

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)

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 period beginning JUL 1, 2001 and ending JUN 30, 2002

B Check if applicable: X Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: CORNERSTONE COMMUNITY OUTREACH. D Employer identification number: 36-3670992. E Telephone number: 773-561-2450. F Accounting method: Cash, Accrual (X).

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? No (X). H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? N/A. H(d) Is this a separate return filed by an organization covered by a group ruling? No (X).

G Web site WWW.CCOLIFE.ORG

J Organization type (check only one) X 501(c) (03) (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. 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 2,105,042.

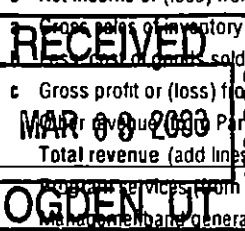
Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6 Gross rents; 7 Other investment income; 8 Gross amount from sale of assets other than inventory; 9 Special events and activities; 10 Gross sales of inventory less returns and allowances; 11 Program services from line 44 column (B); 12 Total revenue; 13 Program services from line 44 column (B); 14 Other revenues general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

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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
22 Grants and allocations (attach schedule) cash \$ _____ noncash \$ _____	22			
23 Specific assistance to individuals (attach schedule)	23 83,138.	83,138.	STATEMENT 5	
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25 28,150.	27,510.	614.	26.
26 Other salaries and wages	26 393,122.	393,122.		
27 Pension plan contributions	27			
28 Other employee benefits	28 106,550.	106,363.	181.	6.
29 Payroll taxes	29 27,805.	27,756.	47.	2.
30 Professional fundraising fees	30			
31 Accounting fees	31 12,360.		12,360.	
32 Legal fees	32 105.	105.		
33 Supplies	33 130,607.	129,478.	714.	415.
34 Telephone	34 32,456.	29,080.	2,630.	746.
35 Postage and shipping	35 2,298.	31.	487.	1,780.
36 Occupancy	36 99,717.	97,862.	995.	860.
37 Equipment rental and maintenance	37 5,762.	5,699.	63.	
38 Printing and publications	38 2,702.	2,635.		67.
39 Travel	39 15,235.	15,150.	85.	
40 Conferences, conventions, and meetings	40 2,615.	2,615.		
41 Interest	41 262,485.	256,384.	4,892.	1,209.
42 Depreciation, depletion, etc (attach schedule)	42 143,806.	139,266.	3,523.	1,017.
43 Other expenses not covered above (itemize) a _____ b _____ c _____ d _____ e SEE STATEMENT 3	43a 43b 43c 43d 43e			
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44 1,567,800.	1,527,635.	33,964.	6,201.

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

What is the organization's primary exempt purpose? **SEE STATEMENT 4**

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 TRANSITIONAL & EMERGENCY SHELTERS-PROVIDE FAMILIES WITH UP TO 120 DAYS OF SHELTER & SERVICES INCLUDING MEALS, COUNSELING, CLOTHING, JOB TRAINING, DAYCARE & LIFE SKILL TRAINING. SERVES 75 PEOPLE DAILY & 340 ANNUALLY. (Grants and allocations \$ _____)	847,909.
b SECOND STAGE HOUSING - OFFERS 18 SINGLE HOMELESS MOTHERS AND THEIR CHILDREN ONE YEAR OF HOUSING IN 2-3 BEDROOM APARTMENTS. PROVIDES SELF-SUFFICIENCY TRAINING AND PERMANENT HOUSING ASSISTANCE. (Grants and allocations \$ _____)	208,728.
c WARMING CENTERS-PROVIDE EVENING ACCOMODATIONS & MEALS TO SINGLE HOMELESS ADULTS. SERVES APPROXIMATELY 100 MEN AND 100 WOMEN DAILY. (Grants and allocations \$ _____)	157,891.
d OTHER PROGRAMS INCLUDE COMPUTER & LIFE SKILLS, A FREE STORE, SUBSIDIZED SENIOR HOUSING, AND "BROTHAS & SISTAS" WHICH PROVIDES AFTER SCHOOL ACTIVITIES & TUTORING FOR AREA YOUTH. (Grants and allocations \$ _____)	313,107.
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,527,635.

