	
SHALOM PROPERTIES, INC.	X	
SIOCHAIN PROPERTIES, INC.	X	
NOAH TRINITY, INC.		X
143 BORDER STREET, INC.		X
AMANI PROPERTIES, LLC		X
NOAH TRINITY LIMITED PARTNERSHIP		X
PACE BORDER, LLC		X
SIOCHAIN PROPERTIES LIMITED PARTNERSHIP		X

FORM 990 PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES AND DISREGARDED ENTITIES STATEMENT 11

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

AMANI PROPERTIES, LLC

ADDRESS

143 BORDER STREET, EAST BOSTON, MA 02128

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
20-5146951	100.00%	DEV.& MGMT OF PROPERTIES	-812.	656,751.

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

NOAH TRINITY, INC.

ADDRESS

143 BORDER STREET, EAST BOSTON, MA 02128

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
04-3128469	100.00%	RENTAL HOUSING	-911.	0.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 12

LINE EXPLANATION OF RELATIONSHIP OF ACTIVITIES

93B FEES RECEIVED FROM RELATED ENTITIES FOR MANAGING HOUSING UNITS
 93C FEES GENERATED FROM VARIOUS HOUSING SERVICES SUCH AS SENIOR HOMEOWNER SERVICES AND HOUSING COUNSELING
 97B INCOME FROM SUBLETTING OFFICE SPACE. THIS INCOME OFFSET THE RENT EXPENSE OF \$136,983 (SEE PAGE 2, LINE 36) INCURRED AND PAID BY NOAH.

SCHEDULE A

EXPLANATION OF TRANSACTIONS
PART III, LINE 2C

STATEMENT 13

NOAH AND ITS AFFILIATES OPERATE OUT OF THE SAME CENTRAL OFFICE AT 143 BORDER STREET, EASTON BOSTON, MA.

NOAH IS RELATED TO THE VARIOUS ENTITIES NOTED BELOW. THESE ENTITIES HAVE BEEN ESTABLISHED IN CONNECTION WITH AFFORDABLE HOUSING REAL ESTATE DEVELOPMENTS.

PACE BORDER LIMITED LIABILITY CORPORATION (PACE BORDER) WAS FORMED AS A LIMITED LIABILITY COMPANY FOR THE PURPOSES OF ACQUIRING AND DEVELOPING A COMMERCIAL PROPERTY LOCATED AT 143 BORDER STREET, EAST BOSTON. THE COMMERCIAL PROPERTY CONSISTS OF TWO CONDOMINIUM UNITS, ONE OF WHICH WAS SOLD IN AUGUST, 2004. THE REMAINING UNIT IS OCCUPIED BY NOAH AS TENANT. RENTAL INCOME FROM NOAH WAS \$136,983 FOR THE YEAR ENDED JUNE 30, 2008. PACE BORDER'S FISCAL YEAR END IS DECEMBER 31ST. THE FINANCIAL STATEMENTS OF PACE BORDER ARE REFLECTED AS OF DECEMBER 31, 2007. THERE WERE NO TRANSACTIONS DURING THE PERIOD JANUARY 1, 2008 THROUGH JUNE 30, 2008, WHICH WERE MATERIAL TO PACE BORDER'S FINANCIAL POSITION OR REQUIRED ADJUSTMENT OF THE DECEMBER 31, 2007 FINANCIAL STATEMENTS FOR THEM TO BE A REASONABLE REFLECTION OF THE RESULTS OF OPERATIONS AND FINANCIAL POSITION OF PACE BORDER AS OF AND FOR THE YEAR ENDED JUNE 30, 2008.

143 BORDER STREET INC., WHOLLY-OWNED BY PEACE PROPERTIES, INC., IS THE MANAGING MEMBER OF PACE BORDER. THE MANAGING MEMBER OWED PACE BORDER \$28,324, WHICH IS INCLUDED IN DUE FROM AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2007. DURING 2008, THIS AMOUNT WAS WRITTEN OFF AND IS SHOWN AS A REDUCTION IN EQUITY OF MANAGING MEMBER.

PACE BORDER HAS A \$235,000 NOTE PAYABLE TO PEACE PROPERTIES, INC.. THE NOTE BEARS INTEREST AT 3.5% AND IS DUE MARCH 31, 2034. THERE WAS AN OUTSTANDING PRINCIPAL BALANCE OF \$235,000 AS OF JUNE 30, 2008, AND ACCRUED INTEREST OF \$35,638 AT JUNE 30, 2008, WHICH IS INCLUDED IN NOTES PAYABLE, ACCRUED INTEREST, AND DUE FROM AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. AS OF JUNE 30, 2008, PACE BORDER ALSO OWED NOAH \$136,062 FOR DEVELOPER FEES, WHICH IS INCLUDED IN DEFERRED DEVELOPER FEES PAYABLE IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. THESE AMOUNTS ARE FULLY RESERVED BY NOAH BECAUSE THEY ARE NOT EXPECTED TO BE REALIZED IN THE NEAR TERM.

