

Form **990-PF**

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

OMB No 1545-0052

2005Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2005, or tax year beginning **4/01/05**, and ending **3/31/06**

G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS
Instructions
Otherwise,
print
or type.
See Specific
Instructions.

Name of organization

ALAVI FOUNDATION

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

500 FIFTH AVENUE

Room/suite

2320

City or town, state, and ZIP code

NEW YORK**NY 10110**

A Employer identification number

23-7345978

B Telephone number (see page 10 of the instructions)

212-944-8333C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐

2. Foreign organizations meeting the

85% test, check here and attach computation ☐

E If private foundation status was terminated

under section 507(b)(1)(A), check here ☐

F If the foundation is in a 60-month termination

under section 507(b)(1)(B), check here ☐H Check type of organization. ☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end

of year (from Part II, col. (c),

line 16) **\$ 87,432,898**J Accounting method: ☐ Cash ☒ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see page 11 of the instr.))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)	10,328			
2 Check ☒ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	229,326	229,326		
4 Dividends and interest from securities	127,435	127,435		
5a Gross rents	115,125	115,125		
b Net rental income or (loss) 115,125				
6a Net gain/(loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less. Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) Stmt 1	3,884,354	3,884,354		
12 Total. Add lines 1 through 11	4,366,568	4,356,240	0	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.	133,192	40,425		93,169
14 Other employee salaries and wages	83,285	14,598		68,686
15 Pension plans, employee benefits	81,077	14,295		63,720
16a Legal fees (attach schedule) See Stmt 2	61,660			61,660
b Accounting fees (attach schedule) Stmt 3	16,626			16,626
c Other professional fees (att. schedule) Stmt 4	54,599	21,990		32,609
17 Interest				
18 Taxes (att. schedule) (see pg 14 of the instr.) Stmt 5	43,894			1,500
19 Depreciation (att. schedule) & depletion Stmt 6	476,092	2,024		
20 Occupancy	44,574	6,524		34,222
21 Travel, conferences, and meetings	27,072	5,414		30,117
22 Printing and publications	303,476	4,615		301,861
23 Other exps (att. sch.) Stmt 7	95,413	9,004		137,597
24 Total operating and administrative expenses. Add lines 13 through 23	1,420,960	118,889		841,767
25 Contributions, gifts, grants paid	4,444,465			4,444,465
26 Total expenses and disbursements. Add lines 24 and 25	5,865,425	118,889	0	5,286,232
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-1,498,857			
b Net investment income (if negative, enter -0-)		4,237,351		
c Adjusted net income (if negative, enter -0-)			0	

For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash-non-interest-bearing	85,371	136,719	136,719
	2	Savings and temporary cash investments	8,356,964	6,800,489	6,800,489
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable ▶ See Wrk 3,831,935 Less: allowance for doubtful accounts ▶	2,305,835	3,831,935	3,831,935
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments-U S and state government obligations (attach schedule)			
	b	Investments-corporate stock (attach schedule) See Stmt	99,163	99,163	24,992
	c	Investments-corporate bonds (attach schedule)			
	11	Investments-land, buildings, and equipment: basis ▶ 2,196,127 Less: accumulated depreciation ▶	2,174,484	2,196,127	1,400,000
	12	Investments-mortgage loans			
	13	Investments-other (attach schedule) See Statement	9,100,463	7,948,961	58,649,890
	14	Land, buildings, and equipment: basis ▶ 22,282,823 Less: accumulated depreciation ▶ See Stmt 7,222,321	15,451,595	15,060,502	15,060,502
15	Other assets (describe ▶ See Statement)	99,449	84,028	84,028	
16	Total assets (to be completed by all filers-see page 16 of the instructions. Also, see page 1, item I)	37,673,324	36,157,924	85,988,555	
Liabilities	17	Accounts payable and accrued expenses	133,263	88,850	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (att schedule)			
	22	Other liabilities (describe ▶ See Statement)		27,871	
	23	Total liabilities (add lines 17 through 22)	133,263	116,721	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	37,540,061	36,041,203	
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	37,540,061	36,041,203	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	37,673,324	36,157,924	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year-Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	37,540,061
2	Enter amount from Part I, line 27a	2	-1,498,857
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	36,041,204
5	Decreases not included in line 2 (itemize) ▶ See Statement	5	1
6	Total net assets or fund balances at end of year (line 4 minus line 5)-Part II, column (b), line 30	6	36,041,203

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a N/A				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of nonchantable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2004	3,657,246	66,699,107	0.054832
2003	3,357,464	66,408,816	0.050558
2002	3,198,058	66,300,234	0.048236
2001	3,249,287	65,048,135	0.049952
2000	2,436,829	62,375,536	0.039067
2 Total of line 1, column (d)			2 0.242645
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.048529
4 Enter the net value of nonchantable-use assets for 2005 from Part X, line 5			4 67,448,653
5 Multiply line 4 by line 3			5 3,273,216
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 42,374
7 Add lines 5 and 6			7 3,315,590
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18			8 7,421,732

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948-see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling letter: (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	42,374
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	42,374
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	42,374
6	Credits/Payments		
a	2005 estimated tax payments and 2004 overpayment credited to 2005	6a	77,230
b	Exempt foreign organizations-tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	77,230
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	34,856
11	Enter the amount of line 10 to be Credited to 2006 estimated tax 34,856 Refunded	11	

Part VII-A Statements Regarding Activities

1a	During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a			X
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
1b			
c	Did the organization file Form 1120-POL for this year?		X
1c			
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization \$ (2) On organization managers \$		
e	Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers \$		
2	Has the organization engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2	X
3	Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	4a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5	X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7	Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) NY, MD, CA, TX		
b	If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," att. explanation	8b	X
9	Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2005 or the taxable year beginning in 2005 (see instructions for Part XIV on page 26)? If "Yes," complete Part XIV	9	X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names & addresses	10	X
11	Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address N/A	11	X
12	The books are in care of ALAVI FOUNDATION Telephone no. 212-944-8333 Located at 500 FIFTH AVE-23RD FLN, ZIP+4 10110		

13	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 -Check here ☐ and enter the amount of tax-exempt interest received or accrued during the year	13	
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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the organization (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes	☐ No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes	☒ No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here		1b ☒
c	Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2005?		1c ☒
2	Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2005 did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2005? If "Yes," list the years ☐ 20 , ☐ 20 , ☐ 20 , ☐ 20	☐ Yes	☒ No
b	Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement-see page 20 of the instructions.)	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ☐ 20 , ☐ 20 , ☐ 20 , ☐ 20	2b	
3a	Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes	☒ No
b	If "Yes," did it have excess business holdings in 2005 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2005)	N/A	
4a	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a ☒
b	Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2005?		4b ☒
5a	During the year did the organization pay or incur any amount to:		
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	☒ Yes	☐ No
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes	☒ No
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes	☒ No
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here		5b ☒
c	If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	N/A ☐ Yes	☐ No
6a	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? If you answered "Yes" to 6b, also file Form 8870.		6b ☒

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see page 21 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contrib to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED	0	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1-see page 21 of the instructions).

If 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 and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED				

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

2

3 Five highest-paid independent contractors for professional services-(see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SEE ATTACHED		

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

1

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1	INTEREST FREE LOANS TO EDUCATIONAL/RELIGIOUS CENTERS FOR EDUCATIONAL AND RELIGIOUS PURPOSES SEE SCHEDULE FOR PART IX-B	1,591,397
2	OPERATION OF FARSI SCHOOL/PROGRAMS IN VARIOUS UNIVERSITIES AND SCHOOLS	337,666
3	PUBLICATION AND BOOK DISTRIBUTION	313,998
4	INTEREST FREE LOANS TO COLLEGE STUDENTS SEE SCHEDULE FOR PART IX-B	56,241

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Part IX-B Summary of Program-Related Investments (see page 22 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	INTEREST FREE LOANS TO SEVERAL PUBLIC CHARITIES-SCHEDULE ATTACHED	2,017,000
2	INTERST FREE LOANS TO COLLEGE STUDENTS-SCHEDULE ATTACHED	35,000
All other program-related investments See page 22 of the instructions		
3		
Total. Add lines 1 through 3		2,052,000

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	32,160
b	Average of monthly cash balances	1b	8,314,541
c	Fair market value of all other assets (see page 23 of the instructions)	1c	60,129,089
d	Total (add lines 1a, b, and c)	1d	68,475,790
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	68,475,790
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	1,027,137
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	67,448,653
6	Minimum investment return. Enter 5% of line 5	6	3,372,433

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	3,372,433
2a	Tax on investment income for 2005 from Part VI, line 5	2a	42,374
b	Income tax for 2005. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	42,374
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,330,059
4	Recoveries of amounts treated as qualifying distributions	4	525,900
5	Add lines 3 and 4	5	3,855,959
6	Deduction from distributable amount (see page 24 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	3,855,959

Part XII Qualifying Distributions (see page 24 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.-total from Part I, column (d), line 26	1a	5,286,232
b	Program-related investments-total from Part IX-B	1b	2,052,000
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	85,000
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,423,232
5	Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	7,423,232