Part IV Balance Sheets

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

		(A)		(B)
		Beginning of year		End of year
Assets	45 Cash - non-interest-bearing	6,543.	45	25,626.
	46 Savings and temporary cash investments	15,978.	46	7,551.
	47 a Accounts receivable	47a 14,753.		
	b Less allowance for doubtful accounts	47b	47c	14,753.
	48 a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b	48c	
	49 Grants receivable	2,500.	49	75,593.
	50 Receivables from officers, directors, trustees, and key employees	54,670.	50	
	51 a Other notes and loans receivable	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	315.	53	1,671.
	54 Investments - securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV	54	
	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	57a 4,797,098.			
b Less accumulated depreciation STMT 6	57b 765,487.	2,902,234.	57c	4,031,611.
58 Other assets (describe ► SEE STATEMENT 7)		58	12,790.	
59 Total assets (add lines 45 through 58) (must equal line 74)		2,982,240.	59	4,169,595.
Liabilities	60 Accounts payable and accrued expenses	125,299.	60	89,683.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers directors trustees and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable STMT 8 STMT 9	1,848,813.	64b	2,485,789.
	65 Other liabilities (describe ► SEE STATEMENT 10)	833,538.	65	885,364.
66 Total liabilities (add lines 60 through 65)		2,807,650.	66	3,460,836.
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	146,953.	67	691,282.
	68 Temporarily restricted	27,637.	68	17,477.
	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 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		174,590.	73	708,759.
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		2,982,240.	74	4,169,595.

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	2,157,496.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$ 52,454.		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) \$		
	Add amounts on lines (1) through (4)	b	52,454.
c	Line a minus line b	c	2,105,042.
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b Form 990 \$		
(2)	Other (specify) STMT 12 \$ <3,073.>		
	Add amounts on lines (1) and (2)	d	<3,073.>
e	Total revenue per line 12, Form 990 (line c plus line d)	e	2,101,969.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,623,327.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$ 52,454.		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20 Form 990 \$		
(4)	Other (specify) STMT 11 \$ 3,073.		
	Add amounts on lines (1) through (4)	b	55,527.
c	Line a minus line b	c	1,567,800.
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$		
	Add amounts on lines (1) and (2)	d	0.
e	Total expenses per line 17 Form 990 (line c plus line d)	e	1,567,800.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)

(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
CURT MORTIMER 920 W. WILSON CHICAGO, IL 60640	PRESIDENT 2-3	0.	0.	0.
REV. RONALD BROWN 920 W. WILSON CHICAGO, IL 60640	VICE PRESIDENT 2-3	0.	0.	0.
DENNIS CADIEUX 920 W. WILSON CHICAGO, IL 60640	SECRETARY 2-3	0.	0.	0.
NEIL TAYLOR 920 W. WILSON CHICAGO, IL 60640	TREASURER 2-3	0.	0.	0.
DAWN MORTIMER 920 W. WILSON CHICAGO, IL 60640	BOARD MEMBER 1-2	0.	0.	0.
HERBERT FREEDHOLM 920 W. WILSON CHICAGO, IL 60640	BOARD MEMBER 1-2	0.	0.	0.
SANDRA RAMSEY 939 W. WILSON CHICAGO, IL 60640	EXECUTIVE DIRECTOR 40	28,150.	8,358.	0.

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? If "Yes" attach schedule Yes No

Part VI Other Information

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78 b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
80 a 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?
80 b If "Yes," enter the name of the organization JESUS PEOPLE USA CHURCH and check whether it is [X] exempt OR [] nonexempt
81 a Enter direct or indirect political expenditures See line 81 instructions
81 b Did the organization file Form 1120-POL for this year?
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?
82 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)
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
83 b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
84 b If "Yes" did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?
85 b Did the organization make only in-house lobbying expenditures of \$2 000 or less?
85 c Dues assessments, and similar amounts from members
85 d Section 162(e) lobbying and political expenditures
85 e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85 f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85 g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?
85 h If section 6033(e)(1)(A) dues notices were sent does the organization agree to add the amount in 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
86 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
87 b 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?
89 a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0., section 4912 0., section 4955 0.
89 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?
89 c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912 4955, and 4958
89 d Enter Amount of tax on line 89c, above, reimbursed by the organization
90 a List the states with which a copy of this return is filed ILLINOIS
90 b Number of employees employed in the pay period that includes March 12, 2001