SHALOM PROPERTIES, INC. (SHALOM) WAS FORMED IN 1997 AS A NON-PROFIT 501(C)(3) AFFILIATE OF NOAH FOR THE PURPOSE OF ACQUIRING, REHABILITATING, AND OPERATING A RENTAL HOUSING PROJECT. DURING THE YEARS ENDED JUNE 30, 2008 AND 2007, NOAH BILLED SHALOM \$110,746 FOR MANAGEMENT, ADMINISTRATIVE AND MAINTENANCE EXPENSES. AS OF JUNE 30, 2008, SHALOM OWED NOAH \$118,557, OF MANAGEMENT FEES WHICH IS INCLUDED IN DUE TO AFFILIATE IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. THIS AMOUNT IS FULLY RESERVED BY NOAH BECAUSE IT IS NOT EXPECTED TO BE REALIZED IN THE NEAR TERM.

PAZ PROPERTIES, INC. (PAZ) WAS FORMED IN 1993 AS A NON-PROFIT 501(C)(2) AFFILIATE OF NOAH FOR THE PURPOSE OF ACQUIRING, REHABILITATING, AND OPERATING A RENTAL HOUSING PROJECT. DURING THE YEAR ENDED JUNE 30, 2008, NOAH BILLED PAZ \$135,850 FOR MANAGEMENT, ADMINISTRATIVE AND MAINTENANCE EXPENSES. AS OF JUNE 30, 2008, PAZ OWED NOAH \$45,194, OF MANAGEMENT FEES WHICH IS INCLUDED IN DUE TO AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. THIS AMOUNT IS FULLY RESERVED BY NOAH BECAUSE IT IS NOT EXPECTED TO BE REALIZED IN THE NEAR TERM.

PEACE PROPERTIES, INC. (PEACE PROPERTIES) WAS FORMED IN 1992 AS A NON-PROFIT 501(C)(3) AFFILIATE OF NOAH FOR THE PURPOSE OF DEVELOPING LOW TO MODERATE INCOME HOUSING.

NOAH CDFI (SEE BELOW) ADVANCED PEACE PROPERTIES CAPITAL FUNDS TO INVEST IN ITS REAL ESTATE DEVELOPMENT ACTIVITIES. THERE WAS \$91,020 OUTSTANDING AT JUNE 30, 2008, WHICH IS INCLUDED IN DUE FROM AND DUE TO AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. THESE ADVANCES ARE NON-INTEREST BEARING AND ARE DUE AT CONSTRUCTION CLOSING FOR THE GREENERY PROJECT AND UPON THE SALE OF THE FINAL UNIT OF THE BORDER FALCON CONDOMINIUM PROJECT. AS OF JUNE 30, 2008, PEACE PROPERTIES ALSO OWED NOAH \$16,019 FOR CASH ADVANCES. THIS AMOUNT IS INCLUDED IN DUE TO AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION AT JUNE 30, 2008. THESE AMOUNTS ARE FULLY RESERVED BY NOAH AND NOAH CDFI BECAUSE THE AMOUNTS ARE NOT EXPECTED TO BE REALIZED IN THE NEAR TERM.

AS OF JUNE 30, 2008, PEACE PROPERTIES' INVESTMENT IN PACE BORDER WAS FULLY WRITTEN DOWN. PEACE PROPERTIES' SHARE OF PACE BORDER'S LOSS FOR THE YEAR ENDED DECEMBER 31, 2008, WAS \$56,830, AS REPORTED IN THE ACCOMPANYING COMBINING STATEMENTS OF ACTIVITIES.

PEACE PROPERTIES OWNS LAND, WHICH IT LEASES TO AMANI PROPERTIES (SEE BELOW) UNDER A GROUND LEASE AGREEMENT. AMANI PROPERTIES DEVELOPED FOURTEEN CONDOMINIUM UNITS KNOWN AS BORDER FALCON CONDOMINIUM UNITS ON THIS LAND. THE GROUND LEASE AGREEMENT EXPIRES JULY, 2105, WITH AN OPTION TO EXTEND THE ORIGINAL TERM OF THE LEASE FOR ONE ADDITIONAL PERIOD OF NINETY- NINE YEARS. MONTHLY GROUND LEASE RENT IS \$1,329 WHICH WILL BE COLLECTED BY AMANI PROPERTIES FROM THE PURCHASERS OF THE CONDOMINIUM UNITS. MONTHLY GROUND LEASE RENT IS CALCULATED TO EQUAL 105% OF THE MONTHLY PAYMENTS OF PRINCIPAL AND INTEREST NECESSARY TO AMORTIZE THE LISC LOAN OVER THE TERM OF THE LOAN. UPON PAYING IN FULL OF THE LISC LOAN, PEACE PROPERTIES WILL CONTINUE TO COLLECT GROUND LEASE RENT UNTIL THE \$70,000 OF NW FUNDS BORROWED FROM NOAH IS PAID OFF.

