

# Return of Organization Exempt From Income Tax

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

2001

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the **2001** calendar year, or tax year beginning 7/1, 2001, and ending 6/30, 2002

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	<b>C</b> Name of organization FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC Number and street (or PO box if mail is not delivered to street address) Room/suite 106 PASCO STREET City or town, state or country, and ZIP + 4 BERE A KY 40403	<b>D</b> Employer identification number 31-0986871 <b>E</b> Telephone number 859-986-2321 <b>F</b> Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶
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• 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 ▶

**H(c)** Are all affiliates included?  Yes  No  
 (If "No," attach a list See instructions)

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

**I** Enter 4-digit GEN ▶

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

**G** Web site ▶

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

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16 )**

Revenue	1	Contributions, gifts, grants, and similar amounts received				
		a	Direct public support	1a	180,765	
		b	Indirect public support	1b		
		c	Government contributions (grants)	1c	2,452,838	
		d	Total (add lines 1a through 1c) (cash \$ 2,633,603 and non-cash \$ )	1d	2,633,603	
		2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	140,937	
		3	Membership dues and assessments	3		
		4	Interest on savings and temporary cash investments	4	85,983	
		5	Dividends and interest from securities	5		
		6a	Gross rents	6a	17,280	
		b	Less rental expenses	6b		
		c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	17,280	
	7	Other investment income (describe ▶ INTEREST INCOME ON NOTES )	7	446,580		
	8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other		
			8a	330,761		
	b	Less cost or other basis and sales expenses	8b	277,918		
	c	Gain or (loss) (attach schedule)	8c	52,843		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	52,843		
	9	Special events and activities (attach schedule)				
	a	Gross revenue (not including \$ of contributions reported on line 1a)	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			
	10a	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	24		
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	3,377,250		
Expenses	13	Program services (from line 44, column (B))	13	1,147,159		
	14	Management and general (from line 44, column (C))	14	296,366		
	15	Fundraising (from line 44, column (D))	15			
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17	1,443,525		
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	1,933,725		
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	9,848,337		
	20	Other changes in net assets or fund balances (attach explanation)	20			
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	11,782,062		

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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. (See Specific Instructions on page 21.)

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
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26	547,144	366,586	180,558
27	Pension plan contributions	27			
28	Other employee benefits	28	154,957	103,821	51,136
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32	22,043	19,122	2,921
33	Supplies	33	12,934	6,570	6,364
34	Telephone	34	21,486	12,892	8,594
35	Postage and shipping	35	5,629	2,815	2,814
36	Occupancy	36	16,134	8,067	8,067
37	Equipment rental and maintenance	37	12,526	8,989	3,537
38	Printing and publications	38			
39	Travel	39	34,192	22,909	11,283
40	Conferences, conventions, and meetings	40	11,522	6,913	4,609
41	Interest	41	314,690	313,560	1,130
42	Depreciation, depletion, etc (attach schedule)	42	33,493	23,140	10,353
43	Other expenses not covered above (itemize) a MISC.	43a	47,835	42,835	5,000
	b BAD DEBT	43b	4,200	4,200	
	c INSURANCE	43c	9,164	9,164	
	d PASS THROUGH GRANTS TO MEMB.	43d	181,500	181,500	
	e LOAN EXPENSE	43e	14,076	14,076	
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15.	44	1,443,525	1,147,159	296,366

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 \$ \_\_\_\_\_, (ii) the amount allocated to Program services \$ \_\_\_\_\_, (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments (See Specific Instructions on page 24)**

What is the organization's primary exempt purpose? TECHNICAL SERV. TO MEM. 501c3 ORGS  
 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.)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a TO PROVIDE PERMANENT, YET AFFORDABLE FINANCING FOR HOUSING TO LOW INCOME INDIVIDUALS. FAHE ALSO PROVIDES TECHNICAL SERVICES TO MEMBER ORGANIZATIONS. APPROX. 45 FAMILIES AND 25 MEMBER ORGS. SERVED (Grants and allocations \$ _____)	1,446,706
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,446,706