91 The books are in care of CURT MORTIMER Telephone no (773) 561-2450
Located at 920 W. WILSON, CHICAGO, IL ZIP + 4 60640

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 Specific Instructions on page 32)

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) Exclusion code	(D) Amount	
93 Program service revenue					
a CLIENT FEES					18,633.
b					
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					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<3,073.>	
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.		<3,073.>	18,633.
105 Total (add line 104, columns (B), (D) and (E))					15,560.

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	CLIENT FEES RECEIVED IN EXCHANGE FOR CLOTHING, SHELTER AND FOOD. FEES BASED ON ABILITY TO PAY; NO INDIVIDUAL IS REFUSED SERVICE BASED ON INABILITY TO PAY FEE.

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
N/A	%			
	%			
	%			
	%			

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

I am preparing this return on behalf of the organization and I am a duly licensed preparer. I am providing this information to the best of my knowledge and belief. It is true, correct, and complete to the best of my knowledge and belief.

27 RONALD BROWN - OFFICER

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2001

Name of the organization **CORNERSTONE COMMUNITY OUTREACH** Employer identification number **36 3670992**

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
NONE				

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

Part II 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
NONE		

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

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 1 of Part VI-B)		X
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		
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, FORM 990	X	
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships student loans, etc ? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		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		

Part IV 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)

- 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 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)

(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.)	1,097,519.	1,042,071.	1,071,949.	797,517.	4,009,056.
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	26,173.	15,236.	13,905.	20,247.	75,561.
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				16.	16.
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	1,123,692.	1,057,307.	1,085,854.	817,780.	4,084,633.
24 Line 23 minus line 17	1,097,519.	1,042,071.	1,071,949.	797,533.	4,009,072.
25 Enter 1% of line 23	11,237.	10,573.	10,859.	8,178.	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 80,181.
	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 0.
	c Total support for section 509(a)(1) test. Enter line 24, column (e)				26c 4,009,072.
	d Add Amounts from column (e) for lines	18 16.	19		26d 16.
		22	26b		26e 4,009,056.
	e Public support (line 26c minus line 26d total)				26e 4,009,056.
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 99.9996%
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				
	(2000)	(1999)	(1998)	(1997)	
	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 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: N/A				
	(2000)	(1999)	(1998)	(1997)	
	c Add Amounts from column (e) for lines	15	16		
		17	20	21	27c N/A
	d Add Line 27a total				27d N/A
					27e N/A
	e Public support (line 27c total minus line 27d total)				
	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 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.				
	NONE				

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(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?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues brochures, announcements and other written communications to the public dealing with student admissions, programs and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? 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?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? 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?		
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		
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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 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 -		
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	
The lobbying nontaxable amount is -		
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				N/A
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
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 12 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

- 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)

Yes	No	Amount
		0.