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2004	(c) 2004	(d) 2005
1 Distributable amount for 2005 from Part XI, line 7				3,855,959
2 Undistributed income, if any, as of the end of 2004.				
a Enter amount for 2004 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2005				
a From 2000				
b From 2001	100,365			
c From 2002				
d From 2003				
e From 2004	131,123			
f Total of lines 3a through e	231,488			
4 Qualifying distributions for 2005 from Part XII, line 4 ▶ \$ 7,423,232				
a Applied to 2004, but not more than line 2a				
b Applied to undistributed income of prior years (Election required-see page 25 of the instructions)				
c Treated as distributions out of corpus (Election required-see page 25 of the instructions)				
d Applied to 2005 distributable amount				3,855,959
e Remaining amount distributed out of corpus	3,567,273			
5 Excess distributions carryover applied to 2005 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	3,798,761			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount-see page 25 of the instructions				
e Undistributed income for 2004. Subtract line 4a from line 2a. Taxable amount-see page 25 of the instructions				
f Undistributed income for 2005. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2006				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)				
8 Excess distributions carryover from 2000 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2006. Subtract lines 7 and 8 from line 6a	3,798,761			
10 Analysis of line 9:				
a Excess from 2001	100,365			
b Excess from 2002				
c Excess from 2003				
d Excess from 2004	131,123			
e Excess from 2005	3,567,273			

Part XIV Private Operating Foundations (see page 26 of the instructions and Part VII-A, question 9)

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2005, enter the date of the ruling				
b	Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)				
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				(e) Total
	Tax year (a) 2005	Prior 3 years (b) 2004 (c) 2003 (d) 2002			
b	85% of line 2a				
c	Qualifying distributions from Part XII, line 4 for each year listed				
d	Amounts included in line 2c not used directly for active conduct of exempt activities				
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3	Complete 3a, b, or c for the alternative test relied upon:				
a	"Assets" alternative test-enter				
	(1) Value of all assets				
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b	"Endowment" alternative test-enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c	"Support" alternative test-enter				
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
	(3) Largest amount of support from an exempt organization				
	(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 26 of the instructions.)

1	Information Regarding Foundation Managers:
a	List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).) N/A
b	List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest. N/A
2	Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
	Check here ☐ if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
a	The name, address, and telephone number of the person to whom applications should be addressed: SEE ATTACHED
b	The form in which applications should be submitted and information and materials they should include. SEE ATTACHED
c	Any submission deadlines SEE ATTACHED
d	Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: SEE ATTACHED

Part XV Supplementary Information (continued)**3** Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient		If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)					
a Paid during the year					
CONTRIBUTION		NONE	PUBLIC		
SEE ATTACHED		DONATION/EDUCATIONAL/RELIGIOUS			4,074,600
PUBLICATION & BOOK DISTRIBUTION		NONE	PUBLIC		
SEE ATTACHED		EDUCATIONAL			71,000
CONTRIBUTION TO SCHOOLS		NONE	PUBLIC		
FOR FARSI PROGRAM		EDUCATIONAL			298,865
SEE ATTACHED					
Total					4,444,465
b Approved for future payment					
N/A					
Total					

ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

NOTE 1 - REIMBURSEMENT OF EXPENSES:

During the year ended March 31, 2006 the 650 Fifth Avenue Partnership reimbursed the Foundation for expenses incurred by the Foundation in connection with the services rendered to the Partnership by the employees of the Foundation. The total reimbursed expenses was \$415,416 and consisted of the following:

Compensation of Officers	\$ 76,978
Other Employees' Salaries and Wages	146,266
Pension Plans and Employees' Benefit	119,549
Occupancy	68,366
Office, Stationery and Other Expenses	<u>4,257</u>
Total	<u>\$ 415,416</u>

The amounts on lines 13 through 23 of Page 1, Part I of Form 990-PF are net of the above reimbursements.

NOTE 2 - ELECTION UNDER CODE SECTION 266:

Pursuant to the Code Section 266, the Foundation elected to capitalize real estate taxes, insurance and other expenses related to its investments in real estate.

NOTE 3 - ALLOCATION OF EXPENSES:

DIRECT EXPENSES

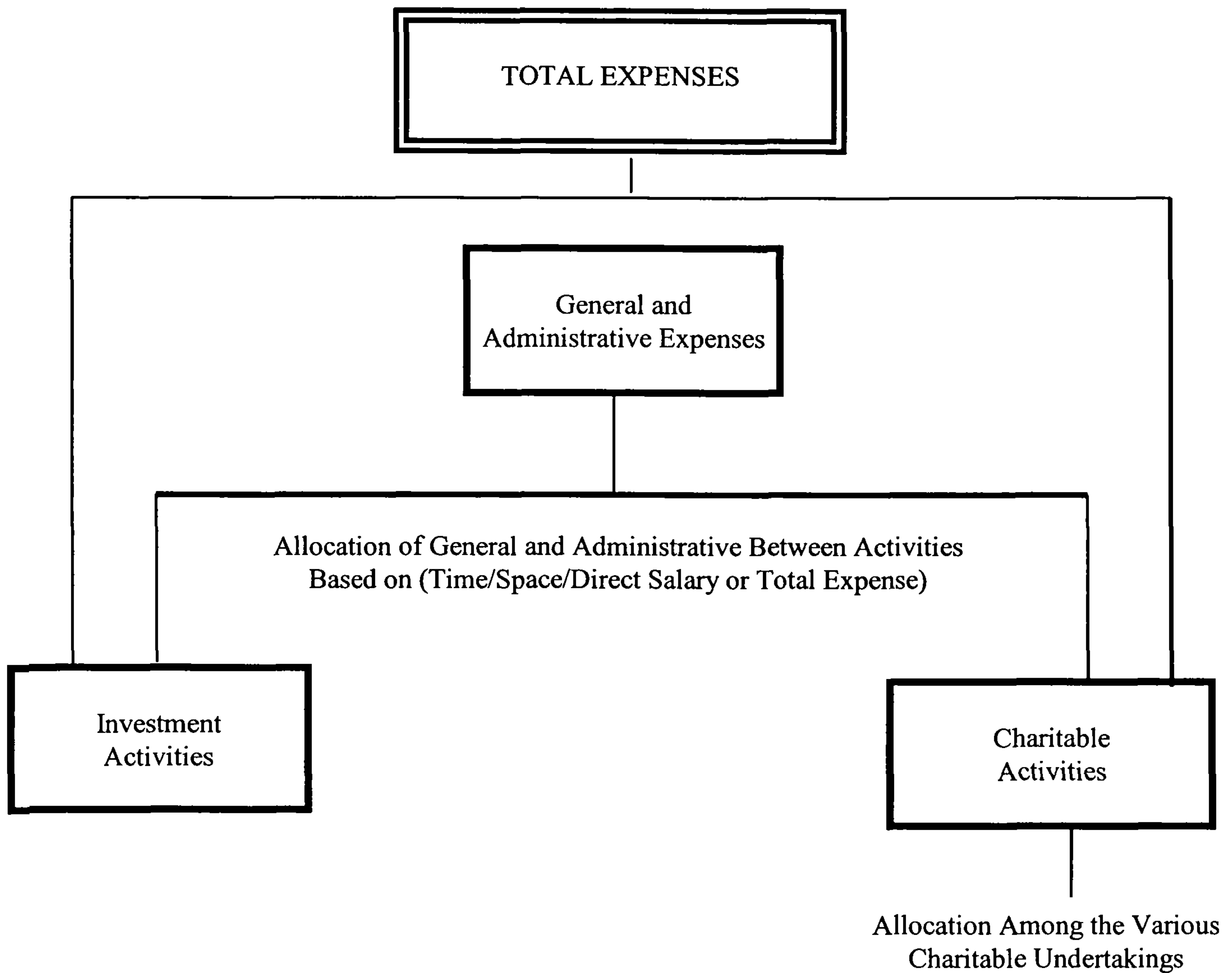
Expenses specifically identifiable to a particular activity have been charged to same. Examples would be; compensation of employees directly engaged in a specific activity, rent and real estate taxes for the use of facilities housing a specific activity (based on space utilized), interest expense incurred directly in relation to a specific activity, professional fees directly attributable to specific activities, etc....

INDIRECT EXPENSES

Indirect expenses (general and administrative) are allocated based upon various methods. For example, compensation is allocated on a time basis, employee benefits are allocated based on salary expenses, and occupancy expenses are allocated on a space-utilized/time basis. All other general and administrative expenses are allocated based on total direct expenses.

ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

NOTE 3 - ALLOCATION OF EXPENSES: (CONTINUED)



ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - PART I - LINE 1 - CONTRIBUTIONS, GIFTS, GRANTS, ETC.:

Cash Contributions from Individuals	<u>\$ 10,328</u>
-------------------------------------	------------------

RE: PAGE 1 - PART I - LINE 5 - GROSS RENTS:

Rental Income	<u>\$ 115,125</u>
---------------	-------------------

RE: PAGE 1 - PART I - LINE 11 - OTHER INCOME:

	<u>Per Books-Col(a)</u>	<u>Net Investment Income-Col(b)</u>	<u>Adjusted Net Income-Col(c)*</u>
Income From 650 Fifth Avenue Partnership (ID #13-3545936)	\$ 3,884,354	\$ 3,884,354	\$ 0
Other Miscellaneous Income	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$ 3,884,354</u>	<u>\$ 3,884,354</u>	<u>\$ 0</u>

* Per instructions to form 990-PF, since Alavi Foundation is a non-operating private foundation, it must report income from charitable activities only on line 11, and does not need to report other kinds of income and expenses in column (c).