**Part IV Balance Sheets (See Specific Instructions on page 24 )**

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		332,792	45	210,764	
	46	Savings and temporary cash investments		4,264,239	46	3,739,105	
	47a	Accounts receivable	47a 16,741				
	b	Less allowance for doubtful accounts	47b	28,415	47c	16,741	
	48a	Pledges receivable	48a				
	b	Less allowance for doubtful accounts	48b		48c		
	49	Grants receivable		3,500	49	3,200	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	Other notes and loans receivable (attach schedule)	51a 20,520,827				
	b	Less allowance for doubtful accounts	51b 495,526	17,728,580	51c	20,025,301	
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges		12,351	53	14,324	
	54	Investments — securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54		
	Liabilities	55a	Investments — land, buildings, and equipment basis	55a 252,688			
b		Less accumulated depreciation (attach schedule)	55b	343,327	55c	252,688	
56		Investments — other (attach schedule)			56		
57a		Land, buildings, and equipment basis	57a 583,211				
b		Less accumulated depreciation (attach schedule)	57b 157,758	431,822	57c	425,453	
58		Other assets (describe ► ACCRUED INTEREST REC.)		129,714	58	100,008	
59		<b>Total assets</b> (add lines 45 through 58) (must equal line 74)		23,274,740	59	24,787,584	
Net Assets or Fund Balances	60	Accounts payable and accrued expenses		100,000	60	106,128	
	61	Grants payable			61		
	62	Deferred revenue			62		
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
	b	Mortgages and other notes payable (attach schedule)		13,203,421	64b	12,791,632	
65	Other liabilities (describe ► CLIENT ADVANCES & DEP.)		122,982	65	107,762		
66	<b>Total liabilities</b> (add lines 60 through 65)		13,426,403	66	13,005,522		
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74	67	Unrestricted		1,812,316	67	3,014,776	
	68	Temporarily restricted		8,036,021	68	8,767,286	
	69	Permanently restricted			69		
	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	<b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		9,848,337	73	11,782,062	
	74	<b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73)		23,274,740	74	24,787,584	

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.

<b>Part IV-A</b> Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 26 )	<b>Part IV-B</b> Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p><b>a</b> Total revenue, gains, and other support per audited financial statements ▶ <b>a</b> 3,377,250</p> <p><b>b</b> Amounts included on line a but not on line 12, Form 990</p> <p>(1) Net unrealized gains on investments \$ _____</p> <p>(2) Donated services and use of facilities \$ _____</p> <p>(3) Recoveries of prior year grants \$ _____</p> <p>(4) Other (specify) _____</p> <p>_____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ <b>b</b></p> <p><b>c</b> Line a minus line b ▶ <b>c</b> 3,377,250</p> <p><b>d</b> Amounts included on line 12, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify) _____</p> <p>_____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶ <b>d</b></p> <p><b>e</b> Total revenue per line 12, Form 990 (line c plus line d) ▶ <b>e</b> 3,377,250</p>	<p><b>a</b> Total expenses and losses per audited financial statements ▶ <b>a</b> 1,443,525</p> <p><b>b</b> Amounts included on line a but not on line 17, Form 990</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$ _____</p> <p>(3) Losses reported on line 20, Form 990 \$ _____</p> <p>(4) Other (specify) _____</p> <p>_____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ <b>b</b></p> <p><b>c</b> Line a minus line b ▶ <b>c</b> 1,443,525</p> <p><b>d</b> Amounts included on line 17, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify) _____</p> <p>_____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶ <b>d</b></p> <p><b>e</b> Total expenses per line 17, Form 990 (line c plus line d) ▶ <b>e</b> 1,443,525</p>

**Part V** List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 26 )

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
DAVID LOLLIS BEREA, KY	PRESIDENT 40	43,659	0	0
JOHN H. THESING BEREA, KY	TREASURER 30	0	0	0
JIM KING BEREA, KY	EXEC. DIR. 40	53,560	0	0
JAMIE GROSS ABINGDON, VA	CHAIR 2	0	0	0
DON PROFITT NEON, KY	VICE CHAIR 2	0	0	0
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**75** Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? ▶  Yes  No  
 If "Yes," attach schedule — see Specific Instructions on page 27

Part VI Other Information (See Specific Instructions on page 27)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If "Yes," has it filed a tax return on Form 990-T for this year?		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures. See line 81 instructions		
81b	Did the organization file Form 1120-POL for this year?		X
82a	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
82b	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.)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?		
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		X
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85h	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?		
86a	501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12		
86b	Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) orgs. Enter a Gross income from members or shareholders		
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88	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
89a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911 _____, section 4912 _____, section 4955 _____		
89b	501(c)(3) and 501(c)(4) orgs. 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		
90a	List the states with which a copy of this return is filed _____		
90b	Number of employees employed in the pay period that includes March 12, 2001 (See instructions)	14	
91	The books are in care of JOHN THESING, TREASURER Telephone no 859-986-2321 Located at BERE A, KY ZIP + 4 40403		
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		