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

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - IRC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
47	CONSTRUCTION IN PROGRESS	063002		.000	16	18,930.			18,930.			0.
	* 990 PAGE 2 TOTAL -					18,930.		0.	18,930.	0.	0.	0.
1	LAND	VARIESL				82,947.			82,947.			0.
38	SYLVIA CENTER LAND	063001L				150,000.			150,000.			0.
45	LELAND LAND	082401L				123,000.			123,000.			0.
	* 990 PAGE 2 TOTAL -					355,947.		0.	355,947.	0.	0.	0.
14	1997 CHEVY VAN	010197SL		5.00	16	24,905.			24,905.	22,163.		2,740.
15	(D)1987 FORD VAN	010197SL		5.00	16	2,250.			2,250.	2,025.		113.
19	(D)1996 DODGE VAN	010198SL		5.00	16	3,500.			3,500.	2,450.		350.
30	(D)1993 FORD TAURUS	071699SL		5.00	16	3,000.			3,000.	1,150.		50.
39	1995 NISSAN PATHFINDER	010101SL		5.00	16	7,458.			7,458.	746.		1,492.
	* 990 PAGE 2 TOTAL -					41,113.		0.	41,113.	28,534.	0.	4,745.
2	BUILDING	VARIESL		30.00	16	331,790.			331,790.	127,424.		11,141.
40	SYLVIA CENTER	010101SL		30.00	16	1357764.			1357764.	22,629.		45,259.
46	LELAND BUILDING	082401SL		30.00	16	1117000.			1117000.			18,617.
	* 990 PAGE 2 TOTAL -					2806554.		0.	2806554.	150,053.	0.	75,017.
4	LEASEHOLD IMPROVEMENTS	VARIESL		30.00	16	272,121.			272,121.	101,434.		12,307.
5	LEASEHOLD IMPROVEMENTS	070195SL		30.00	16	34,365.			34,365.	6,800.		74.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179 Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
6	BUILDING REHAB	VARI	ESSL	30.00	16	1013565.			1013565.	186,879.		32,727.
16	1997 LEASEHOLD IMPROVEMENTS	010197	SL	7.00	16	680.			680.	437.		97.
20	TUCKPOINTING & LINTEL WORK	050698	SL	15.00	16	14,500.			14,500.	3,562.		788.
26	SECURITY CAMERAS	052699	SL	30.00	16	28,773.			28,773.	2,920.		437.
27	SHOWERS	111698	SL	30.00	16	4,350.			4,350.	363.		145.
28	ELECTRICAL IMPROVEMENTS	121898	SL	30.00	16	4,050.			4,050.	337.		136.
48	3RD FLOOR RENOVATION	082401	SL	30.00	16	6,018.			6,018.			100.
49	IRON FENCE	082401	SL	5.00	16	2,000.			2,000.			143.
	* 990 PAGE 2 TOTAL -					1380422.		0.	1380422.	302,732.	0.	46,954.
7	FURNITURE	VARI	ESSL	5.00	16	31,733.			31,733.	31,733.		0.
8	FURNITURE	070195	SL	5.00	16	10,219.			10,219.	10,219.		0.
312	TELEVISIONS	070699	SL	5.00	16	1,053.			1,053.	422.		449.
322	TV CARTS	071499	SL	5.00	16	656.			656.	262.		131.
3327	DRESSERS	022500	SL	5.00	16	9,730.			9,730.	1,700.		2,796.
34	BUNK BEDS	040700	SL	5.00	16	796.			796.	199.		159.
54(D)	FURNITURE	VARI	ESSL	5.00	16	20,503.			20,503.	20,265.		0.
	* 990 PAGE 2 TOTAL -					74,690.		0.	74,690.	64,800.	0.	3,535.
35	COMPUTER MONITOR & TOWER	081999	SL	5.00	16	1,530.			1,530.	459.		306.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
41	COMPUTERS	010101SL	5.00	16	1,999.				1,999.	200.		399.
50	MITA DC COPIER	120101SL	5.00	16	1,595.				1,595.			160.
	* 990 PAGE 2 TOTAL -				5,124.			0.	5,124.	659.	0.	865.
9	OFFICE EQUIPMENT	070195SL	5.00	16	18,628.				18,628.	18,628.		0.
10	KITCHEN EQUIPMENT	VARIESSL	5.00	16	41,129.				41,129.	41,129.		0.
11	KITCHEN EQUIPMENT	070195SL	5.00	16	8,322.				8,322.	8,322.		0.
13	OTHER EQUIPMENT	070195SL	5.00	16	2,105.				2,105.	2,046.		0.
17	OFFICE EQUIPMENT	010197SL	5.00	16	1,100.				1,100.	1,100.		0.
18	KITCHEN EQUIPMENT	010197SL	7.00	16	7,897.				7,897.	5,876.		1,128.
214	COMPUTERS - CYPHER MAX	111297SL	5.00	16	6,290.				6,290.	5,625.		665.
22	PLAYGROUND EQUIPMENT	071897SL	7.00	16	21,980.				21,980.	12,397.		4,476.
23	(D) COMPUTER	082997SL	5.00	16	1,111.				1,111.	851.		37.
24	IBM COMPUTER	010398SL	5.00	16	1,225.				1,225.	858.		245.
25	COMPAQ COMPUTER	012298SL	5.00	16	1,138.				1,138.	779.		228.
29	COMPUTERS & PRINTER	112598SL	5.00	16	3,573.				3,573.	1,787.		715.
36	MEAT SLICER	072799SL	5.00	16	1,101.				1,101.	422.		220.
37	BOILER	082599SL	5.00	16	2,130.				2,130.	781.		426.
42	MIXER	010101SL	7.00	16	2,470.				2,470.	176.		353.