AMANI PROPERTIES LIMITED LIABILITY CORPORATION (AMANI PROPERTIES) WAS FORMED IN JUNE, 2006, AS A LIMITED LIABILITY COMPANY FOR THE PURPOSE OF ENGAGING IN THE DEVELOPMENT, MANAGEMENT AND CONVEYANCE OF INTERESTS IN THE REAL PROPERTIES LOCATED AT 10 BORDER STREET AND 427-429 FALCON

STREET IN EAST BOSTON, MASSACHUSETTS. NOAH IS THE SOLE MEMBER OF AMANI PROPERTIES.

NOAH CDFI LENT AMANI PROPERTIES CAPITAL FUNDS TO INVEST IN ITS REAL ESTATE DEVELOPMENT ACTIVITIES. THERE WAS \$130,000 OUTSTANDING AT JUNE 30, 2008, WHICH IS INCLUDED IN DUE FROM AND DUE TO AFFILIATES IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. BORROWINGS ARE NON-INTEREST BEARING AND ARE DUE AT THE CLOSING OF THE FINAL UNIT SALE OF THE BORDER FALCON CONDOMINIUM PROJECT.

NOAH COMMUNITY DEVELOPMENT FUND, INC. (NOAH CDFI) WAS FORMED IN 2001 AS A NON-PROFIT AFFILIATE OF NOAH TO PROVIDE LOANS AND COUNSELING FOR HOMEOWNERSHIP TO LOW TO MODERATE INCOME RESIDENTS. NOAH CDFI HAS APPLIED AND WAS GRANTED STATUS RETROACTIVELY AS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE IRC. NOAH CDFI HAS USED THE FUNDS FOR LOANS IN ACCORDANCE WITH NW GUIDELINES. NOAH CDFI SETS GENERAL POLICY, PROJECT CRITERIA GUIDELINES, AND MAKES DECISIONS WITH RESPECT TO THIS FUND. NOAH CDFI MAINTAINS FINAL RESPONSIBILITY FOR ALL FUNDS RECEIVED AND ENSURES THAT SUCH FUNDS ARE USED IN A MANNER CONSISTENT WITH NOAH CDFI'S BOARD'S DIRECTIVES AND NW RESTRICTIONS.

NOAH CDFI LENT PEACE PROPERTIES AND AMANI PROPERTIES CAPITAL FUNDS TO INVEST IN ITS REAL ESTATE DEVELOPMENT ACTIVITIES. THERE WAS \$221,020 OUTSTANDING AT JUNE 30, 2008, WHICH IS INCLUDED IN CONTRACTS, LOANS AND OTHER RECEIVABLES, DUE FROM AFFILIATES AND NOTES PAYABLE IN THE ACCOMPANYING COMBINING STATEMENTS OF FINANCIAL POSITION. BORROWINGS ARE DUE AT CONSTRUCTION CLOSING FOR THE GREENERY PROJECT AND AT THE FINAL UNIT SALE OF THE BORDER FALCON CONDOMINIUM PROJECT.

NOAH ALSO MAINTAINS THE FOLLOWING INTEREST IN OTHER GENERAL PARTNERS:

NOAH TRINITY, INC., 1% GENERAL PARTNER OF NOAH TRINITY LIMITED PARTNERSHIP. NOAH OWNS 100% OF THIS CORPORATION'S COMMON STOCK.

SIOCHAIN PROPERTIES, INC., 0.01% GENERAL PARTNER OF SIOCHAIN PROPERTIES LIMITED PARTNERSHIP. SIOCHAIN IS A 501(C)(3) ORGANIZATION AND IS CONTROLLED BY NOAH.

NOAH PERFORMS PROPERTY MANAGEMENT SERVICES FOR NOAH'S RELATED RENTAL PROPERTY ENTITIES. THESE PROPERTIES ARE DIRECTLY BILLED MANAGEMENT FEES FOR NOAH'S STAFF ASSIGNED TO THE PROPERTY, ALONG WITH RELATED EXPENSES.

Depreciation and Amortization 990
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return THE NEIGHBORHOOD OF AFFORDABLE HOUSING INC.	Business or activity to which this form relates FORM 990 PAGE 2	Identifying number 04-2964630
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Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	125,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	500,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property. Enter the amount from line 29		
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7		8
9 Tentative deduction. Enter the smaller of line 5 or line 8		9
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562		10
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5		11
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11		12
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12		13

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	30,370.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2007	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	30,370.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**THE NEIGHBORHOOD OF AFFORDABLE HOUSING
INC.**

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2007 tax year:					
43 Amortization of costs that began before your 2007 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
 - If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization THE NEIGHBORHOOD OF AFFORDABLE HOUSING INC.	Employer identification number 04-2964630
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 143 BORDER STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. EAST BOSTON, MA 02128	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **THE CORPORATION**
Telephone No. ▶ **617-567-5882** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **FEBRUARY 15, 2009**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year _____ or

▶ tax year beginning **JUL 1, 2007**, and ending **JUN 30, 2008**.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c	Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.