**Part VII Analysis of Income-Producing Activities** (See Specific Instructions on page 32)

	Unrelated business income		Excluded by section 512 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>Note</b> Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a LOAN ORIGATION FEES					96,192
b PROGRAM ADMINISTRATION					44,745
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	85,983	
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	17,280	
98 Net rental income or (loss) from personal property					
99 Other investment income			14	446,580	
100 Gain or (loss) from sales of assets other than inventory			14	56,024	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a MISCELLANEOUS					24
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				605,867	140,961
105 Total (add line 104, columns (B), (D), and (E))					746,828

**Note** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See Specific Instructions on page 32)

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)
93a	LOAN ORIGATION FEES ARE CHARGED TO COVER GENERAL & ADMIN. COSTS
93b	PROGRAM ADMIN. INCOME IS USED TO PAY FOR GENERAL COSTS OF PROGRAMS.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See Specific Instructions on page 33)

(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
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See Specific Instructions on page 33)

- (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)

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

9-10-2002  
Date

TREASURER



<b>Part III</b> Statements About Activities (See page 2 of the instructions )	Yes	No
<b>1</b> 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 1 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	1	X
<b>2</b> 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 )		
<b>a</b> Sale, exchange, or leasing of property?	2a	X
<b>b</b> Lending of money or other extension of credit?	2b	X
<b>c</b> Furnishing of goods, services, or facilities?	2c	X
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
<b>e</b> Transfer of any part of its income or assets?	2e	X
<b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below )	3	X
<b>4</b> Do you have a section 403(b) annuity plan for your employees?	4	X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

<b>Part IV</b> Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions )								
The organization is not a private foundation because it is (Please check only ONE applicable box )								
<b>5</b> <input type="checkbox"/> A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)								
<b>6</b> <input type="checkbox"/> A school Section 170(b)(1)(A)(ii) (Also complete Part V )								
<b>7</b> <input type="checkbox"/> A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)								
<b>8</b> <input type="checkbox"/> A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)								
<b>9</b> <input type="checkbox"/> A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____								
<b>10</b> <input type="checkbox"/> 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 )								
<b>11a</b> <input type="checkbox"/> 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 )								
<b>11b</b> <input type="checkbox"/> A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A )								
<b>12</b> <input checked="" type="checkbox"/> 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 )								
<b>13</b> <input type="checkbox"/> An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3) )								
Provide the following information about the supported organizations (See page 5 of the instructions )								
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:75%;">(a) Name(s) of supported organization(s)</th> <th style="width:25%;">(b) Line number from above</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	(a) Name(s) of supported organization(s)	(b) Line number from above						
(a) Name(s) of supported organization(s)	(b) Line number from above							

**14**  An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions )

**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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	1,860,110	1,781,350	1,794,743	1,943,789	7,379,992
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					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	700,306	635,350	552,454	398,521	2,286,631
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	2,560,416	2,416,700	2,347,197	2,342,310	9,666,623
24 Line 23 minus line 17	2,560,416	2,416,700	2,347,197	2,342,310	9,666,623
25 Enter 1% of line 23	25,604	24,167	23,472	23,423	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					▶ 26a
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 1997 through 2000 exceeded the amount shown in line 26a Do not file this list with your return Enter the total of all these excess amounts					▶ 26b
c Total support for section 509(a)(1) test Enter line 24, column (e)					▶ 26c
d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					▶ 26d
e Public support (line 26c minus line 26d total)					▶ 26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					▶ 26f %
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 (2000) _____ (1999) _____ (1998) _____ (1997) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified person"), 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 11, 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 (2000) _____ (1999) _____ (1998) _____ (1997) _____					
c Add Amounts from column (e) for lines 15 <u>7,379,992</u> 16 _____ 17 _____ 20 _____ 21 _____					▶ 27c 7,379,992
d Add Line 27a total _____ and line 27b total _____					▶ 27d
e Public support (line 27c total minus line 27d total)					▶ 27e 7,379,992
f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ 27f 9,666,623					▶ 27f 9,666,623
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					▶ 27g 76.35 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					▶ 27h 23.65 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, 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					

**Part V Private School Questionnaire (See page 7 of the instructions)**  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		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 )			
_____			
_____			
34a	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? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
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	

**Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)**  
 (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
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		41	
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 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

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		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			

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



**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

**2001**

Name of organization

FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC.

Employer identification number

31-0986871

Organization type (check one)

Filers of

Section

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General rule** or a **Special rule** (Note: Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General rule and a Special rule — see instructions )

**General Rule** —

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II )

**Special Rules** —

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II )

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III )

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year )

▶ \$ \_\_\_\_\_

**Caution** Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization **FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC.** Employer identification number **31-0986871**

**Part I** Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 1,067,738	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2		\$ 128,181	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3		\$ 1,100,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
4		\$ 75,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
	----- ----- -----	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
	----- ----- -----	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)