001 DEPRECIATION AND AMORTIZATION REPORT

990

FORM 990 PAGE 2

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
43	EMERGENCY LIGHTS	010101SL		7.00	16	3,507.			3,507.	250.		501.
44	COMPUTERS	010101SL		5.00	16	13,175.			13,175.	1,317.		2,635.
51	MACKIE SOUND SYSTEM	120101SL		5.00	16	3,982.			3,982.			465.
52	COMPUTER-IMAGE DAT	120101SL		5.00	16	2,019.			2,019.			236.
53	COMPUTER-IMAGE DAT	120101SL		5.00	16	1,800.			1,800.			210.
55	(D)EQUIPMENT	VARIESSL		5.00	16	6,898.			6,898.	6,898.		0.
	* 990 PAGE 2 TOTAL -					151,580.		0.	151,580.	109,242.	0.	12,540.
	* GRAND TOTAL 990 PAGE 2 DEPR					4834360.		0.	4834360.	656,020.	0.	143,656.

(D) - Asset disposed

FOOTNOTES

STATEMENT 1

ELECTION NOT TO CLAIM THE ADDITIONAL FIRST YEAR
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)

CORNERSTONE COMMUNITY OUTREACH
920 W. WILSON
CHICAGO, IL 60640

EMPLOYER IDENTIFICATION NUMBER 36-3670992

FOR THE YEAR ENDING JUNE 30, 2002

CORNERSTONE COMMUNITY OUTREACH, HEREBY ELECTS, PURSUANT TO
IRC SEC. 168(K)(2)(C)(III), NOT TO CLAIM THE ADDITIONAL
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K) FOR QUALIFYING
PROPERTY PLACED IN SERVICE DURING THE TAX YEAR ENDING
JUNE 30, 2002.

FORM 990	GAIN (LOSS) FROM SALE OF OTHER ASSETS	STATEMENT	2
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DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
FURNITURE, VEHICLES, EQUIPMENT	VARIOUS	06/01/02	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	0.	37,262.	0.	34,189.	<3,073.>
TO FM 990, PART I, LN 8		37,262.	0.	34,189.	<3,073.>

FORM 990	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
DUES AND SUBSCRIPTIONS	1,712.	1,240.	472.	
INSURANCE	46,104.	40,859.	5,172.	73.
BANK FEES	7,353.	6,827.	526.	
MISCELLANEOUS	2,278.	2,278.		
SENIOR RENT SUBSIDY	102,258.	102,258.		
PROFESSIONAL FEES	10,000.	10,000.		
REPAIRS & MAINTENANCE	49,182.	47,979.	1,203.	
TOTAL TO FM 990, LN 43	218,887.	211,441.	7,373.	73.

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

IMPROVE THE QUALITY OF LIFE FOR DISADVANTAGED, DISPLACED AND UNDER-PRIVILEGED PEOPLE IN THE UPTOWN NEIGHBORHOOD OF CHICAGO.

FORM 990	SPECIFIC ASSISTANCE TO INDIVIDUALS	STATEMENT	5
DESCRIPTION		AMOUNT	
FOOD, SHELTER AND CLOTHING FOR INDIGENTS, ETC.		83,138.	
TOTAL TO FORM 990, PART II, LINE 23		83,138.	