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - LINE 16(a), (b) AND (c) – LEGAL, ACCOUNTING AND OTHER PROFESSIONAL FEES:

	<u>Per Books-Col (a)</u>	<u>Net Investment Income Col(b)</u>	<u>Unrelated Business Income</u>	<u>Charitable Purpose Col(d)*</u>
<i>a. Legal Fees:</i>				
• Patterson, Belknap, Etal (General Counsel)	\$ 8,905	\$ 0	\$ 0	\$ 8,905
• Alidoost Esq.	<u>52,755</u>	<u>0</u>	<u>0</u>	<u>52,755</u>
Total	<u>\$ 61,660</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 61,660</u>
<i>b. Accounting Fees:</i>				
• Preparation of Tax Returns	\$ 16,626	\$ 0	\$ 0	\$ 16,626
	<u>\$ 16,626</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,626</u>
<i>c. Other Professional:</i>				
• Contracted Service	\$ 54,599	\$ 21,990	\$ 0	\$ 32,609
	<u>\$ 54,599</u>	<u>\$ 21,990</u>	<u>\$ 0</u>	<u>\$ 32,609</u>

* Exempt purpose expenditures have been determined using the cash receipts and disbursements method in accordance with Internal Revenue Code Section 4942.

ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - LINE 18 - TAXES:

	<u>Per Books-Col (a)</u>	<u>Net Investment Income Col(b)</u>	<u>Unrelated Business Income</u>	<u>Charitable Purpose-Col(d)*</u>
<i>Excise Taxes -</i> 990-PF	\$ 42,144	0	0	0
<i>Unrelated Business Tax:</i>				
990-T	0	0	0	0
NYS CT-13	250	0	250	0
<i>New York State - Charity Fees</i>	<u>1,500</u>	<u>0</u>	<u>0</u>	<u>1,500</u>
Total	<u>\$ 43,894</u>	<u>\$ 0</u>	<u>\$ 250</u>	<u>\$ 1,500</u>

* Exempt purpose expenditures have been determined using the cash receipts and disbursements method in accordance with Internal Revenue Code Section 4942.

Depreciation and Amortization
(Including Information on Listed Property)

OMB No 1545-0172

2005Attachment
Sequence No **67**

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

Name(s) shown on return

ALAVI FOUNDATION

Identifying number

23-7345978

Business or activity to which this form relates

Indirect Depreciation**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	105,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	420,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instr.	5	
(a) Description of property		(b) Cost (business use only)	(c) Elected cost
6			
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special allowance for certain aircraft, certain property with a long production period, and qualified NYL or GO Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	476,092

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

17	MACRS deductions for assets placed in service in tax years beginning before 2005	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B-Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

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

Section C-Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr.	22	476,092
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2005) (Rev. 1-2006)

DAA

There are no amounts for Page 2

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23-7345978

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
AUTO-500 5TH AVE		9/02/01	\$ 24,255	\$ 15,078	S/L	5	\$ 4,851	\$	
EQUIPMENT-500 5TH AVE		8/01/99	5,144	5,144	S/L	5			
FURNITURE-500 5TH AVE		3/01/02	1,391	695	S/L	7	199		
FLOOR COVERING-500 5TH AVE		1/01/03	3,956	1,413	S/L	7	565		
FLOOR COVERING-500 5TH AVE		1/22/04	6,695	159	S/L	7	956		
EQUIPMENT-500 5TH AVE		2/01/04	2,100	490	S/L	5	420		
FURNITURE-500 5TH AVE		2/01/04	1,390	231	S/L	7	199		
COMPUTER-500 5TH AVE		5/07/03	1,820	698	S/L	5	364		
FLOOR COVERING-500 5TH AVE		1/01/05	4,550	162	S/L	7	650		
FURNITURE-500 5TH AVE		3/01/86	85,630	85,630	S/L	10			
COMPUTER-500 5TH AVE		6/01/98	2,093	2,093	S/L	5			
EQUIPMENT-500 5TH AVE		1/01/99	1,400	1,400	S/L	5			
FURNITURE-500 5TH AVE		3/01/89	16,015	16,015	S/L	10			
FURNITURE-500 5TH AVE		3/01/89	4,590	4,590	S/L	10			
COMPUTER-500 5TH AVE		6/01/89	2,767	2,767	S/L	10			
SHREDDER-500 5TH AVE		7/01/89	900	900	S/L	10			
TAPE DUPLICATOR-500 5TH AVE		8/01/89	9,695	9,695	S/L	10			
FURNITURE-500 5TH AVE		9/01/89	2,000	2,000	S/L	10			

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
FAX-500 5TH AVE		10/01/89	\$ 1,625	\$ 1,625	S/L	10	\$	\$	
VCR-500 5TH AVE		11/01/89	1,100	1,100	S/L	10			
COPIER-500 5TH AVE		12/01/89	12,300	12,300	S/L	10			
VHS DUB-500 5TH AVE		12/01/89	1,975	1,975	S/L	10			
COMPUTER-500 5TH AVE		12/01/89	2,443	2,443	S/L	10			
COMPUTER CABINET-500 5TH AVE		10/01/90	1,560	1,560	S/L	10			
COMPUTER COPIER-500 5TH AVE		10/01/90	12,000	12,000	S/L	10			
COMPUTER-500 5TH AVE		3/01/91	8,125	8,125	S/L	10			
PRINTER-500 5TH AVE		5/01/91	668	668	S/L	10			
COPIER-500 5TH AVE		5/01/91	2,100	2,100	S/L	10			
PC-500 5TH AVE		7/01/91	1,474	1,474	S/L	10			
PC-500 5TH AVE		1/01/92	570	570	S/L	10			
COMPUTER MONITOR-500 5TH AVE		4/01/92	2,498	2,498	S/L	10			
PRINTER-500 5TH AVE		5/01/92	380	380	S/L	10			
FAX-500 5TH AVE		9/01/92	1,650	1,650	S/L	10			
FURNITURE-500 5TH AVE		3/01/86	18,297	18,297	S/L	5			
FURNITURE-500 5TH AVE		3/01/87	14,467	14,467	S/L	10			
FURBITURE&FIXTURES-500 5TH AVE		3/01/87	27,675	27,675	S/L	5			

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
PAINTINGS		3/01/87	\$ 8,500	\$	S/L	5	\$	\$	
PAINTINGS		3/01/88	2,500		S/L	5			
SECURITY CAMERAS-500 5TH AVE		1/01/94	3,350	3,350	S/L	5			
COMPUTER-500 5TH AVE		1/01/94	6,658	6,658	S/L	5			
EQUIPMENT-500 5TH AVE		5/01/94	1,245	1,245	S/L	7			
EQUIPMENT-500 5TH AVE		11/01/94	2,370	2,370	S/L	7			
EQUIPMENT-500 5TH AVE		3/01/96	935	935	S/L	5			
COMPUTER-500 5TH AVE		9/01/96	756	756	S/L	5			
COMPUTER-500 5TH AVE		5/01/96	1,947	1,947	S/L	5			
COMPUTER-500 5TH AVE		10/01/97	1,978	1,978	S/L	5			
EQUIPMENT-500 5TH AVE		10/01/97	1,138	1,138	S/L	5			
FURBITURE&FIXTURES-500 5TH AVE		3/01/88	57,305	57,305	S/L	10			
LAND - NJ		3/01/89	19,450			0			
LAND - MD		10/01/84	102,210			0			
LAND - MD		7/01/81	192,400			0			
BUILING - MD		7/01/81	1,128,790	670,224	S/L	40	28,220		
BUILING - MD		10/01/84	141,147	82,942	S/L	35	4,033		
LI-MD		1/01/82	387,509	387,509	S/L	15			

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
LI-MD		3/01/86	\$ 465,494	\$ 465,494	S/L	19	\$	\$	
LI-MD		3/01/87	311,168	143,912	S/L	40	7,779		
LI-MD		3/01/88	296,008	129,500	S/L	40	7,400		
LI-MD		3/01/89	30,915	12,431	S/L	40	773		
BUILDING - MD		8/01/88	1,705,354	710,565	S/L	40	42,634		
LI-MD		3/01/90	190,567	71,860	S/L	40	4,764		
LI-MD		12/01/90	31,680	11,352	S/L	40	792		
LI-MD		1/01/91	59,652	21,247	S/L	40	1,491		
LI-MD		1/01/92	245,450	81,302	S/L	40	6,136		
LI-MD		1/01/93	15,400	4,716	S/L	40	385		
LI-MD		7/01/99	75,000	10,781	S/L	40	1,875		
LI-MD		8/01/00	170,500	19,714	S/L	40	4,263		
LAND - MD		2/01/01	7,226	746	S/L	40	181		
LI-MD		9/01/01	232,582	21,121	S/L	39	5,964		
LI-MD		11/01/02	101,300	6,169	S/L	39	2,597		
FURNITURE& FIXTURES-MD		3/01/90	4,124	4,124	S/L	10			
FURNITURE& FIXTURES-MD		2/01/90	5,039	5,039	S/L	10			
FURNITURE& FIXTURES-MD		2/01/90	15,942	15,942	S/L	10			