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	6
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LAND	82,947.	0.	82,947.
BUILDING	331,790.	138,565.	193,225.
LEASEHOLD IMPROVEMENTS	272,121.	113,741.	158,380.
LEASEHOLD IMPROVEMENTS	34,365.	6,874.	27,491.
BUILDING REHAB	1,013,565.	219,606.	793,959.
FURNITURE	31,733.	31,733.	0.
FURNITURE	10,219.	10,219.	0.
OFFICE EQUIPMENT	18,628.	18,628.	0.
KITCHEN EQUIPMENT	41,129.	41,129.	0.
KITCHEN EQUIPMENT	8,322.	8,322.	0.
OTHER EQUIPMENT	2,105.	2,046.	59.
1997 CHEVY VAN	24,905.	24,903.	2.
1997 LEASEHOLD IMPROVEMENTS	680.	534.	146.
OFFICE EQUIPMENT	1,100.	1,100.	0.
KITCHEN EQUIPMENT	7,897.	7,004.	893.
TUCKPOINTING & LINTEL WORK	14,500.	4,350.	10,150.
4 COMPUTERS - CYPER MAX	6,290.	6,290.	0.
PLAYGROUND EQUIPMENT	21,980.	16,873.	5,107.
IBM COMPUTER	1,225.	1,103.	122.
COMPAQ COMPUTER	1,138.	1,007.	131.
SECURITY CAMERAS	28,773.	3,357.	25,416.
SHOWERS	4,350.	508.	3,842.
ELETRICAL IMPROVEMENTS	4,050.	473.	3,577.
COMPUTERS & PRINTER	3,573.	2,502.	1,071.
2 TELEVISIONS	1,053.	871.	182.
2 TV CARTS	656.	393.	263.
27 DRESSERS	9,730.	4,496.	5,234.
BUNK BEDS	796.	358.	438.
COMPUTER MONITOR & TOWER	1,530.	765.	765.
MEAT SLICER	1,101.	642.	459.
BOILER	2,130.	1,207.	923.
SYLVIA CENTER LAND	150,000.	0.	150,000.
1995 NISSAN PATHFINDER	7,458.	2,238.	5,220.
SYLVIA CENTER	1,357,764.	67,888.	1,289,876.
COMPUTERS	1,999.	599.	1,400.

CORNERSTONE COMMUNITY OUTREACH

36-3670992

MIXER	2,470.	529.	1,941.
EMERGENCY LIGHTS	3,507.	751.	2,756.
COMPUTERS	13,175.	3,952.	9,223.
LELAND LAND	123,000.	0.	123,000.
LELAND BUILDING	1,117,000.	18,617.	1,098,383.
CONSTRUCTION IN PROGRESS	18,930.	0.	18,930.
3RD FLOOR RENOVATION	6,018.	100.	5,918.
IRON FENCE	2,000.	143.	1,857.
MITA DC COPIER	1,595.	160.	1,435.
MACKIE SOUND SYSTEM	3,982.	465.	3,517.
COMPUTER-IMAGE DAT	2,019.	236.	1,783.
COMPUTER-IMAGE DAT	1,800.	210.	1,590.
TOTAL TO FORM 990, PART IV, LN 57	4,797,098.	765,487.	4,031,611.

FORM 990	OTHER ASSETS	STATEMENT	7
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DESCRIPTION	AMOUNT
DEBT ISSUE COSTS NET OF AMORTIZAION	12,790.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	12,790.

FORM 990	MORTGAGES PAYABLE	STATEMENT	8
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DESCRIPTION	BALANCE DUE
NATIONAL COVENANT PROPERTIES	285,840.
NATIONAL COVENANT PROPERTIES	29,685.
EVANGELICAL COVENANT CHURCH	11,722.
DAVID BAUM REVOCABLE TRUST	1,315,149.
COMMUNITY INVESTMENT CORPORATION	809,405.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B	2,451,801.