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
FURNITURE& FIXTURES-MD		9/01/89	\$ 9,935	\$ 9,935	S/L	10	\$	\$	
FURNITURE& FIXTURES-MD		3/01/89	5,819	5,819	S/L	10			
FURNITURE& FIXTURES-MD		1/01/95	64,779	64,779	S/L	5			
PRINTER-MD		10/01/85	2,350	2,350	S/L	5			
FURNITURE& FIXTURES-MD		1/01/89	12,318	12,318	S/L	10			
EQUIPMENT-MD		3/01/88	53,915	53,915	S/L	10			
COMPUTER DESK-MD		8/01/91	2,097	2,097	S/L	10			
COMPUTER-MD		3/01/84	50,000	50,000	S/L	5			
EQUIPMENT-MD		2/01/91	1,180	1,180	S/L	10			
EQUIPMENT-MD		3/01/91	1,129	1,129	S/L	10			
FURNITURE& FIXTURES-MD		9/01/88	77,264	77,264	S/L	10			
FURNITURE& FIXTURES-MD		12/01/88	2,838	2,838	S/L	10			
EQUIPMENT-MD		10/01/89	520	520	S/L	10			
EQUIPMENT-MD		8/01/90	3,600	3,600	S/L	10			
EQUIPMENT-MD		11/01/90	516	516	S/L	10			
FURNITURE& FIXTURES-MD		12/01/90	1,300	1,300	S/L	10			
EQUIPMENT-MD		12/01/90	855	855	S/L	10			
EQUIPMENT-MD		1/01/91	6,440	6,440	S/L	10			

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
FURNITURE& FIXTURES-MD		10/01/89	\$ 1,184	\$ 1,184	S/L	10	\$	\$	
EQUIPMENT-MD		3/01/90	2,209	2,209	S/L	10			
EQUIPMENT-MD		3/01/91	18,600	18,600	S/L	10			
CHAIR-MD		5/01/91	259	259	S/L	10			
TAPE TAPE RECORDER- MD		5/01/91	1,535	1,535	S/L	10			
STAGE CURTAINS-MD		10/01/91	22,388	22,388	S/L	10			
PHONE LINES-MD		5/01/91	1,015	1,015	S/L	10			
FURNITURE& FIXTURES-MD		6/01/91	20,794	20,794	S/L	10			
VIDEO SYSTEM-MD		6/01/91	6,220	6,220	S/L	10			
SECURITY SYSTEM-MD		6/01/91	16,639	16,639	S/L	10			
FURNITURE& FIXTURES-MD		3/01/90	4,632	4,632	S/L	10			
EQUIPMENT-MD		4/01/91	3,331	3,331	S/L	10			
FURNITURE& FIXTURES-MD		12/01/89	3,585	3,585	S/L	10			
EQUIPMENT-MD		12/01/89	2,459	2,459	S/L	10			
PROJECTOR-MD		8/01/86	10,960	10,960	S/L	10			
VARIOUS-MD		3/01/87	13,993	13,993	S/L	10			
LAND - TX		1/01/88	517,000			0			
BUILDING - TX		11/01/88	583,000	239,273	S/L	40	14,575		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date		Cost		PY		Method		Life		CY		Net Investment		Income		Adj Net		Income	
		Acquired		Basis		Depr						Depr									
LI-TX		10/01/91	\$	83,826	\$	30,391	S/L			40	\$	2,096	\$								\$
COMPUTER-TX		8/01/90		3,000		3,000	S/L			10											
CHAIRS-TX		7/01/89		5,082		5,082	S/L			10											
COMPUTER-TX		5/01/90		4,315		4,315	S/L			10											
LAND-CA		3/01/89		110,000						0											
BUILDING-CA		3/01/89		105,100		42,048	S/L			40		2,628									
LI-CA		3/01/91		8,275		2,914	S/L			40		207									
LI-CA		9/01/89		7,921		3,069	S/L			40		198									
COMPUTER-CA		3/01/91		6,277		6,277	S/L			10											
TABLE & CHAIRS-CA		7/01/90		1,381		1,381	S/L			10											
COPIER-CA		4/01/91		6,018		6,018	S/L			10											
FAX-CA		5/01/91		743		743	S/L			10											
LAND-IMAM		3/01/91		857,485						0											
LAND-IMAM		4/01/97		200,000						0											
BUILDING-IMAM		3/01/91		1,815,048		445,823	S/L			40		45,376									
LI-IMAM		9/01/95		1,281,894		305,780	S/L			40		32,047									
LI-IMAM		9/01/95		1,239,567		295,685	S/L			40		30,989									
LI-IMAM		9/01/95		2,651,057		632,379	S/L			40		66,276									

1102 ALAVI FOUNDATION

23-7345978

FYE: 3/31/2006

Federal Statements

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
LI-IMAM		1/01/00	\$ 1,902,927	\$ 249,758	S/L	40	\$ 47,573	\$	\$
LI-IMAM		10/01/96	641,152	135,579	S/L	40	16,029		
LI-IMAM		9/01/02	89,100	5,807	S/L	40	2,228		
LI-IMAM		11/01/01	117,348	10,155	S/L	39	3,009		
LI-IMAM		1/01/01	182,899	19,241	S/L	40	4,572		
LI-IMAM		3/01/99	584,826	87,725	S/L	40	14,621		
LI-IMAM		10/01/97	211,666	40,480	S/L	39	5,427		
LI-IMAM		3/31/04	20,968	524	S/L	40	524		
LI-IMAM		1/01/05	15,000		S/L	40	375		
LI-IMAM		2/01/96	888,558	202,706	S/L	40	22,214		
LI-IMAM		9/01/95	1,016,510	242,480	S/L	40	25,413		
LI-IMAM		3/01/97	38,666	7,392	S/L	39	991		
LI-IMAM		10/01/97	215,326	41,181	S/L	39	5,521		
FURNITURE& FIXTURES-Q		11/01/01	2,848	1,423	S/L	7	407		
FURNITURE& FIXTURES-Q		10/01/90	1,779	1,779	S/L	10			
EQUIPMENT-Q		6/01/91	9,779	9,779	S/L	10			
EQUIPMENT-Q		6/01/00	4,200	3,780	S/L	5	420		
EQUIPMENT-Q		9/01/96	1,111	1,111	S/L	5			

1102 ALAVI FOUNDATION

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Federal Statements

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Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Desc		Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr	Net Investment Income	Adj Net Income
VISUAL EQUIPMENT-Q		7/01/02	\$ 15,205	\$ 7,603	S/L	5	\$ 3,041	\$	
LI-Q		3/01/91	10,728	10,728	S/L	10			
FURNITURE& FIXTURES-Q		7/01/01	1,938	968	S/L	7	277		
EQUIPMENT-Q		10/01/94	755	755	S/L	7			
EQUIPMENT-MD		1/01/06	20,000		S/L	5	1,000		
LI-IMAM		6/01/05	10,000		S/L	39	214		
LI-MD		1/01/06	55,000		S/L	39	353		
Total			<u>\$22,282,823</u>	<u>\$ 6,746,229</u>			<u>\$ 476,092</u>	<u>2,024</u>	<u>\$ 0</u>

ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - PART I - SCHEDULE OF DEPRECIATION - LINE 19:

	<u>Date Placed in Service</u>	<u>Cost or Basis</u>	<u>Depreciation Allowable or Allowed in Prior Years</u>	<u>Method</u>	<u>Life</u>	<u># Months in Service This Year</u>	<u>Depreciation This Year</u>
<u>500 Fifth Avenue</u>							
Furniture & Fixtures	Various	<u>\$ 375,980</u>	<u>\$ 337,749</u>	S/L	3-10 Yrs	12	<u>\$ 8,204</u>
<u>Land in New Jersey</u>							
	1987	\$ 8,540	\$ 0	N/A	N/A	12	\$ 0
	1988	6,240	0	N/A	N/A	12	0
	1989	<u>4,670</u>	<u>0</u>	N/A	N/A	12	<u>0</u>
		<u>\$ 19,450</u>	<u>\$ 0</u>				<u>\$ 0</u>
<u>Islamic Education Center</u>							
a. MARYLAND:							
Land	1981-84	\$ 294,610	\$ 0	N/A	N/A	12	\$ 0
Building	1981	1,128,790	670,224	S/L	40 Yrs	12	28,220
Building	1984	141,147	82,942	S/L	35 Yrs	12	4,033
Improvements	1982-85	387,509	387,509	S/L	15 Yrs	12	0
Improvements	1986	465,495	465,494	S/L	19 Yrs	12	0
Improvements	1987	311,167	143,912	S/L	40 Yrs	12	7,779
Improvements	1988	296,008	129,500	S/L	40 Yrs	12	7,400
Improvements	1989	30,915	12,431	S/L	40 Yrs	12	773
New Building	8/1988	1,705,354	710,565	S/L	40 Yrs	12	42,634
Improvements	3/1990	190,566	71,860	S/L	40 Yrs	12	4,764
Improvements	3/1991	31,680	11,352	S/L	40 Yrs	12	792
Improvements	3/1991	59,652	21,247	S/L	40 Yrs	12	1,491
Improvements	3/1992	245,450	81,586	S/L	40 Yrs	12	6,136
Improvements	3/1993	15,400	4,716	S/L	40 Yrs	12	385
Improvements	3/2000	75,000	10,781	S/L	40 Yrs	12	1,875
Improvements	8/2000	170,500	19,714	S/L	40 Yrs	12	4,263
Improvements	2/2001	7,226	746	S/L	40 Yrs	12	181
Improvements	9/2001	232,582	21,121	S/L	40 Yrs	12	5,964
Improvements	11/2002	101,300	6,169	S/L	40 Yrs	12	2,597
Improvements	01/2006	55,000	<u>0</u>	S/L	39 Yrs	12	<u>353</u>
		5,910,351	2,851,585				119,640
Furniture & Equip.	Various	<u>471,763</u>	<u>451,763</u>	S/L	3-10 Yrs	12	<u>1,000</u>
		<u>\$ 6,417,114</u>	<u>\$ 3,303,348</u>				<u>\$ 120,640</u>
b. TEXAS:							
Land	1988	\$ 517,000	\$ 0	N/A	N/A	12	\$ 0
Building	1988	583,000	239,273	S/L	40 Yrs	12	14,575
Improvements	1991	<u>83,826</u>	<u>30,391</u>	S/L	40 Yrs	12	<u>2,096</u>
		1,183,826	269,664				16,671
Furniture & Equip.	1991	<u>12,397</u>	<u>12,397</u>	S/L	10 Yrs	12	<u>0</u>
		<u>\$ 1,196,223</u>	<u>\$ 282,061</u>				<u>\$ 16,671</u>

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ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - PART I - SCHEDULE OF DEPRECIATION - LINE 19: (CONTINUED)

	<u>Date Placed in Service</u>	<u>Cost or Basis</u>	<u>Depreciation Allowable or Allowed in Prior Years</u>	<u>Method</u>	<u>Life</u>	<u># Months in Service This Year</u>	<u>Depreciation This Year</u>
<i>Islamic Education Center (Continued)</i>							
c. CALIFORNIA:							
Land	3/1989	\$ 110,000	\$ 0	N/A	N/A	12	\$ 0
Building	3/1989	105,100	42,048	S/L	40 Yrs	12	2,628
Improvements	9/1989	16,196	5,983	S/L	40 Yrs	12	405
		231,296	48,031				3,033
Furniture & Fixtures 1991		14,419	14,419	S/L	10 Yrs	12	0
		<u>\$ 245,715</u>	<u>\$ 62,450</u>				<u>\$ 3,033</u>
IMAM ALI, NEW YORK:							
Land	3/1991	\$ 857,485	\$ 0	N/A	N/A	12	\$ 0
Land	4/1997	200,000	0	N/A	N/A	12	0
Building	3/1991	1,815,048	445,823	S/L	40 Yrs	12	45,376
Improvements	3/1993	1,281,894	305,780	S/L	40 Yrs	12	32,047
Improvements	3/1994	1,239,567	295,685	S/L	40 Yrs	12	30,989
Improvements	3/1995	2,651,057	632,379	S/L	40 Yrs	12	66,276
Improvements	3/1996	1,905,069	445,186	S/L	40 Yrs	12	47,627
Improvements	10/1996	641,152	135,579	S/L	40 Yrs	12	16,029
Building	10/1997	211,666	40,480	S/L	40 Yrs	12	5,427
Improvements	10/1997	253,992	48,573	S/L	40 Yrs	12	6,512
Improvements	3/1999	584,826	87,725	S/L	40 Yrs	12	14,621
Improvements	1/2000	1,902,927	249,758	S/L	40 Yrs	12	47,573
Improvements	1/2001	182,899	19,241	S/L	40 Yrs	12	4,572
Improvements	11/2001	117,348	10,155	S/L	40 Yrs	12	3,009
Improvements	9/2002	89,100	5,807	S/L	40 Yrs	12	2,228
Improvements	3/2004	20,968	524	S/L	40 Yrs	12	524
Improvements	3/2005	15,000	0	S/L	40 Yrs	0	375
Improvements	3/2005	10,000	0	S/L	40 Yrs	0	214
		<u>\$ 13,979,998</u>	<u>\$ 2,722,695</u>				<u>\$ 323,399</u>
<i>Queens School</i>							
Furniture	10/1990	\$ 1,779	\$ 1,779	S/L	10 Yrs	12	\$ 0
Furniture	3/1991	10,728	10,728	S/L	10 Yrs	12	0
Furniture	3/1992	9,779	9,779	S/L	10 Yrs	12	0
Furniture	10/1994	755	755	S/L	10 Yrs	12	0
Equipment	10/1996	1,111	1,111	S/L	5 Yrs	12	0
Equipment	6/2000	4,200	3,780	S/L	5 Yrs	12	420
Furniture	7/2001	1,938	968	S/L	10 Yrs	12	277
Furniture	11/2001	2,848	1,423	S/L	10 Yrs	12	407
Visual Eq.	7/2002	15,205	7,603	S/L	5 Yrs	12	3,041
		<u>\$ 48,343</u>	<u>\$ 37,926</u>				<u>\$ 4,145</u>
<i>Grand Totals</i>		<u>\$ 22,282,823</u>	<u>\$ 6,746,229</u>				<u>\$ 476,092</u>

ALAVI FOUNDATION
ID #23-7345978
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - SCHEDULE OF DEPRECIATION - PART I - LINE 19(a), AND (b):

	<u>Description</u>	<u>Per Book-Col (a)</u>	<u>Investment Income-Col (b)</u>	<u>Unrelated Business Income</u>
<i>Property at:</i>				
Maryland	Charitable Activities	\$ 120,640	\$ 0	\$ 0
Texas	Chartiable Activities	16,671	0	0
California	Charitable Activities	3,033	0	0
500 5th Ave. New York, NY	Foundation Office	8,204	820	0
New York, NY	Charitable & Rental	323,399	1,204	0
Queens School New York, NY	Charitable Activities	<u>4,145</u>	<u>0</u>	<u>0</u>
		<u>\$ 476,092</u>	<u>\$ 2,024</u>	<u>\$ 0</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 1 - LINE 23(a), (b), AND (d) - OTHER EXPENSES:

	<u>Per Books-Col (a)</u>	<u>Net Investment Income-Col(b)</u>	<u>Unrelated Business Income</u>	<u>Charitable Purpose-Col(d)*</u>
Foundation Office	\$ 25,679	\$ 6,420	\$ 0	\$ 19,259
Insurance	61,808	2,584	0	110,412
Charitable Activities	<u>7,926</u>	<u>0</u>	<u>0</u>	<u>7,926</u>
Totals	<u>\$ 95,413</u>	<u>\$ 9,004</u>	<u>\$ 0</u>	<u>\$ 137,597</u>

* Exempt purpose expenditures have been determined using the cash receipts and disbursements method in accordance with Internal Revenue Code Section 4942.

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 – PART II – LINE 7 – OTHER NOTES AND LOANS RECEIVABLE:

Loans to Public Charities - Schedule Attached	\$ 3,321,935
Loans to College Students - Schedule Attached	<u>510,000</u>
	<u>\$ 3,831,935</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 – PART II – LINE 7 – OTHER NOTES AND LOANS RECEIVABLE:

<u>Name</u>	<u>Foundation Status</u>	<u>Purpose of Loan</u>	<u>Balance 3/31/06</u>
Islamic Education Center Tampa, FL	Public Charity	Purchase and Improvement of Property for Center	300,000
American Moslem Foundation Lakewood, WA	Public Charity	Construction of School	5,000
Islamic Institute of New York Queens, NY	Public Charity	Purchase of Property for Religious Affairs	207,360
Alrasool Center Salt Lake City, UT	Public Charity	Repayment of Mortgage Loan on Religious Center	7,500
Aramgah Memorial Garden Foundation, Wynnewood, PA	Public Cemetery	Purchase of Property for Religious Affairs	76,300
Babul Ilm Islamic Center	Public Charity	Repayment of Mortgage Loan	126,000
Noor Center Corporation	Public Charity	Repayment of Mortgage Loan	125,000
Islamic Message Group, Memphis, TN	Public Charity	Construction of Center	120,000
Shia Ithna Asheri Jamaat of Pennsylvania-Allentown, PA	Public Charity	Construction of Center	67,500
Islamic Center of Portland Beaverton, Oregon	Public Charity	Repayment of Mortgage Loan on Religious Center	217,500
Jafria Association of Connecticut, Inc.-Rockfall, CT	Public Charity	Purchase of Property for Center	70,600
Sahebozaman Islamic Center Atlanta, Georgia	Public Charity	Repayment of Mortgage Loan on Religious Center	157,675

Cont'd.....2

ALAVI FOUNDATION
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ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 – PART II – LINE 7 – OTHER NOTES AND LOANS RECEIVABLE (CONTINUED):

<u>Name</u>	<u>Foundation Status</u>	<u>Purpose of Loan</u>	<u>Balance 3/31/06</u>
Al Mahdi Islamic Center Nashville, Tennessee	Public Charity	Purchase of Property for Center	71,500
Islamic Center of San Diego, San Diego, CA	Public Charity	Purchase of Property for Center	1,225,000
Shia Association of Bay Area, CA	Public Charity	Purchase of Property for Center	500,000
Mahdieh, Inc. Broomal, Pennsylvania	Public Charity	Construction of Center	<u>45,000</u>
			<u>\$ 3,321,935</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

Re: Page 2 – Part II – Line 7 – Loans Receivable:

<u>Name</u>	<u>SS#</u>	<u>School</u>	<u>Address</u>	<u>Amount</u>
Adabi, Golnaz		St. John's University		\$ 25,000.00
Ale-Ali, Amine		Univ of CA-Los Angeles		30,000.00
Aliabadi, Amin		Northeastern University		10,000.00
Badakhshan, Safora		Barnard Coll-Colum Univ		10,000.00
Baradar, Forooza		National University		10,000.00
Behzadi, Pedram Amin		Emory University		30,000.00
Dejgosha, Siavash		Cornell University		30,000.00
Dibae, Neda		SUNY College of Optometry		25,000.00
Ghafarzade, Farhad		Univ of CA-Santa Cruz		25,000.00
Hedayati, Saied		Carnegie Mellon University		15,000.00
Jahedi, Salar		Univ CA – Berkeley		10,000.00

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FOR THE YEAR ENDED 3/31/2006

Jahedi, Sogol		University of Illinois	10,000.00
Lalezary, Maziar		Univ CA- San Diego	5,000.00
Mortazavi, Behnoush		San Diego State University	30,000.00
Nonahal Tehrani, Behnam		George Washington Univ	30,000.00
Nonahal Tehrani, Payman		Univ of MD-College Park	30,000.00
Noroozy, Borzoo		Univ of CA-Berkeley	5,000.00
Noroozy, Rouzbeh		Univ of CA-Berkeley	5,000.00
Sarrafee, Maryam		George Washington Univ	20,000.00
Sarrafee, Zahra		New York University	20,000.00
Syedhossini, Ehsan		University of Oregon	30,000.00
Syedhossini, Paymon		Portland State University	30,000.00
Shabafrooz, Setareh		Univ of CA-San Diego	30,000.00

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Shams, Leyla		Univ of Texas at Austin		30,000.00
Tahami, Maryam		Irvine Valley College		<u>15,000.00</u>
				<u>\$510,000.00</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 -PART II - LINE 10(b) - INVESTMENTS - CORPORATE STOCK
:

	<u>Costs</u>	<u>Market Value</u>
1175 Shares of General Motors	<u>\$ 99,163</u>	<u>\$ 24,992</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 - PART II - LINE 11 - LAND AND BUILDINGS:

	<u>Cost of Basis</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>	<u>Market Value</u>
<u>Property in Virginia</u>				
Land & Building	<u>\$ 2,196,127</u>	<u>\$ 0</u>	<u>\$ 2,196,127</u>	<u>\$ 1,400,000</u>

NP REALTY

Most Valuable Properties

From : Amir H. Azadi (Realtor)

To : Mr. Hossein Mirza. Alavi Foundation

Ref. : Aldie Rd. Property

Dear MR. Mirza;

In reference to your request for the approximate present market value property at 4204. Aldie Road, Catharpin, mannassass, Virginia, based on my comparative market analysis The present market value of Alavi foundation's property at Aldie Road Catharpin is approximately One million four hundred thousand dollars. (\$ 1,400,000.)

.....
Please inform me if I could be of any further help to you and Alavi foundation.

Best-Regards;

Amir H. Azadi

19-18-01

ALAVI FOUNDATION
ID #23-7345978
ATTACHMENT TO FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 - PART II - LINE 13 - OTHER INVESTMENT:

	<u>Book Value</u>	<u>Market Value</u>
Investment in 650 Fifth Avenue Company (See Schedule "RE: PAGE 7 - PART X - LINE 1(c)")	<u>\$ 7,948,961</u>	<u>\$ 58,649,890</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 - PART II - LINE 14 - LAND, BUILDINGS AND EQUIPMENT:

	<u>Cost or Basis</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>	<u>Market Value</u>
<u>Property in Maryland</u>				
Land	\$ 294,610	\$ 0	\$ 294,610	\$ 294,610
Building & Improvements	5,650,742	2,971,225	2,679,517	2,679,517
Furniture & Fixtures	<u>471,763</u>	<u>452,763</u>	<u>19,000</u>	<u>19,000</u>
	<u>6,417,115</u>	<u>3,423,988</u>	<u>2,993,127</u>	<u>2,993,127</u>
<u>Property in Texas</u>				
Land	517,000	0	517,000	517,000
Building & Improvements	666,826	286,335	380,491	380,491
Furniture & Equipment	<u>12,397</u>	<u>12,397</u>	<u>0</u>	<u>0</u>
	<u>1,196,223</u>	<u>298,732</u>	<u>897,491</u>	<u>897,491</u>
<u>Property in California</u>				
Land	110,000	0	110,000	110,000
Building & Improvements	121,296	51,064	70,232	70,232
Furniture & Fixtures	<u>14,419</u>	<u>14,419</u>	<u>0</u>	<u>0</u>
	<u>245,715</u>	<u>65,483</u>	<u>180,232</u>	<u>180,232</u>
<u>Property in New Jersey</u>				
Land	<u>19,450</u>	<u>0</u>	<u>19,450</u>	<u>19,450</u>
<u>Property at 500 5th Ave, NY</u>				
Furniture & Equipment	<u>375,980</u>	<u>345,953</u>	<u>30,027</u>	<u>30,027</u>
<u>Property in New York</u>				
Land	1,057,485	0	1,057,485	1,057,485
Building & Improvements	12,912,512	3,046,094	9,866,418	9,866,418
Furniture & Fixtures	<u>48,343</u>	<u>42,071</u>	<u>6,272</u>	<u>6,272</u>
	<u>14,028,340</u>	<u>3,088,165</u>	<u>10,940,175</u>	<u>10,940,175</u>
Grand Totals	<u>\$ 22,282,823</u>	<u>\$ 7,222,321</u>	<u>\$ 15,060,502</u>	<u>\$ 15,060,502</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 - PART II - LINE 15 - OTHER ASSETS:

	<u>Cost</u>	<u>Market Value</u>
Prepaid Taxes	\$34,856	\$34,856
Prepaid Expenses, Deposit, and Other Receivables	<u>49,172</u>	<u>49,172</u>
Total	<u>\$84,028</u>	<u>\$84,028</u>

ALAVI FOUNDATION
ID #23-7345978
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 2 - PART II - LINE 22 - OTHER LIABILITIES:

	<u>Cost</u>	<u>Market Value</u>
Security Deposits Payable	\$26,121	\$26,121
Tax Expense	250	250
New York State Fee	<u>1,500</u>	<u>1,500</u>
Total	<u>\$27,871</u>	<u>\$27,871</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 6 - PART VIII LINE 1 - OFFICERS, DIRECTORS, TRUSTEES,
FOUNDATION MANAGERS AND THEIR COMPENSATION:

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted to Position</u>	<u>Contributions To Employee Benefit Plans</u>	<u>Expense Account, Other Allowances</u>	<u>Compensation (if any)</u>
Mohammad Geramian Yonkers, New York	President Full Time	\$ 26,753	\$ 0	\$ 153,955
Alireza Ebrahimi Mineola, New York	Secretary (Director Fees)	0	0	11,750
Houshang Ahmadi Riverdale, New York	Treasurer (Director Fees)		0	12,515
Ali Dabiran Bayside, New York	Director (Director Fees)	0	0	10,200
Hassan Hassani Great Neck, New York	Director (Director Fees)	0	0	11,300
Ali Afshar Dobbs Ferry, New York	Director (Director Fees)	<u>0</u>	<u>0</u>	<u>10,450</u>
		26,753	0	210,170
Amount Reimbursed by 650 Fifth Avenue Partnership (See Note 1)		<u>13,376</u>	<u>0</u>	<u>76,978</u>
Net		<u>\$ 13,377</u>	<u>\$ 0</u>	<u>\$ 133,192</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 6 - PART VIII - LINE 2:

<u>Name and Address</u>	<u>Title and Time Devoted to Position</u>	<u>Contribution to Employee Benefit Plans</u>	<u>Expense Accounts, Other Allowance</u>	<u>Compensation</u>	<u>Reimbursement (Note 1)</u>
Hannah Nakhshab Ossining, New York	Building Manager Full Time	\$ 17,534	\$ 36,500	\$100,902	\$ 154,936
Hanieh Safakamal Astoria, New York	Accountant Full Time	11,435	23,803	65,802	65,939

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 6 - PART VIII - LINE 3:

<u>Legal:</u>	<u>Total Amount</u>	<u>Investment Function</u>	<u>Exempt Function</u>
Alidoost Esq. New York, NY <i>General Counsel</i> Fees Paid	<u>\$ 52,755</u>	<u>\$ 0</u>	<u>\$ 52,755</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 6 - PART IX - A SUMMARY OF DIRECT CHARITABLE ACTIVITIES:

LINE 1 - INTEREST FREE LOANS TO EDUCATIONAL CENTERS

The Foundation provides interest free loans to public not-for-profit organizations in the United States for the purchase or construction of the following facilities to be used by the community and all other interested individuals:

- Religious and cultural centers;
- mosques;
- schools; and
- grave sites

LINE 2 - INTEREST FREE LOANS TO STUDENTS

The Foundation provides interest free loans to college students for tuition and related expenses based on rulings from the Internal Revenue Service.

LINE 3 - SATURDAY FARSI SCHOOLS

As part of it's educational purposes, the Foundation financially supports various not-for-profit organizations throughout the United States for operating Weekend Schools for teaching Islamic religion and Middle Eastern languages and cultures. The schools' programs are utilized by all interested parties.

LINE 4 - PUBLICATION DISTRUBITION PROGRAM

The Foundation purchases and publishes educational literature and distributes them to the individuals and organizations in the United States and abroad:

- Universities, Islamic and Middle East institutes and schools.
- Public libraries.
- Distinguished Islamic and Middle East academies.
- Islamic centers and mosques.
- Muslim prisoners or non-Muslim inmates that request the publications.
- Individual Muslims as well as Non-Muslims.