FORM 990

OTHER NOTES AND LOANS PAYABLE

STATEMENT 9

LENDER'S NAME TERMS OF REPAYMENT

UPTOWN NATIONAL BANK \$493/MONTH

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
04/22/97	04/25/02	23,000.	10.20%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
1997 CHEVY EXPRESS VAN	PURCHASE VAN

RELATIONSHIP OF LENDER

BANKER

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
CASH	0.	6.

LENDER'S NAME TERMS OF REPAYMENT

UPTOWN NATIONAL BANK-LINE INTEREST ONLY
OF CREDIT

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
	02/01/00	30,000.	9.75%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
SIGNATURE	IMPROVE PROPERTY

RELATIONSHIP OF LENDER

BANKER

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
CASH	0.	29,910.

<u>LENDER'S NAME</u>		<u>TERMS OF REPAYMENT</u>	
UPTOWN NATIONAL BANK		\$199 PER MONTH	
<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
06/18/01	05/18/04	6,000.	11.75%

<u>SECURITY PROVIDED BY BORROWER</u>	<u>PURPOSE OF LOAN</u>
1995 NISSAN PATHFINDER	PURCHASE VAN

RELATIONSHIP OF LENDER

BANKER

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
CASH	0.	4,072.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B		33,988.

FORM 990	OTHER LIABILITIES	STATEMENT 10
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<u>DESCRIPTION</u>	<u>AMOUNT</u>
REFUNDABLE ADVANCE	61,399.
FORGIVABLE LT DEBT-CHGO DEPT OF HOUSING	809,565.
NOTE PAYABLE TO JESUS PEOPLE USA	14,400.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	885,364.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 11
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<u>DESCRIPTION</u>	<u>AMOUNT</u>
LOSS ON DISPOSAL OF FIXED ASSETS	3,073.
TOTAL TO FORM 990, PART IV-B	3,073.

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 12
DESCRIPTION	AMOUNT	
LOSS ON DISPOSAL OF FIXED ASSETS	<3,073.>	
TOTAL TO FORM 990, PART IV-A	<3,073.>	

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.		
Type or print.	Name of Exempt Organization CORNERSTONE COMMUNITY OUTREACH	Employer identification number 36-3670992
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P O box, see instructions 920 W. WILSON	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions CHICAGO, IL 60640	

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

- Form 990
- Form 990-EZ
- Form 990-T (sec 401(a) or 408(a) trust)
- Form 1041-A
- Form 5227
- Form 8870
- Form 990-BL
- Form 990-PF
- Form 990-T (trust other than above)
- Form 4720
- Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- 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 is for.

4 I request an additional 3-month extension of time until MAY 15, 2003

5 For calendar year _____, or other tax year beginning JUL 1, 2001 and ending JUN 30, 2002

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

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO PREPARE THE FINANCIAL STATEMENTS NECESSARY TO COMPLETE THE RETURN.

8a 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 \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c Balance Due. Subtract line 8b from line 8a. 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 \$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Carol Cullinan Title CPA Date 2/10/03

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

Director _____ By _____ Date _____

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name DESMOND & AHERN, LTD. ATTN: C. CULLINAN
	Number and street (include suite, room, or apt. no.) Or a P O box number 10827 S. WESTERN AVE.
123832 07-18-01	City or town, province or state, and country (including postal or ZIP code) CHICAGO, IL 60643

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)

Note: 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)

Note. Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization CORNERSTONE COMMUNITY OUTREACH	Employer identification number 36-3670992
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. 939 W. WILSON	
	City, town or post office, state, and ZIP code For a foreign address, see instructions. CHICAGO, IL 60640	

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

- Form 990
- Form 990-BL
- Form 990-EZ
- Form 990-PF
- Form 990-T (corporation)
- Form 990-T (sec 401(a) or 408(a) trust)
- Form 990-T (trust other than above)
- Form 1041-A
- Form 4720
- Form 5227
- Form 6069
- Form 8870

- 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-month, for 990-T corporation) extension of time until FEBRUARY 18, 2003 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, 2001, and ending JUN 30, 2002.

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 \$ _____

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 \$ _____

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 \$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Coral Cullison Title ▶ CPA Date ▶ 11-12-2002
LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)