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 7 – PART 1X-B – LINE 1 – PROGRAM-RELATED INVESTMENT:

INTEREST FREE LOANS TO PUBLIC CHARITIES:

<u>Name</u>	<u>Foundation Status</u>	<u>Purpose of Loan</u>	<u>Balance 3/31/06</u>
Islamic Center of Portland	Public Charity	Property purchase	\$ 200,000
Islamic Education Center of San Diego	Public Charity	Property purchase	1,225,000
Islamic Center of Ahl' Albait	Public Charity	Refund on overpayment	2,000
Shia Association of Bay Area	Public Charity	Property purchase	500,000
The Islamic Message Group	Public Charity	Construction of Center	<u>90,000</u>
			<u>\$ 2,017,000</u>

ALAVI FOUNDATION
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Re: Page 7 – Part IX-B – Line 2 – PROGRAM-RELATED INVESTMENT:

INTEREST FREE LOANS TO COLLEGE STUDENTS:

<u>Name</u>	<u>School</u>	<u>Amount</u>
Ale-Ali, Amine	Univ of CA-Los Angeles	5,000.00
Dibae, Neda	SUNY College of Optometry	10,000.00
Ghafarzade, Farhad	Univ of CA-Santa Cruz	5,000.00
Nonahal Tehrani,Behnam	George Washington Univ	5,000.00
Nonahal Tehrani, Payman	Univ of MD-College Park	5,000.00
Syedhossini, Paymon	Portland State University	5,000.00
		<u>\$ 35,000.00</u>

ALAVI FOUNDATION
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FOR THE YEAR ENDED 3/31/2006

RE: PAGE 7 - PART X - LINE 1(c) - FAIR MARKET VALUE OF OTHER ASSETS:

<i>1 - Investment in 650 Fifth Ave Partnership:</i>	
Real Property - Appraised Value (See Attached)	\$ 89,000,000
Other Assets of Partnership at 3/31/2006, at Fair Market Value (Cost)	11,859,813
Less: Liabilities at 3/31/2006	<u>(3,109,997)</u>
Net	<u>\$ 97,749,816</u>
The Foundation's Interest in the Partnership	<u>60%</u>
Fair Market Value of the Investment	\$ 58,649,890
<i>2 - Investment in Real Estate Properties:</i>	
(See Schedule Re: Part II - Line 11)	1,400,000
<i>3 - Furniture and Equipment at 500 Fifth Ave</i>	
(See Schedule Re: Part II - Line 14)	30,027
<i>4 - Other Assets</i>	
(See Schedule Re: Part II - Line 15)	<u>49,172</u>
	<u>\$ 60,129,089</u>



APPRAISERS AND PLANNERS INC

9 EAST 40TH STREET NEW YORK, NY 10016
(212) 683-1122 FAX (212) 213-6120

EDWARD LEVY, ASA
JAMES L. LEVY, MAI
RUTH A. AGNESE, MAI
SALLY MILANO

ASSOCIATE
ELINOR BRUNSWICK, MAI

September 18, 2001

650 Fifth Avenue Associates
c/o Alavi Foundation
500 Fifth Avenue
New York, New York 10110

**Re: 650 Fifth Avenue
Block 1267, Lot 41
New York, New York**

Gentlemen:

In accordance with your request, we have prepared an appraisal of the above captioned property, hereby referred to as the subject property.

The subject property is identified as Block 1267, Lot 41 on the City of New York Tax Assessment Maps, is situated at the southwest intersection of Fifth Avenue and West 52nd Street. The subject consists of generally rectangular shaped parcel containing approximately 13,625 square feet of land. The site lies within the confines of designated C5-3 and C5-2.5 commercial zoning districts. The site is improved with a 36-story office building constructed in 1979. Rentable area measures approximately 345,858± square feet and the above grade gross building area is 336,000 square feet. The building is operated as a multi-tenanted office building.

Public record indicates the subject property is owned by 650 Fifth Avenue Company. As per a lease dated March 31, 1970, the property is leased in its entirety to 650 Fifth Avenue Associates for a period of 99 years. During the initial term of the lease, based rent is fixed. The rent for the period of August 1, 2001 to July 31, 2024 shall be the greater of 1.) \$135,000 or 2.) the sum equal to 1.6065% of the fair value of the land as of February 1, 2001. For purposes of establishing the renewal rental rate, which was at the time of this writing, still in negotiation, we have relied upon our estimate of \$595,000 as concluded in our appraisal of the renewal rent dated May 10, 2001. The report should be read in its entirety, as it is an integral part of this appraisal.

The purpose of the appraisal is to estimate the fair market value of the leasehold interest.

Fair market value is defined as the most probable price as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after a reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self interest and assuming neither is under undue duress.

The interest appraised is the leasehold interest of the subject property.

The effective appraisal date is March 31, 2001.

The function of the appraisal is to provide information for internal purposes.

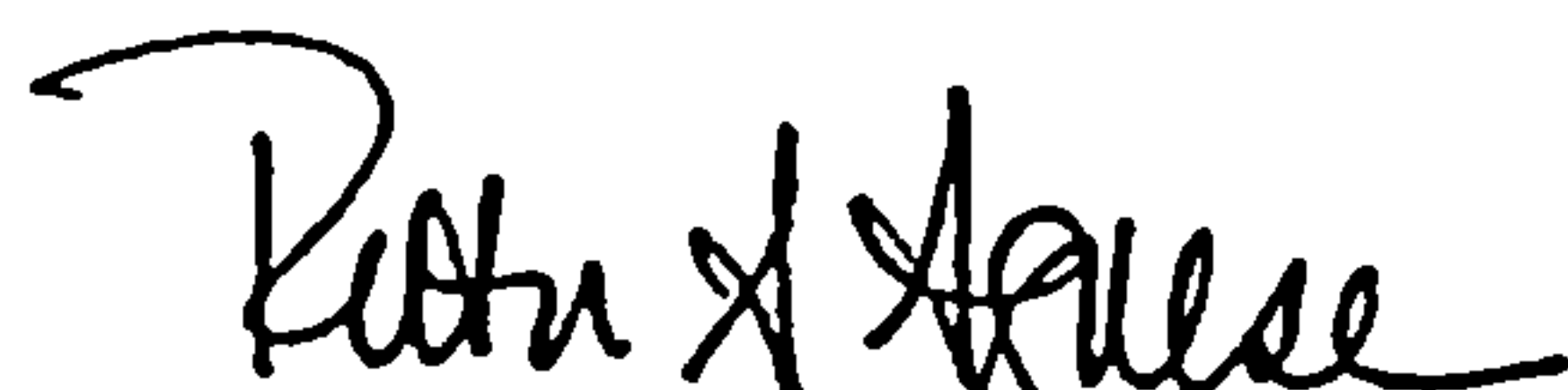
The following report sets forth all available data and methodology utilized in arriving at our value conclusion and should be read in its entirety.

The appraisal is subject to the Underlying Assumptions and Contingent Conditions set forth on the following pages and was prepared in conformance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Institute.

After an analysis of all relevant data and based upon the documentation presented within the following report and retained in our files, it is our opinion that the estimated market value of the leasehold interest in the subject property, as of March 31, 2001 was:

EIGHTY-NINE MILLION (\$89,000,000) DOLLARS

Respectfully submitted,



Ruth A. Agnese, MAI
State Certified General Appraiser
I.D. #46000009955



/ LOCATION FOR STUDENT LOAN

I - PERSONAL DATA

1. Your full name (as it appears on your Social Security card) _____
Last First

2. Social Security number _____
e.g. 123-45-6791

3. Your permanent mailing address _____
Number and street (Include Apt. Number)

City State Zip Code

Your current mailing address _____
Number and street (Include Apt. Number)

City State Zip Code

4. Your permanent telephone number _____ E-mail Address _____

Your current telephone number _____ Fax Number _____

5. Date of birth (mm/dd/yyyy) _____ Country of birth _____

6. Are you a U.S. citizen

☐ Yes

☐ No (Please provide your ten digit Alien Registration Number) _____

7. Marital Status

☐ Single

☐ Married, Spouse's given name _____

8. Do you have children or other legal dependants

☐ No

☐ Yes

Name	Age

--	--

9. Mother's given name _____ Birth Place _____ Age _____ Living? _____

Father's given name _____ Birth Place _____ Age _____ Living? _____

10. Parent's (guardian's) marital status

- ☐ Married
- ☐ Divorced

11. Parent's (guardian's) legal dependents

Name	Age	Relationship	College attending (If applicable)

II - ACADEMIC DATA

12. Name of institution attending _____

Address of institution _____

13. Field of study

- ☐ Major _____
- ☐ Minor _____

14. Current Status

- ☐ Freshman ☐ Sophomore ☐ Junior ☐ Senior
- ☐ Masters Program ☐ PHD/Doctoral Program ☐ Other _____

15. Expected degree _____ Expected date of graduation _____

16. Schools Attended

	Name	Location (State and/or Country)	Dates Attended
Elementary school			

Middle school

High school

Other

17. How many credits have you completed towards your degree? _____

How many more credits do you need to graduate? _____

What is your cumulative G.P.A. of all attended schools? _____

18. If you are married and your spouse is also a student, please furnish the following information:

Name of college/university _____ Location _____

Field of study _____ Expected degree _____ Expected date of graduation _____

III - FINANCIAL DATA

	You	Spouse	Parents combined
19. Adjusted gross income last year IRS Form 1040-line 33, 1040A-line 19			
20. Total amount of income tax last year IRS Form 1040-lines 50+52, 1040A-lines 32+34			
21. Total exemptions for last year? IRS Form 1040-line 6d, 1040A-line 6d			

	You	Spouse	Parents Combined
22. Net worth of current investments?			
23. Current balance of savings and checking accounts?			

24. Your employment history (List most current first)

Employer	Address	Position	Salary	Dates Employed

Your spouse's employment history (List most current first)

Employer	Address	Position	Salary	Dates Employed

25. Financial Aid History

Amount of Grant/Loan	Year	Source

26. Have you or any members of your family previously applied for assistance to this foundation?

- ☐ No
- ☐ Yes (Please provide date and amount received) _____
- Date
Amount

IV - GENERAL DATA

27. If there was any interruption in your studies from the time you attended elementary school to high school in the U.S., please give details of your activities during this period and where you attended school.

28. List all academic awards, honors, and other achievements, including books published (Please attach supporting documents).

29. List all non-academic achievements, which would illustrate your motivation, character, abilities, and leadership qualities.

30. Name, address, and telephone number of two references (not living with you) in the United States.

Please submit the following:

Copy of American birth certificate, passport, green card, or naturalization papers.

Copy of parent's birth certificate or passport showing proof that one or both of them are Iranian.

Official transcripts from all previously attended colleges/universities in sealed envelopes from the school registrar office.

Elementary, middle, and high school transcripts.

Copy of high school diploma.

Copy of income tax return(s) that were used to supply the information in part III.

A one page essay detailing why you should be the recipient of this loan highlighting aspects of your personality, goals, and achievements.

Please submit the name and phone number of the Department Chairperson for your school's Near/Middle Eastern or Language Department.

APPLICATION DEADLINE: APRIL 30,

PROMISSORY NOTE

The undersigned, _____, a full time
_____ student at _____,
residing at _____
with permanent address at _____
("Borrower"), hereby acknowledges receipt of Ten Thousand U.S. dollars (\$10,000.00)
(the "Loan") from Alavi Foundation, a not-for-profit New York Corporation, having an
office at 500 Fifth Avenue, New York, New York 10110 (the "Lender").

The Loan is free of any interest. The borrower (i) expects to obtain his/her _____
on _____, 20 ____, and (ii) agrees and promises to pay the principal of the
Loan to the Lender (or to Lender's successor, assign, agent or designee, as the case may
be) in 48 equal monthly installments beginning with the first day of _____
("Due Date"), and thereafter on the first day of each calendar month continuing through
and including _____. If Borrower becomes a full time student
during a repayment period, then a new repayment date will be set for two years after
the new graduation date. Notwithstanding the foregoing, (x) if the
Borrower, for whatever reason, fails to enroll as a full time student prior to graduation,
then the Due Date shall commence on the second anniversary of the first month of the
first semester on which the Borrower fails to enroll as a full time student; (y) if Lender, in
its sole good faith judgment, is satisfied that the Borrower has made a false statement or a
misrepresentation to the Lender in connection with this Loan, then the Loan shall become
due and payable immediately upon Lender's demand; and (z) if the Borrower shall
default two times in any twelve month period in making timely payment of the
installments when due, the Lender shall have the right to demand that the balance of the

consents to the jurisdiction of the codes of the State of New York.

Signature of Guarantor

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF _____)
)
COUNTY OF _____) SS.:

On the _____ day of _____ in the year _____ before me, the undersigned, a Notary public in and said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they/ executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF _____)
)
COUNTY OF _____) ss.:

On the _____ day of _____ in the year _____ before me, the undersigned, a Notary public in and said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they/ executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

Loan be paid in one or two installments within the time period specified by Lender.

Presentment for payment, notice of dishonor or default, protest and notice of protest are hereby waived by the Borrower. No renewal or extension of this promissory note, no delay in enforcement or payment thereof and no delay or omission in exercising any right or power hereunder shall affect the liability of the Borrower hereunder.

This promissory note is guaranteed as to payment by _____;
and is governed by the laws of the State of New York. The Borrower hereby consents to the jurisdiction of the courts of the State of New York.

Dated: _____, 2003

Signature of Borrower (Student)

GUARANTY

The undersigned, _____, residing at _____, S.S. No. _____ (i) is _____ of the Borrower, and (ii) hereby personally and unconditionally guarantees the timely, full and unconditional payment to the Lender of the Loan in the promissory note to which this guaranty is attached. The undersigned promises and agrees to make timely payments even if the Lender demands payment from the undersigned without first demanding payment from, or attempts collecting from, the Borrower.

This guaranty is governed by the laws of the State of New York and the guarantor hereby

ALAVI FOUNDATION
ID #23-7345978
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RE: PAGE 7 – PART XI – LINE 4:

Recovery of amounts treated as qualifying distributions:

1.	Installment received on program related interest free loans from various centers	\$ 164,400
2.	Conversion of interest free loans to contributions	<u>361,500</u>
		<u>\$ 525,900</u>

ALAVI FOUNDATION
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RE: PAGE 9 - PART XV - LINE 2a, b, c, and d:

1 - Gifts, Grants, Etc:

Address the application to:

DR. MOHAMMAD GERAMIAN
500 FIFTH AVENUE, 39TH FLOOR
NEW YORK, NEW YORK 10110
TELEPHONE: (212) 944-8333

- No application form.
- Request may be in letter form.
- No deadline for submission of request.

2 - Book Distribution Program:

Address the requests to:

DR. MOHAMMAD GERAMIAN
ADDRESS AND TELEPHONE AS ABOVE

- No application form required.
- Applications accepted all the time.
- Request may be made in letter form.

3 - Student Loan Program:

DR. MOHAMMAD GERAMIAN
ADDRESS AND TELEPHONE AS ABOVE

- Application Form is attached.
- Deadline for submission of request of April 30.

ALAVI FOUNDATION
ID # 23-7345978
ATTACHMENT OT FORM 990-PF
FOR THE YEAR ENDED 3/31/2006

Re: Page 10-Part XV - Line 3 - Contributions Paid

Domestic Contributions

Ahlul Bayt Mosque, Inc.		95,000.00
Al Zahra Islamic Center	Previous Loan Converted to Donation	25,000.00
American Moslem Foundation	Previous Loan Converted to Donation	55,000.00
Babul Ilm Islamic Center	Previous Loan Converted to Donation	150,000.00
Binghamton University		5,000.00
California State University - Los Angeles		2,000.00
Catholic University of America		75,000.00
Child Foundation: Hurricane Katrina		50,000.00
City of Knowledge		30,000.00
Harvard University		36,000.00
Hejrat Educational Center		270,000.00
Hunter College		6,000.00
Interfaith Freedom Foundation		3,000.00
Iranian-Armenian Society Inc.		3,000.00
Islamic Center of Portland		400,000.00
Islamic Education Center		165,000.00
Islamic Institute of Ahl'Albait	Previous Loan Converted to Donation	16,500.00
Islamic Institute of New York		162,000.00
Islamic Message Group		120,000.00
Jafria Association of North America	Previous Loan Converted to Donation	100,000.00
Manassas Mosque		53,000.00
Masoomen School of Islamic Education		3,000.00
McGill University		30,000.00
Muslim Community School		203,000.00
Muslim Foundation, Inc.		230,000.00
Noor Center Corporation		55,000.00
Portland State University Foundation		47,500.00
Razi School		300,000.00
Rutgers Foundation		75,000.00
Rutgers University		161,500.00
Rutgers University		2,100.00
Sacred Heart University		10,000.00
Shia Association of Bay Area		500,000.00
Shia Islamic Education Center		300,000.00

ALAVI FOUNDATION
ID # 23-7345978
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FOR THE YEAR ENDED 3/31/2006

Re: Page 10-Part XV - Line 3 - Contributions Paid (Continued)

The Islamic Message Group	90,000.00
Universal Muslim Association of America	100,000.00
University of Pennsylvania	40,000.00
University of Southern California	10,000.00
Western Behavioral Sciences Institute	3,000.00
William J. Clinton Foundation	30,000.00
Women for Women International	3,000.00
Zainabia Nonprofit Inc	45,000.00
Zainabia Nonprofit Inc	Previous Loan Converted to Donation 15,000.00
Total Domestic Contributions	<u>4,074,600.00</u>

Book Publication / Distribution Contribution

Islamic Education Center	51,000.00
Quran Account Inc	20,000.00
Total Book Publication / Distribution Contribution	<u>71,000.00</u>

Weekend Persian School Contributions

Anjuman-E-Haideri	22,000.00
Az-Zahra Center, Inc.	9,050.00
Imam Reza Foundation -	6,000.00
Islamic Education Center	19,000.00
Islamic House of Wisdom	8,000.00
Jafria Assoc. of North America	14,400.00
Noor Center Corporation	12,000.00
Oklahoma Farsi School	11,900.00
Pars Academy Inc.	14,600.00
Persian Cultural Club	80,000.00
Persian Language Institute Inc	20,315.00
Razi School	18,200.00
Sahebozaman Islamic Center	13,400.00
Toronto Farsi School	50,000.00
Total Weekend Persian School Contributions	<u>298,865.00</u>

GRAND TOTAL

4,444,465.00